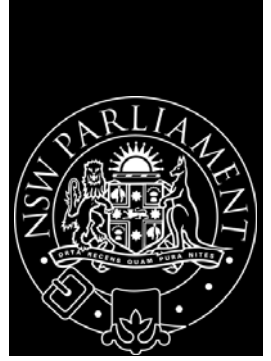


LEGISLATIVE ASSEMBLY



Public Accounts Committee

ANNUAL REVIEW
2005-2006

New South Wales Parliamentary Library cataloguing-in-publication data:

New South Wales. Parliