



LEGISLATIVE ASSEMBLY

# Public Accounts Committee

ANNUAL REVIEW  
2004-2005

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## MEMBERSHIP & STAFF

**Chair** Noreen Hay MP, Member for Wollongong (from 19 October 2005)  
 Matt Brown MP, Member for Kiama (until 23 September 2005)

**Vice-Chairman** Steve Whan MP, Member for Monaro (from 19 October 2005)  
 Paul McLeay MP, Member for Heathcote (until 13 September 2005)

**Members** Steve Whan MP, Member for Monaro  
 Gladys Berejiklian MP, Member for Willoughby (until 12 October 2005)  
 Richard Torbay MP, Member for Northern Tablelands  
 John Turner MP, Member for Myall Lakes  
 Greg Aplin MP, Member for Albury (from 12 October 2005)  
 Kristina Keneally MP, Member for Heffron (from 12 October 2005)

**Staff** Vicki Buchbach, Committee Manager  
 Jackie Ohlin, Project Officer  
 Eloise Murphy, Committee Officer (September - December 2004)  
 Jacqui Isles, Committee Officer (February - June 2005)  
 Mohini Mehta, Assistant Committee Officer  
 David Daniels, Audit Office Secondee (until August 2004)  
 Karen Taylor, Audit Office Secondee (February - August 2005)

**Contact Details** Public Accounts Committee  
 Legislative Assembly  
 Parliament House  
 Macquarie Street  
 Sydney NSW 2000

**Telephone** 02 9230 2631

**Facsimile** 02 9230 2831 or 9230 3054

**E-mail** [pac@parliament.nsw.gov.au](mailto:pac@parliament.nsw.gov.au)

**URL** [www.parliament.nsw.gov.au/publicaccounts](http://www.parliament.nsw.gov.au/publicaccounts)



## Chairman's Foreword

I am pleased to present this report of the work of the Public Accounts Committee for 2004-05 on behalf of the former Chairman of the Committee, Matt Brown MP, who, along with the former Vice-Chairman Paul McLeay MP, was appointed to the position of Parliamentary Secretary before this report was finalised.

Last financial year was another busy year for the Committee. It met 20 times, held seven hearings and took evidence from 56 witnesses. The Committee tabled seven reports, including six reports of inquiries. Two more inquiry reports were tabled in September 2005.

It is pleasing that the Committee's reports have generally been well received and the majority of recommendations have been agreed by the Government.

During 2004-05, the Committee also commenced two major inquiries into sustainability reporting in the NSW public sector and into the use of public private partnerships.

I joined the Committee in October 2005 and I look forward to working with the other members on these challenging issues.

The Committee has promoted the work of the Auditor-General by facilitating briefings for members on Auditor-General's reports after they are tabled. The Committee has also worked on improving the parliamentarians' understanding of financial management and accountability by arranging for officers of Treasury and the Auditor-General to provide three seminars on the Budget papers, financial reporting and auditing.

The Committee is grateful to the Audit Office for making its technical staff available to work temporarily as part of the secretariat. In 2004-05 two staff, David Daniels and Karen Taylor, both worked as advisers to the Committee at different times.

The Committee appreciates the support it receives from the secretariat.

I am also grateful to Vicki Buchbach and Mohini Mehta for preparing this report.



Noreen Hay MP  
Chair



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## Chapter One - Members of the Committee in 2004-2005

1.1 Six members served on the Committee in 2004-05.

### **Mr Matthew Brown BMath, LLB (Hons), MP, Chairman**

- 1.2 Mr Brown was elected as the ALP Member for Kiama on 27 March 1999. His other parliamentary service includes being Vice-Chair of the Standing Committee on Public Works (1999-2003) and a member of the ICAC Committee and Vice-Chair of the Ethics Committee. Mr Brown was a Vice-Chair of the Joint Select Committee Nuclear Waste (2003-04). Matt is also President of the parliamentary Lions Club and now member of the Transport Workers Union.
- 1.3 Mr Brown is a member of the Law Society of NSW and a member of the United Services Union. He is Patron of the Illawarra Forum of the Australian Republican Movement. He was President of Kiama Young Citizen Council 1988-90 and Kiama Young Citizen of the Year 1991. Mr Brown was Captain of Kiama High School in 1990. Previously a solicitor, he also worked as a lecturer at the University of Wollongong, owned a Mexican restaurant and was a beach inspector for Kiama Council for three years.
- 1.4 On 23 September 2005, Mr Brown was appointed to the position of Parliamentary Secretary assisting the Minister for Roads and Minister for Transport. Consequently he ceased to serve on the Committee.

### **Mr Paul McLeay MP, Vice-Chairman**

- 1.5 Mr McLeay was elected as the ALP Member for Heathcote on 22 March 2003. Prior to entering Parliament, he worked in the union movement, including positions as the Assistant General Secretary of the Public Service Association of NSW and the Assistant Secretary of the NSW Branch of the State Public Services Federation.
- 1.6 Mr McLeay is a volunteer fire fighter and Secretary of the Bundeena Bush Fire Brigade. Paul is also a member of the Management Committee of Engadine District Youth Services and previous community service includes roles as a Director of the SGE Credit Union and Nanbaree Child Care Centre.
- 1.7 On 13 September 2005, Mr McLeay was appointed to the position of Parliamentary Secretary assisting the Minister for Health and, therefore, was no longer a member of the Committee.

### **Mr Steve Whan BA, Grad Cert (Mgmt), MP**

- 1.8 Mr Whan was elected as the ALP Member for Monaro on 22 March 2003. Prior to entering Parliament, he worked in the offices of the then Senator Bob McMullan and the Hon Ros Kelly MP, a previous Federal Minister. He has also worked as a project officer at the Australian Sports Commission and as a consultant.

- 1.9 Mr Whan has a long-standing interest in water polo and is a life member of ACT Water Polo Inc. He has also served on the Board of the ACT Academy of Sport as the Deputy Chairman South East Regional Academy of Sport and as the Manager of the ACT Men's Water Polo team.

### **Ms Gladys Berejiklian MCom, Grad Dip Int'l St, BA, MP**

- 1.10 Ms Berejiklian was elected as the Liberal Member for Willoughby on 22 March 2003. Prior to entering Parliament, Gladys spent five years as a Bank Executive at the Commonwealth Bank. Prior to that, she was an advisor to Senator Helen Coonan and the Hon Peter Collins QC MP. In 1996, Ms Berejiklian was the NSW Young Liberal President.
- 1.11 Ms Berejiklian is a Northbridge Rotarian and a member of the Willoughby Historical Society, the Walter Burley Griffin Society and the HMEM Armenian Sporting & Cultural Association. She served on the Joint Committee on the Office of the Valuer General until April 2005.
- 1.12 During 2004-05, Ms Berejiklian was appointed as Shadow Minister for Mental Health Shadow Minister for Cancer and Medical Research, Shadow Minister for Youth Affairs, Shadow Minister Assisting the Leader on Ethnic Affairs. Ms Berejiklian was discharged from the Public Accounts Committee on 12 October 2005.

### **Mr John Turner BA, BLitt, Dip Law (SAB), MP**

- 1.13 Mr Turner was elected as Member for Myall Lakes on 19 March 1988, and was then re-elected at elections in 1991, 1995, 1999 and 2003. He was the NSW Deputy Leader of the National Party from January 1999 to March 2003. Mr Turner was previously Shadow Minister for Roads and Tourism from March 1999 to March 2003. Prior to that, he was the Shadow Minister for Fair Trading, Mineral Resources and Fisheries from September 1996 to March 1999. In 1996, he was a Temporary Chairman of Committees and a Member of the Joint Standing Orders and Procedures Committee, as well as Shadow Minister for Local Government and Hunter Development. Mr Turner was Deputy Speaker of the Parliament and Chairman of Committees of the Legislative Assembly from 1993 to 1995.
- 1.14 Mr Turner was formerly Chairman of the Government Parliamentary Committee of the Ombudsman from 1992 to 1993. He was a Member of the Parliamentary Committee on Independent Commission Against Corruption (ICAC) from 1988 to 1996 to which he was again appointed in 2003. Mr Turner was a member of the Public Bodies Review Committee in 1996, the Parliamentary Select Committee on Bush Fires in 1994 and the Special Public Accounts Committee on Health Infrastructure in 1993.
- 1.15 Presently, Mr Turner is a member of the ICAC Committee, the Ethics Committee, the Public Accounts Committee and the Standing Orders and Procedures Committee. Mr Turner is also currently the Shadow Minister for Fair Trading and Local Government.
- 1.16 Before entering State Parliament, Mr Turner was an Alderman on Cessnock City Council from 1980 to 1987. This included a period as Deputy Mayor in 1987. He has previously been a Solicitor, Attorney and Proctor of the Supreme Court of New South Wales and the High Court of Australia and a registered tax agent.

### **Mr Richard Torbay MP**

- 1.17 Mr Torbay was elected an Independent Member for Northern Tablelands on 27 March 1999. Before entering Parliament, Mr Torbay served the local community of Armidale. He is a former Mayor and Deputy Mayor of Armidale, serving on the Armidale City Council from 1991 to 1999. Mr Torbay has acted as a Chairman of the NSW Country Mayors' Association, Chairman of the New England Local Government Group and is the Patron of the Armidale District Chamber of Commerce.
- 1.18 Mr Torbay became a Member of the Public Accounts Committee on 3 June 1999. He serves as a member of the Speaker Technology Advisory Group, the Joint Committee on the Office of the Valuer General and has been a member of the Regional Investment Taskforce, the Joint Select Committee on Bushfires and the Standing Committee on Public Works.



## Chapter Two - Functions of the Committee

### GENERAL FUNCTIONS

- 2.1 Section 57 (1) of the *Public Finance and Audit Act 1983* sets out the Committee's main general functions. These functions are also replicated for state owned corporations under section 28 of the *State Owned Corporations Act 1989*. Section 57(1) provides that the Committee's functions are:
- a) to examine the Total State Sector Accounts transmitted to the Legislative Assembly by the Treasurer,
  - b) to examine the accounts of authorities of the State, being accounts that have been
    - i. audited by the Auditor-General or an auditor appointed under section 47(1), or
    - ii. laid before the Legislative Assembly by a Minister of the Crown,
  - c) to examine the opinion or any report of the Auditor-General transmitted with the Total State Sector Accounts or laid before the Legislative Assembly with the accounts of an authority of the State (including any documents annexed or appended to any such opinion or report),
  - c1) to examine any report of the Auditor-General laid before the Legislative Assembly,
  - d) to report to the Legislative Assembly from time to time upon any item in, or any circumstances connected with, those accounts, reports or documents which the Committee considers ought to be brought to the notice of the Legislative Assembly,
  - e) to report to the Legislative Assembly from time to time any alteration which the Committee thinks desirable in the form of those accounts or in the method of keeping them or in the method of receipt, expenditure or control of money relating to those accounts,
  - f) to inquire into, and report to the Legislative Assembly upon, any question in connection with those accounts which is referred to it by the Legislative Assembly, a Minister of the Crown or the Auditor-General, and
  - g) to inquire into expenditure by a Minister of the Crown made without Parliamentary sanction or appropriation or otherwise than in accordance with the provisions of this Act or any other Act and report to the Legislative Assembly from time to time upon any matter connected with that expenditure which the Committee considers ought to be brought to the notice of the Legislative Assembly.
- 2.2 Section 57 also provides a number of restrictions on the Committee's powers:
- 2) The functions of the Committee extend to an examination of, inquiry into or report upon a matter of Government policy if and only if the matter has been specifically referred to the Committee under subsection (1)(f) by the Legislative Assembly or a Minister of the Crown.
  - 3) The functions of the Committee do not extend to an examination of, inquiry into or report upon the estimates of any proposed expenditure by the State or by an authority of the State.

## **APPOINTMENT OF THE AUDITOR-GENERAL**

2.3 Section 57A of the *Public Finance and Audit Act 1983* provides the Committee with the power to veto any proposed appointment of the Auditor-General:

- 1) The Treasurer is to refer a proposal to appoint a person as Auditor-General to the Committee and the Committee is empowered to veto the proposed appointment as provided by this section. The Treasurer may withdraw a referral at any time.
- 2) The Committee has 14 days after the proposed appointment is referred to it to veto the proposal and has a further 30 days (after the initial 14 days) to veto the proposal if it notifies the Treasurer within that 14 days that it requires more time to consider the matter.
- 3) The Committee is to notify the Treasurer, within the time that it has to veto a proposed appointment, whether or not it vetoes it.
- 4) A referral or notification under this section is to be in writing.

## **ANNUAL REPORTS**

2.4 The Committee also has a formal role under the legislation governing annual reports in recognition of its role in promoting accountability. Section 19 of the *Annual Reports (Departments) Act 1985* provides:

- 1) The Treasurer may refer any matter relating to the annual reports of Departments to the Public Accounts Committee for examination and report to the Treasurer.
- 2) The Treasurer shall refer to the Public Accounts Committee for examination and report to the Treasurer any proposal to amend this Act or make a regulation, other than a proposal made by the Public Accounts Committee.
- 3) Nothing in subsection (2) requires the Treasurer to refer a proposal to the Public Accounts Committee if, at the time the Treasurer formulates or receives the proposal:
  - (a) no members have been appointed to the Committee, or
  - (b) the members of the Committee have ceased to hold office.
- 4) Nothing in subsection (1) or (2) prevents the Public Accounts Committee, after the Committee has reported to the Treasurer, from reporting to the Legislative Assembly on any matter referred to it by the Treasurer under subsection (1) or (2).
- 5) The provisions of section 57 (4) and (5) of the Public Finance and Audit Act 1983 apply to and in respect of a report under subsection (4) in the same way as those provisions apply to and in respect of a report in accordance with section 57 (1) of that Act.

2.5 Section 16 of the *Annual Reports (Statutory Bodies) Act 1984* makes the same provision in relation to statutory bodies.

## **REVIEW OF THE AUDITOR-GENERAL'S OFFICE**

2.6 The Committee has statutory responsibility for arranging to the office of the Auditor-General to be reviewed every three years.

2.7 Section 48A of the *Public Finance and Audit Act 1983* provides:

- 1) A review of the Auditor-General's Office is to be conducted under this section at least once every 3 years.

- 2) The review is to examine the auditing practices and standards of the Auditor-General and to determine whether the Auditor-General is complying with those practices and standards in the carrying out of the Auditor-General's functions under this Act.
  - 3) The review is to be conducted by a person ("the reviewer") appointed by the Public Accounts Committee for the time being constituted under Part 4. The reviewer:
    - (a) is to be appointed on such terms and conditions and is entitled to such remuneration (if any) as are determined by the Public Accounts Committee, and
    - (b) in conducting a review under this section, must comply with any directions as to the review given by the Committee.
  - 4) The remuneration payable to the reviewer is to be paid from money appropriated by Parliament for the purpose.
  - 5) Sections 36, 37 and 38 apply in relation to the reviewer as if references in those sections to the Auditor-General were references to the reviewer.
  - 6) The reviewer is to report to the Auditor-General as to the result of any such review and as to such other matters as in the judgment of the reviewer call for special notice.
  - 7) The reviewer must not make a report of a review conducted under this section unless, at least 28 days before making the report, the reviewer has given the Auditor-General a summary of findings and proposed recommendations in relation to the review.
  - 8) The reviewer must include in the report any written submissions or comments made by the Auditor-General or a summary, in an agreed form, of any such submissions or comments.
  - 9) The reviewer, in a report of a review under this section:
    - (a) may include such information as he or she thinks desirable in relation to matters that are the subject of the review, and
    - (b) must set out the reasons for opinions expressed in the report, and
    - (c) may include such recommendations arising out of the review as he or she thinks fit to make.
  - 10) The Auditor-General is to forward a report prepared under this section to the Public Accounts Committee within 2 months of receipt of the report.
  - 11) The Chairman of the Public Accounts Committee is, on receipt of such a report, to present the report to the Legislative Assembly, if the Legislative Assembly is then sitting.
  - 12) If at the time at which the Chairman seeks, in accordance with this section, to present the report to the Legislative Assembly the Legislative Assembly is not sitting, the Chairman is to present the report to the Clerk of the Legislative Assembly to be dealt with in accordance with section 63C.
- 2.8 The most recent of these reviews was completed in 2003. The Committee is planning for the next review to take the place in 2006.

## STATUTORY BODIES

- 2.9 The *Public Finance and Audit Act 1983* also provides specific provisions in relation to statutory bodies. These largely relate to the Treasurer making references to the Committee and requiring the Committee's comment on amendments to provisions relating to statutory bodies. After a definitions provision in subsection (1), section 63A provides:

- 2) The Treasurer may refer any matter relating to the financial statements of a statutory body to the Public Accounts Committee for examination and report to the Treasurer.
  - 3) The Treasurer shall refer to the Public Accounts Committee for examination and report to the Treasurer any proposal to amend Division 3 of Part 3 or make a regulation relating to the financial statements of a statutory body, other than a proposal made by the Public Accounts Committee.
  - 4) Nothing in subsection (3) requires the Treasurer to refer a proposal to the Public Accounts Committee if, at the time the Treasurer formulates or receives the proposal:
    - (a) no members have been appointed to the Committee, or
    - (b) the members of the Committee have ceased to hold office.
  - 5) Nothing in subsection (2) or (3) prevents the Public Accounts Committee, after the Committee has reported to the Treasurer, from reporting to the Legislative Assembly on any matter referred to it by the Treasurer under subsection (2) or (3).
  - 6) The provisions of section 57(4) apply to and in respect of a report under subsection (5) in the same way as those provisions apply to and in respect of a report in accordance with section 57(1).
- 2.10 The Committee most recently commented on changes to the requirements for financial statements of a statutory body in September 2005 when the Premier and Treasurer asked the Committee to consider a new *Public Finance and Audit Regulation*.

## Chapter Three - Highlights 2004-2005

### Reports

- 3.1 The Committee tabled seven reports in 2004-05 of which six related to inquiries commenced in earlier financial years. These are:
- *Review of Fire Services Funding*
  - *Inquiry into Infringement Processing Bureau*
  - *Inquiry into Academics' Paid Outside Work*
  - *Government (Open Market Competition) Bill 2003 and Visits of Inspection*
  - *Annual Review 2003-2004*
  - *Reporting and Auditing Requirements for Small Agencies*
  - *Review of Operations of Audit Committees*

### Hearings

- 3.2 In 2004-05 the Committee held seven hearings and examined 56 witnesses as part of conducting four inquiries. These related to the Review of the Operations of Audit Committees and inquiries into Sustainability Reporting in the Public Sector, Risk Management in the NSW Public Sector and Value for Money from Correctional Centres.

### Current Inquiries

- 3.3 The Committee commenced three new inquiries in 2004-05. Two of these were completed in September 2005.

#### **Sustainability Reporting**

- 3.4 The Committee's major inquiry in 2004-05 was a comprehensive investigation of sustainability reporting in the public sector. Sustainability, or "triple bottom line" reporting, provides information on the economic, environmental and social performance of organisations. Currently, many agencies prepare some type of environmental or social impact report but there is no consistency in the form of these reports and limited external scrutiny. The Committee has consulted widely with academics, standard setters, businesses and government agencies and is close to completing this inquiry.

#### **Risk Management in the NSW Public Sector**

- 3.5 The Committee commenced an inquiry following up a 2002 Auditor-General's Performance Audit called *Managing Risks in the Public Sector*. The Committee investigated how 29 different agencies have responded to that report. The Committee also considered the level of progress towards development of better risk management practices in the NSW Public Sector. The Committee tabled the report on 15 September 2005.

#### **Value for Money from Corrective Services**

- 3.6 The Committee resolved to undertake this inquiry as a result of comments in Auditor-General's reports to Parliament from 2002 to 2004 comparing costs of correctional centres operated by the Department of Corrective Services against the privately operated centre at Junee. The Committee has taken submissions, held hearings and

conducted a visit of inspection to correctional centres at Kempsey and Junee. This inquiry was completed when the Committee tabled the report on 21 September 2005.

### **AUDIT OFFICE BRIEFING SESSIONS**

- 3.7 In 2003-04 the Committee commenced facilitating briefing sessions for all Members of Parliament on reports issued by the Auditor-General on the day that these are tabled when it is a sitting day. The main benefits are to improve Members' knowledge and enable them to discuss the reports with the Auditor-General.
- 3.8 This continued in 2004-05 when eight briefing sessions were held from 1 July 2004 to 30 June 2005.

### **BUDGET AND FINANCE SEMINARS FOR MEMBERS**

- 3.9 In 2004-05 the Committee worked to improve parliamentarians' knowledge of financial management by arranging three educational seminars on the budget and financial reporting in New South Wales for Members of Parliament and their staff. The presenters were staff of NSW Treasury and the NSW Audit Office.
- 3.10 These seminars were held on 21, 28 October 2005 and 11 November 2005 in Parliament House and were well attended. Such seminars should form part of the process of inducting new members after each state election.

### **AUSTRALIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEES**

- 3.11 The Australasian Council of Public Accounts Committees (ACPAC) comprises all public accounts committees in Australia, New Zealand and Papua New Guinea. It meets annually. The Council operates on a two-year cycle, with a biennial conference and a mid-term meeting in alternate years.
- 3.12 Five Committee Members and Committee Manager attended the Australasian Council of Public Accounts Committees (ACPAC) 8th biennial conference from 6 to 8 February 2005 in Brisbane. The discussions covered Current Challenges Facing Public Accounts Committees. The Chairman presented a paper on "Risk Management – the relationship between planning, risk and accountability."

### **TRAINING**

- 3.13 Committee Member Mr Torbay and a member of the Secretariat staff attended the CPA National Public Sector Convention in Melbourne in May 2005.
- 3.14 Secretariat staff participated in several sessions of the Significant Issue Group on Sustainability, organised by the Institute of Public Administration Australia (IPAA), from late 2004 through to early 2005. Staff also participated in the Working Partnerships for Sustainability Conference in Manly in March 2005, in the ACCA Sustainability Reporting Awards and Workshop in Sydney on 4 May 2005 and in a Stakeholder Consultation on Sustainability Report of the Commonwealth Department of Environment and Heritage on 24 June 2005.

### **CONFERENCES**

- 3.15 Committee Chairman Mr Brown addressed a Conference of the Planning Institute of Australia (NSW) on social sustainability on 15 November 2004. He also addressed an

International Clearinghouse on Local Environmental Initiatives (ICLEI) Forum on Leading the Sustainability Agenda on 8 June 2005.

- 3.16 Committee Vice-Chairman, Mr McLeay addressed a Seminar organised by the Council of Social Service of NSW (NCOSS) on 21 March 2005, on Measuring Social Performance.

## DELEGATIONS

- 3.17 On Tuesday 23 November 2004, two Committee members addressed a large delegation from the Chinese Ministry of Finance. The visit was hosted by the Vice-Chairman, Paul McLeay, and Gladys Berejiklian on behalf of the Committee.

## STUDY TOURS AND VISITS OF INSPECTIONS

- 3.18 *26 August 2004* – Mr Matt Brown and Ms Vicki Buchbach travelled to Brisbane to attend the mid-term meeting of the Australasian Council of Public Accounts Committees.
- 3.19 *18 November to 4 December 2004* – Delegation consisting of Mr Matt Brown MP, Mr John Turner MP and Ms Vicki Buchbach travelled to the Netherlands, United Kingdom, Canada and the United States as part of its inquiry into sustainability reporting in the NSW public sector. The delegation held meetings with representatives of 23 organisations with expertise in the field including academic institutes, banks undertaking sustainability reporting, private consulting firms, non-government standard setting bodies, community groups, parliamentary committees and national, state and local government agencies. Key organisations for the inquiry included the Global Reporting Initiative in Amsterdam, the House of Commons Environmental Audit Committee, the Canadian Commissioner of the Environment and Sustainable Development and, in the United States, Sustainable Seattle, a non-profit organisation which pioneered the development of environmental indicators.
- 3.20 *17 to 20 May 2005* – Mr Paul McLeay MP, Mr Richard Torbay MP, Mr Steve Whan MP and Ms Jackie Ohlin travelled to Melbourne in relation to its inquiry into sustainability reporting in the NSW public sector. The Committee met with officials of ICLEI, the Department of Treasury and Finance, Department of Premier and Cabinet, the Auditor-General, URS Australia and the Commissioner for Environment and Sustainability. The Committee also met the Public Accounts and Estimates Committee.
- 3.21 *1 – 2 June 2005* – Mr Matt Brown MP, Mr Paul McLeay MP, Mr Richard Torbay MP, Mr John Turner MP, Ms Gladys Berejiklian MP, Mr Steve Whan MP, Ms Vicki Buchbach, and Ms Karen Taylor travelled to Kempsey and Junee for a visit of inspection to two correctional centres. This visit enabled the Committee to compare the operation of public and privately operated correctional centres as part of its inquiry into value for money from corrective services.

## RESPONSES TO REPORTS

- 3.22 An important aspect of Committee work is to monitor the implementation of reports. The Government has facilitated this process by undertaking to provide a response to the Committee's reports within six months of tabling (see Premier's Memoranda 96-9 and 98-11).

3.23 The table below lists relevant reports in 2004-05 and notes the timeliness of the Government response. The table also indicates the number of relevant recommendations that were agreed to by the Government. This statistic serves as an effectiveness indicator of the Committee's inquiries, although the Government's actions are also relevant. The Government, appropriately or otherwise, may not regard the Committee's recommendations as suitable. The implementation statistic, then, reflects on the performance of both the Government and the Community jointly.

### Government Responses to the Committee's Reports

Report Number	Topic	Relevant Recs	Tabled Date	Response Due Date	Response Provided	Recs Agreed /Partly Agreed
148	Review of The Fire Services Funding	8	2 Sept 04	2 Mar 05	2 Mar 05	7
149	Infringement Processing Bureau	17	15 Sept 04	15 Mar 05	21 Mar 05	13
150	Academics' Paid Outside Work	8	22 Sept 04	22 Mar 05	24 Mar 05	8*
151	Government (Open Market Competition Bill) 2003	3	20 Oct 04	20 Apr 04	12 May 05	3
153	Reporting and Auditing requirements of Small Agencies	10	7 Dec 04	7 June 05	21 June 05	8
154	Review of the Operations of Audit Committees	3	7 Apr 05	20 Oct 05	24 Oct 05	2

\*The Government response mentions that the implementation of the recommendations is primarily a matter for universities to address through their policies on academics' paid outside work and intellectual property.

3.24 Details of the Government response will be discussed with the respective reports.

## OUTPUT INDICATORS

Meetings	20
Hearings	7
Witnesses	56
Reports	7

## Chapter Four - Reports and Inquiries

In 2004-05, the Committee tabled seven reports. It also either commenced or continued inquiries into another three issues.

### COMPLETED REPORTS

#### Review of Fire Services Funding

- 4.1 In 2002, the Royal Commission into the collapse of HIH recommended that those States still funding fire services through a levy on insurance should remove the levy. On 22 August 2003, the former NSW Treasurer, the Hon Michael Egan MLC, asked the Committee to investigate the suitability of current funding arrangements for fire services. At a meeting on 28 August 2003, the Committee resolved to accept the Terms of Reference provided by the Treasurer and commence to the inquiry.
- 4.2 The current funding system is based on contributions collected by insurance companies from policyholders. In its investigations and deliberations, the Committee attempted to address the issue of concern most commonly raised in relation to this system – that is, that the system is not equitable. This inequity is created by the ability of some members of the community and corporate sector to avoid contributing their fair share to the funding of the State’s fire services in the secure knowledge that they would still receive the fire services’ assistance should they need it. This places a higher burden of funding on those who do insure and arguably discourages people from insuring prudently. Other concerns raised were that the system is not transparent because policyholders are not informed of the amount of levy paid.
- 4.3 The Committee consulted widely, received 64 submissions and held three days of hearings. The Committee’s inquiry was supported by detailed modelling of the effects of alternative funding arrangements. This was released for comment as an interim submission in March 2004. A further 23 submissions were received in response. The Committee held additional public hearings in May 2004.
- 4.4 The options for improvement show that there is a clear benefit for replacing the current system with a levy on property in the residential sector because this would broaden that base of those contributing to the scheme. However, there remains a great deal of uncertainty about the impacts of such a change on the commercial sector. A levy on commercial properties would narrow the base of those contributing to the fire services. This is because, in the commercial sector, levies are currently paid on a broader range of insurance policies than those linked to property. There is also a lack of information available about the amount of Fire Services Levy currently paid by commercial tenants. This requires further investigation and the possible development of other criteria such as fire risk factors for commercial buildings.
- 4.5 On the basis of the evidence before it, the Committee considered that the Government should not introduce a property-based scheme for funding fire services at present.
- 4.6 The Committee finalised its report and tabled it on 2 September 2004.
- 4.7 The Committee made a total of recommendations relevant to the Government. The Government agreed with six recommendations fully and one recommendation partly.

### **Inquiry Into Infringement Processing Bureau**

- 4.8 This inquiry was prompted by a request from the Hon Michael Egan MLC, then Treasurer, in August 2003. A due diligence review commissioned by the Treasurer in July 2003 found that, shortly after the Infringement Processing Bureau (IPB) moved from Parramatta to Maitland, large numbers of fines were not been processed as quickly as they should have been. This resulted in lost potential revenue from fines in 2002-03 of approximately \$32 million. The revenue was lost when the IPB did not process a fine within 6 months of the date of the infringement which was then the deadline under the legislation. If this occurred, the matter became what is known as 'statute barred'.
- 4.9 The Treasurer asked the Committee to investigate and report back with findings and recommendations in order to reduce the likelihood of such problems recurring.
- 4.10 The inquiry focussed on management by NSW Police of the relocation of the IPB to Maitland and the simultaneous introduction of a new computer system, called the Infringement Management Processing System (IMPS).
- 4.11 The Committee received submissions from most relevant agencies including the Office of State Revenue, the Roads and Traffic Authority, NSW Treasury, the NSW Ombudsman and the Office of Information and Communications Technology.
- 4.12 The inquiry was also made difficult because many key personnel relevant to the relocation and IMPS implementation projects were either no longer with NSW Police or did not wish to make a submission to the inquiry.
- 4.13 The Committee was of the view that the problems within IPB resulted predominantly from poor management practices of NSW Police, rather than major deficiencies in current central agency or policy requirements applicable to NSW Government agencies. As a result, the Committee did not recommend extensive changes to the current requirements.
- 4.14 The result was that up to \$41 million in revenue for clients of IPB was lost in the period of 1 September 2002 to 31 January 2004. The cost to NSW Government entities was \$29 million. A further \$9.6 million was paid or is payable to non NSW Government clients of IPB, such as local councils. The project itself also ran over budget by about \$8 million.
- 4.15 The Committee finalised and tabled the report on 15 September 2004.
- 4.16 The Committee made total 17 recommendations. The Government accepted 11 recommendations fully and 2 recommendations were accepted partly.

### **Inquiry into Academics' Paid Outside Work**

- 4.17 In February 2000, the Audit Office published a performance audit report on Academics' Paid Outside Work. The audit found that while all universities in New South Wales had developed policies to manage Academics' Paid Outside Work (POW) and to protect their intellectual Property (IP) rights, there were some issues that needed improvement.

- 4.18 On 2 July 2003, the Committee resolved to undertake a follow-up inquiry to test whether universities had improved their policies in response to the audit report and whether they found the audit report valuable.
- 4.19 The Committee invited submissions to the inquiry in July 2003. Submissions received from all 10 universities.
- 4.20 The Committee held brief public hearing in Maitland on 19 May 2004 in relation to the inquiry with a representative from the University of Newcastle.
- 4.21 The Committee was pleased to see that, on the whole, universities have addressed the minimum requirements identified by the audit report for POW and IP policies. In order to do this, the Committee compared the various policies with the minimum standards identified. Although it appears that universities have addressed the minimum requirements identified, the Committee was unable to determine the extent of compliance.
- 4.22 The Committee finalised and tabled its report on 22 September 2004. The Committee made 8 recommendations for universities to address the shortcomings in their guidelines. The Government accepted all the recommendations but noted that implementation was a matter for the universities.
- 4.23 At a meeting on 4 May 2005, the Committee resolved to write to universities to ask how they were implementing the recommendations of the Committee's report. All universities responded and most commented that they found the Committee's report useful in updating their guidelines. All specific issues raised by the Committee were addressed. Some noted that they would consider the Committee's recommendations when revising guidelines in the future.
- 4.24 The report also recommended that the Auditor-General undertake a review to see how well universities were complying with the guidelines. The Committee understands this review will occur in 2006.

### **Government (Open Market Competition) Bill 2003 And Visits Of Inspection**

- 4.25 On 3 July 2003, the Legislative Assembly referred the *Government (Open Market Competition) Bill 2003* to the Public Accounts Committee for consideration and report. This Bill was a private member's Bill by Ms Clover Moore MP, the Member for Bligh. The Bill provided for the publication of government contracts on the Internet and for the recipients of all government grants to be audited by the Auditor-General.
- 4.26 The Committee received a total of 49 submissions. The majority of the submissions were from Government agencies and Ministers.
- 4.27 The Committee held three public hearings in Sydney on 23 and 24 October and 5 November 2003.
- 4.28 The Committee explored the potential impact of the Bill upon agencies in relation to all Government contracts. The Committee also examined concerns about the proposal for auditing by the Auditor-General of all recipients of State and Local Government grants including non-government organisations and individuals.

- 4.29 The Committee found that disclosure rules within the Bill for even the smallest of Government contracts would make it unworkable and recommended that the Bill not to be adopted.
- 4.30 The Committee made three recommendations to the Government and one to the Auditor-General. The Government responded by accepting all relevant recommendations.

### **Annual Review 2003-04**

- 4.31 This reported on the Committee's activities in 2003-04.
- 4.32 The Committee concentrated on three major inquiries into Fire Services Funding, Infringement Processing Bureau and the *Government (Competition Open Market) Bill 2003*. The Committee tabled four reports. The Committee held ten days hearings and took evidence for five inquiries.
- 4.33 The Committee worked to improve the knowledge in Parliament of the work of the Auditor-General by facilitating briefings for members on the Auditor-General's reports.

### **Reporting And Auditing Requirements For Small Agencies**

- 4.34 In 2002, the Committee of the previous Parliament resolved to inquire into the efficiency and effectiveness of accountability arrangements for small agencies. This inquiry was prompted by a comment in an independent review of the Audit Office regarding the potential inefficiency of auditing small agencies. After the 2003 election, the new Committee resolved to continue the inquiry.
- 4.35 Small agencies are subject to the same audit and annual reporting requirements as large agencies. Their financial statements must be operated to the same accounting standards and the Audit Office must conduct a properly planned audit that complies with the auditing standards. There are certain fixed costs for these processes which can be burdensome for some small agencies. Further, the risks to the Government, Parliament and people of New South Wales are much less than with larger departments such as Health and Education.
- 4.36 The Committee consulted widely with the state public sector, and academic and professional accounting bodies. All State Ministers were contacted directly. There were however few submissions received by the Committee.
- 4.37 On 15 July 2003, the Committee held a public hearing at Parliament House where 14 witnesses gave evidence as part of the inquiry.
- 4.38 The Committee tabled the report in December 2004. The Committee agreed with the view it heard, particularly from central agencies and accounting bodies, that the principle of accountability for public funds should be upheld despite the expense. Consequently, it did not propose radical changes to current arrangement. The Committee made 10 recommendations about improving the efficiency of reporting and auditing requirements. In particular, the Committee was concerned with the high cost of the administrative burdens reported by the Rural Lands Protection Boards. The Committee recommended that the Minister consider moving their reporting date as a way of addressing these costs caused by seeking access to high quality accounting services during the summer holiday period.

- 4.39 The Government accepted 7 recommendations fully and 1 recommendation partly. The response was delayed by 14 days.

### **Review Of Operations Of Audit Committees**

- 4.40 On 23 June 2004, the Public Accounts Committee resolved to commence an inquiry to follow up a 2002 compliance review by the Auditor-General of the operation of audit committees within public sector agencies. This found that, while most large agencies had audit committees, some did not. There were opportunities to improve the way they operated.
- 4.41 The Committee had decided to invite submissions as responses to a survey from largest 18 agencies in New South Wales and a selection of 15 other significant agencies. The Committee treated the responses as submissions to the inquiry. The Committee was pleased to receive a very high response rate to its survey, the principal means of gathering information for the inquiry process.
- 4.42 The Committee held three public hearings in Sydney on 20, 22 and 27 October 2004. The Committee finalised its report and tabled it on 7 April 2005.
- 4.43 The report recommended that all agencies be required to have audit committees unless they were specifically exempted by Treasury because of their small size or risks. It also recommended that guidelines for the operation of audit committees be updated and that audit committee members be properly inducted and trained. In its response to the report of October 2005, the Government indicated that did not support mandatory use of audit committees. The remaining recommendations were supported.

### **PROGRESS OF OTHER INQUIRIES AND REPORTS:**

#### **Inquiry into Sustainability Reporting**

- 4.44 The Committee resolved to commence an inquiry into Sustainability Reporting on 1 September 2004. Sustainability or “Triple Bottom Line” reporting combines information on economic, environmental and social results of activities.
- 4.45 While the scope of the inquiry addresses sustainability reporting in the New South Wales public sector, the Committee found that there were important lessons to be drawn from studying sustainability reporting practice in other jurisdictions and the private sector. These comparisons were particularly valuable where good practice is well-documented and where it influences matters such as partnerships between the public and private sectors.
- 4.46 The Committee called for submissions in September 2004. By the conclusion of 2004-05, it had received a total of 26 submissions.
- 4.47 The Committee received many excellent submissions from government agencies, private sector organisations, individuals, research organisations and Local Governments. It was, however, disappointed at the lack of a comprehensive whole of government submission, in spite of specific requests from the Committee and the apparent willingness of individual agencies to contribute.
- 4.48 The Committee also conducted hearings on 23 and 31 March and 8 April 2005. As a part of the inquiry process, the Committee undertook international visits of inspection

to The Netherlands, the United Kingdom, Canada and the United States. Domestic visits of inspection were undertaken to Brisbane, Queensland, Melbourne and Victoria.

- 4.49 Committee Chairman Mr Brown addressed a Conference of the Planning Institute of Australia (NSW) on social sustainability on 15 November 2004. He also addressed an International Clearinghouse on Local Environmental Initiatives (ICLEI) Forum on “Leading the Sustainability Agenda” on 8 June 2005.
- 4.50 Committee Vice-Chairman, Mr McLeay addressed a Seminar organised by the Council of Social Service of NSW (NCOSS) on 21 March 2005, on “Measuring Social Performance.”
- 4.51 The Committee received a briefing by ABN Amro (Australia) on its approach to sustainability reporting on 8 December 2004 and 25 February 2005.
- 4.52 Committee Member Mr Torbay and a member of the Secretariat staff attended the CPA National Public Sector Convention in May 2005. This included important sessions on sustainability reporting.
- 4.53 Secretariat staff participated in sessions of the Significant Issue Group on Sustainability, organised by the Institute of Public Administration Australia (IPAA), from late 2004 through to early 2005. Staff also participated in the Working Partnerships for Sustainability Conference in Manly in March 2005, in the ACCA Sustainability Reporting Awards and Workshop in Sydney on 4 May 2005 and in a Stakeholder Consultation on Sustainability Report of the Commonwealth Department of Environment and Heritage on 24 June 2005.
- 4.54 The Committee has yet to finalise the report.

### **Risk Management in NSW Public Sector**

- 4.55 The Committee resolved at its meeting on the 23 March 2005 to conduct a follow up inquiry on the Performance Audit report titled *Managing Risk in the NSW Public Sector*.
- 4.56 The Committee called for submissions through publicly advertising on 2 April 2005 and by writing to key stakeholders.
- 4.57 In addition, the survey was conducted across 29 agencies. The survey comprised of a series of questions about the way that agencies manage risk. The questionnaire covered the requirements of the risk management standard and also included questions previously asked by the Audit Office to enable an assessment of the progress since 2002.
- 4.58 The survey had a response rate of 93 percent (27 agencies). The Department of Primary Industries was recently restructured and chose to provide a submission in lieu of the survey. One agency did not complete the survey or provide a submission to the inquiry. A total of 33 submissions were received.
- 4.59 The Committee held public hearings in Sydney on 10 and 24 June 2005. The Committee noted that, while there are no requirements for agencies to have enterprise-wide risk management plans conforming with the current standards, the guidance provided by the Treasury is based on outmoded standards. The Committee made five recommendations about how central agencies should strengthen the requirements for effective enterprise-wide risk management and improve the guidance available to agencies

4.60 The Committee finalised the report and tabled it on 15 September 2005.

### **Value for Money from NSW Correctional Centres**

- 4.61 On 6 April 2005, the Committee resolved to undertake this inquiry as a result of comments in Auditor-General's reports to Parliament from 2002 to 2004 about the difficulty in comparing costs of correctional centres operated by the Department of Corrective Services against the privately operated centre at Junee. The Committee decided to examine whether the private prison was providing value for money and how this compared to public centres.
- 4.62 The Junee Correctional Centre opened in 1993 and is the only privately operated prison in New South Wales. Older prisons have higher staffing and maintenance costs and higher costs for managing maximum security and women prisoners (who are not normally kept at the Junee centre). In 2004, new correctional centres opened in Kempsey and Windsor. These centres are operating under a management model called the 'Way Forward' workplace reform package.
- 4.63 The Committee considered that accountability for this area was particularly important given the scale of the Corrective Services portfolio. The Committee has noted the Auditor-General's comments proposing that the Department should calculate costs on a comparable basis, taking into account factors such as security levels and gender breakdowns, to allow assessment of the relative costs of private versus public provision.
- 4.64 The Committee sought submissions to this inquiry by writing to the key stakeholders. Seven submissions were received in response.
- 4.65 The Committee visited the Mid North Coast Correctional Centre and the Junee Correctional Centre on the 2 June 2005 to gain an understanding of how they operate.
- 4.66 The Committee held public hearings in Sydney on 24 June 2005. The Committee looked at whether the Department of Corrective Services could show that newer facilities using new management techniques in the Way Forward Program, such as at Kempsey, can produce similar levels of cost-effectiveness to Junee.
- 4.67 The Committee finalised its report and tabled it on 21 September 2005.



# Appendix One -Public Accounts Committee Reports

## REPORTS FROM THE 47<sup>TH</sup> TO 53<sup>RD</sup> PARLIAMENTS

No	Report Title	Date	Reference from			Initiated by PAC <sup>1</sup>
			Minister	Treasurer	Auditor-General	
<b>47<sup>th</sup> Parliament 1981-1984</b>						
1	Expenditure without Parliamentary Sanction or Appropriation	November 1981				A
2	Over-Expenditure in Health Funding to Hospitals	February 1982				
3	Public Accountability in Public and Other Subsidised Hospitals	April 1982				
4	Expenditure without Parliamentary Sanction or Appropriation	September 1982				
5	Overtime Payments to Police	November 1982				
6	Overtime Payments to Corrective Services Officers	May 1983				
7	Accountability of Statutory Authorities	June 1983				
8	Report on the Grain Sorghum Marketing Board	November 1983				
9	Matters examined in relation to the Auditor-General's Report 1981-82	December 1983				A
<b>48<sup>th</sup> Parliament 1984-1988</b>						
10	Superannuation Liabilities of Statutory Authorities	August 1984				
11	Annual Report for the Year Ended 30 June 1984	August 1984				
12	Matters examined in relation to the Auditor-General's Report 1982-83	October 1984				A
13	Proposed Regulations accompanying the <i>Annual Reports (Statutory Bodies) Act 1984</i> and the <i>Public Finance and Audit Act 1983</i>	January 1985				
14	Investment Practices of New South Wales Statutory Authorities	June 1985				A
15	Performance Review Practices in Government Departments and Authorities	June 1985				
16	Brief Review of the Macarthur Growth Area	July 1985				A
17	Brief Review of the Statutory Funds of the Department of Environment and Planning	July 1985				A
18	Brief Review of the Land Commission of New South Wales	July 1985				A
19	Annual Report for the Year Ended 30 June 1985	September 1985				
20	Report on Year-End Spending in Government Departments and Authorities	March 1986				A

<sup>1</sup> "A" denotes reports initiated in response to matters raised in an Auditor-General's Report.

"F" denotes a follow up inquiry by the committee but original inquiry was a reference to the committee

## Appendix 1 – Public Accounts Committee Reports

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC <sup>2</sup>
21	Follow-Up Report on Inquiries into the NSW Public Hospital System	April 1986				F
22	Report on Recommended Changes to the Public Accounts	May 1986				
23	Report on Proposed Regulations Accompanying the <i>Annual Reports (Departments) Act 1985</i> and Miscellaneous Amendments Concerning Annual Reporting	May 1986				
24	Follow-Up Report on Overtime Payments to Corrective Service Officers	June 1986				F
25	Report on the Collection of Parking and Traffic Fines	July 1986				A
26	Follow-Up Report on Annual Reporting of Statutory Authorities	July 1986				F
27	Annual Report for the Year Ended 30 June 1986	August 1986				
28	Follow-Up Report on Overtime, Sick Leave and Associated Issues in the NSW Police Force	November 1986				F
29	Report on the New South Wales Builders Licensing Board	December 1986				
30	Report on the Brief Review of the Sydney Opera House Trust; Harness Racing Authority of New South Wales; and the New South Wales State Cancer Council	February 1987				A
31	Report on the Film Corporation of New South Wales	June 1987				A
32	Report on the Home Care Service of New South Wales	July 1987				
33	Annual Report for the Year Ended 30 June 1987	September 1987				
34	Supplementary Report for the Year Ended 30 June 1987	September 1987				A, F
35	Report on the Wine Grapes Marketing Board for the Shires of Leeton, Griffith, Carrathool and Murrumbidgee and the Grain Sorghum Marketing Board	September 1987				
36	Report on the Biennial Conference of Public Accounts Committees, Sydney – May 1987	October 1987				
37	Report on the Ravensworth Coal Washery	October 1987				A
<b>49<sup>th</sup> Parliament 1988-1991</b>						
38	Proceedings of the Accrual Accounting Seminar held 5 February 1988	May 1988				
39	Report on the Purchasing Practices and the Allocation of Stores and Equipment Resources within the Technical and Further Education System	February 1988				
40	Report on the Heritage Council of New South Wales	June 1988				

<sup>2</sup> “A” denotes reports initiated in response to matters raised in an Auditor-General’s Report.

“F” denotes a follow up inquiry by the committee but original inquiry was a reference to the committee

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC <sup>3</sup>
41	Annual Report for the Year Ended 30 June 1988	September 1988				
42	Report on the Management of Arson in the Public Sector	January 1989				
43	Report on Payments without Parliamentary Appropriation	February 1989				
44	Report on the NSW Ambulance Service	February 1989				
45	Report on the Payments to Visiting Medical Officers	June 1989				
46	Annual Report for the Year Ended 30 June 1989	October 1989				
47	The Challenge of Accountability	November 1989				
48	Report on the Darling Harbour Authority	December 1989				
49	Report on the NSW Auditor-General's Office	July 1990				
50	Report on the Lord Howe Island Board	December 1990				A
51	Annual Report for the Year Ended 30 June 1990	October 1990				
52	Report on the Forestry Commission	December 1990				
53	Report on the Auditing of Local Government	January 1991				
54	Examination of the Juvenile Transport Service of the Department of Family and Community Services	March 1991				A
55	Report on Payment Performance of Major Statutory Authorities and Inner Budget Sector Departments	April 1991				
56	Parliamentary Scrutiny of Performance Seminar held 9 November 1990	April 1991				
57	Report on Legal Services Provided to Local Government	May 1991				
<b>50<sup>th</sup> Parliament 1991-1995</b>						
58	Annual Report for the Year Ended 30 June 1991	October 1991				
59	Report on the National Parks and Wildlife Service	December 1991				
60	Report on Dividend Payments made by Statutory Authorities to the Consolidated Fund	April 1992				A
61	Follow-Up Report on Financial Accountability	June 1992				F
62	Phase One Report on the Public Accounts Committee Special Inquiry into the Port Macquarie Hospital Contract	June 1992	Legislative Assembly			

<sup>3</sup> "A" denotes reports initiated in response to matters raised in an Auditor-General's Report.

"F" denotes a follow up inquiry by the committee but original inquiry was a reference to the committee

## Appendix 1 – Public Accounts Committee Reports

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC <sup>4</sup>
63	Report of Proceedings of the Seminar to Review Progress of Financial Reform in the NSW Public Sector	June 1992				
64	Report on the Progress of Financial Reform in the NSW Public Sector	June 1992				
65	Public Accounts Committee – Ninetieth Anniversary	November 1992				
66	Annual Report for the Year Ended 30 June 1992	November 1992				
67	Inquiry into Financing of Urban Infrastructure – Report on European Inspection Tour 30 October – 12 November 1992	December 1992				
68	Report on the School Student Transport Scheme	January 1993				
69	Proceedings of the 90 <sup>th</sup> Anniversary Seminar on Internal Control and Audit	January 1993				
70	Review of the Special Auditing Function of the NSW Auditor-General's Office	June 1993				<b>F</b>
71	Internal Audit in the NSW Public Sector	June 1993				
72	Funding of Health Infrastructure and Services in New South Wales	June 1993	Legislative Assembly			
73	Infrastructure Management and Financing in NSW Volume 1: From Concept to Contract – Management of Infrastructure Projects	July 1993				
74	Inquiry into the Financing of Urban Infrastructure – Report on the United States Study Tour 28 August – 5 September 1993	November 1993				
75	Annual Report for the Year Ended 30 June 1993	November 1993				
76	The Financing of Infrastructure Projects – Discussion Paper	November 1993				
77	Proceedings of the Conference on Risk & Return – Traditional & Innovative Financing for Infrastructure Projects (Vol. 1)	December 1993				
78	Proceedings of the Seminar on Internal Audit – Implementation of Change	February 1994				
79	Expansion of the Hawkesbury District Health Services	February 1994				
80	Infrastructure Management and Financing in New South Wales – Public-Private Partnerships – Risk & Return in Infrastructure Financing (Vol. 2)	February 1994				
81	Report on Public Defenders	June 1994	Following negotiation with independent members			
82	Matters Arising from the Auditor-General's Reports	June 1994				<b>A</b>

<sup>4</sup> "A" denotes reports initiated in response to matters raised in an Auditor-General's Report.

"F" denotes a follow up inquiry by the committee but original inquiry was a reference to the committee

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC <sup>5</sup>
83	Preparations for the Peer Review of the Auditor-General's Office	June 1994				
84	A Tale of Two Olympic Cities: Visit to Los Angeles and Montreal by the Public Accounts Committee	October 1994				
85	Annual Report for the Year Ended 30 June 1994	October 1994				
86	Inquiry into State Debt Control (Balanced Budget) 1994	December 1994				
87	Co-ordination of Government Inputs into Overseas Projects – International Market Development Activities of NSW Marketing Boards	December 1994				
88	Report on the Rural Assistance Authority	February 1995	Legislative Assembly			
89	Proceedings of the Seminar on Accrual Accounting – The Scorecard to Date	February 1995				
<b>51<sup>st</sup> Parliament 1995-1999</b>						
90	Annual Reports – Issue Paper	May 1995				F
91	Report on Darling Harbour: Sporting Facilities	August 1995				
92	Proceedings of the Seminar on Annual Reporting in the NSW Public Sector: The Best is Yet to Come, 9 August 1995	September 1995				F
93	Annual Report for the Year Ended 30 June 1995	November 1995				
94	Offshore and Off-Target – Why NSW lags in Overseas Projects	November 1995				
95	Annual Reporting in the NSW Public Sector (The truth, the whole truth and nothing but the truth?)	April 1996				
96	Proceedings of the Seminar on Asset Valuation in the Public Sector: Issues in the Controversy	April 1996				
97	Review of the Audit Office of NSW under section 48A of the <i>Public Finance and Audit Act 1983</i> (Volumes 1 & 2)	April 1996				
98	Australasian Council of Public Accounts Committees Mid-Term meeting (Transcript of Proceedings)	May 1996				
99	Customer Service in Courts Administration: The Missing Dimension A Review by the Public Accounts Committee of the Interim Performance Report by the NSW Audit Office into Courts Administration	June 1996				F
100	Pioneers – Progress but at a Price. The Implementation of Accrual Accounting in the NSW Public Sector	June 1996				

<sup>5</sup> "A" denotes reports initiated in response to matters raised in an Auditor-General's Report.

"F" denotes a follow up inquiry by the committee but original inquiry was a reference to the committee

No	Report Title	Date	Reference from			Initiated by PAC <sup>6</sup>
			Minister	Treasurer	Auditor-General	
101	Matters arising from the NSW Auditor-General's Report for 1995	June 1996				A
102	Proceedings of the Conference on Public/Private Infrastructure Financing: Still Feasible?	October 1996				
103	Annual Report for the Year Ended 30 June 1996	May 1997				
104	Proceedings of the Biennial Conference of the Australasian Council of Public Accounts Committees	May 1997				
105	Proceedings of the Seminar on Debts and Debtors: Getting Better Results	May 1997				
106	The Public's Debts to the State: Better Agency Collection, Higher State Revenue – Discussion Paper	November 1997				
107	Follow-Up of Selected Public Accounts Committee Reports: 1988 – 1996	June 1997				F
108	Matters arising from the Auditor-General's Report for 1996	June 1997				A
109	Follow-Up Report to the Auditor-General's Performance Audit Report entitled <i>Effective Utilisation of School Facilities</i>	June 1997				A
110	Follow-Up Report to the Auditor-General's Performance Audit Report entitled <i>Joint Operations in the Education Sector</i>	June 1997				A
111	Annual Report for the Year Ended 30 June 1997	November 1997				
112	Legal Services to Local Government: Minimising Costs Through Alternative Dispute Resolution – Discussion Paper	November 1997				
113	Proceedings of the Conference on Doing Business with the World Bank and the United Nations	1997				
114	Proceedings of the Interactive Seminar on Dispute Management in Local Government	April 1998				
115	Changing the Culture: Dispute Management In Local Councils	June 1998				
116	Annual Report for the Year Ended 30 June 1998	October 1998				
117	Follow-Up Report: Offshore and Off-Target Why NSW lags the field in overseas projects	November 1998				
118	Streamlining Payment of Overdue Debts	December 1998				
<b>52<sup>nd</sup> Parliament 1999-2003</b>						
119	Annual Report for the Year Ended 30 June 1999	December 1999				

<sup>6</sup> "A" denotes reports initiated in response to matters raised in an Auditor-General's Report.

"F" denotes a follow up inquiry by the committee but original inquiry was a reference to the committee

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC <sup>7</sup>
120	Review of the Audit Office of New South Wales under section 48A of the <i>Public Finance and Audit Act 1983</i>	February 2000				
121	Problems in the Administration of the <i>Public Finance and Audit Act 1983</i> during the review of the Audit Office of New South Wales Act	February 2000				
122	ED100: Arrangements for the Provision of Public Infrastructure by other Entities: Disclosure Requirements – Discussion Paper	June 2000				
123	Report on Cost Control in the Department of Juvenile Justice	July 2000				A
124	Report on the Financial Disclosure of the WorkCover Scheme Statutory Funds	July 2000				A
125	Report on the Long Term Financial Viability of the Waste Recycling and Processing Service	July 2000				A
126	Inquiry into the Funding of Capital Projects by the New South Wales Government: Parramatta Rail Link Pre-Tender Procurement – A Case Study	January 2001				
127	Submission to the Green Paper: “Working with Government – Private Financing of Infrastructure and Certain Government Services in NSW”	April 2001				
128	Inquiry into the Collapse of the NSW Grains Board	May 2001				A
129	Annual Report for the Year Ended 30 June 2000	June 2001				
130	Industry Assistance	June 2001				A
131	Inquiry into the School Student Transport Scheme	February 2002				
132	Annual Review	February 2002				
133	Inquiry into Court Waiting Times	June 2002				A
134	Case Studies and Issues in the Private Financing of Public Infrastructure and Services	October 2002				
135	Delegation by the Minister for Health	October 2002				A
136	Valuation of The Australian Museum’s Collection Assets	November 2002				A
137	Follow-up’s of Auditor General’s reports to Parliament 2001: Omnibus Volume	November 2002				A
138	Review of Reporting Requirements for Small Agencies – Discussion Paper	November 2002				
139	Annual Review 2001-2002	December 2002				
140	The Role of Auditing and Accounting in Recent Corporate Collapses	October 2002				

<sup>7</sup> “A” denotes reports initiated in response to matters raised in an Auditor-General’s Report.

“F” denotes a follow up inquiry by the committee but original inquiry was a reference to the committee

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC <sup>8</sup>
141	Inquiry into the New South Wales Aboriginal Land Council's Mortgage Fund	December 2002				A
142	State Forests: Inquiry into the Practice of Trading with Customers who have defaulted on Renegotiated Repayment Terms	December 2002				A
143	First Home Owner Grant Scheme	December 2002				A
<b>53<sup>rd</sup> Parliament 2003-</b>						
144	History of the Committee 1902-2002	September 2003				
145	Review of the Audit Office under Section 48A of the Public Finance and Audit Act 1983	November 2003				
146	Inquiry into NSW Ambulance Service: Readiness to Respond	June 2004				A
147	Annual Review	June 2004				
148	Review of Fire Services Funding	September 2004				
149	Inquiry into Infringement Processing Bureau	September 2004				
150	Inquiry into Academics' Paid Outside Work	September 2004				A
151	Government (Open Market Competition Bill) 2003 and Visits and Inspections	October 2004	Legislative Assembly			
152	Annual Review	November 2004				
153	Reporting and Auditing requirements for Small Agencies	December 2004				
154	Report on Review of Audit Committees	March 2005				A
155	Risk Management in NSW Public Sector	September 2005				A
156	Value for Money from NSW Correctional Centres	September 2005				A

<sup>8</sup> "A" denotes reports initiated in response to matters raised in an Auditor-General's Report.

"F" denotes a follow up inquiry by the committee but original inquiry was a reference to the committee

## Appendix Two - Meeting Attendance

<i>DATE</i>	<i>MEMBERS</i>					
	<i>BROWN</i>	<i>McLEAY</i>	<i>WHAN</i>	<i>BEREJKLIAN</i>	<i>TURNER</i>	<i>TORBAY</i>
10-August-2004	✓	✓	✓	✓	✓	✓
17-August-2004	✓	✓	✓	✓	✓	Apology
1-September-2004	✓	✓	✓	✓	✓	✓
15-September-2004	✓	✓	✓	✓	✓	✓
22-September-2004	✓	✓	✓	✓	✓	✓
20-October-2004	✓	✓	✓	✓	✓	✓
22-October-2004	✓	✓	✓	✓	✓	✓
27-October-2004	✓	✓	✓	✓	✓	✓
10-November-2004	✓	✓	✓	✓	Apology	Apology
17-November-2004	✓	✓	✓	✓	✓	✓
8-December-2004	✓	✓	✓	✓	Apology	✓
23-February-2005	✓	✓	✓	✓	✓	✓
23-March-2005	✓	✓	✓	Apology	✓	✓
31-March-2005	✓	✓	Apology	✓	✓	✓
6-April-2005	✓	✓	✓	✓	Apology	✓
8-April-2005	✓	✓	✓	✓	Apology	✓
4-May-2005	✓	✓	✓	✓	✓	✓
25-May-2005	✓	✓	✓	✓	✓	✓
8-June-2005	✓	✓	✓	✓	✓	Apology
22-June-2005	✓	✓	✓	✓	✓	✓



## Appendix Three - Committee Expenses

Members of the Committee receive an allowance for their service directly from the Legislature. The amount is determined by the Parliamentary Remuneration Tribunal under the *Parliamentary Remuneration Act 1989*. The Committee does not contribute to the allowances.

The Chairman of the Committee is entitled to a salary of office per annum equivalent to 7% of his/her annual salary and an expense allowance of a further 7% in recognition of the responsibilities of the position. In 2004-05, the Committee members, other than the Chairman, received an allowance of \$3,050 per annum in recognition of their responsibilities.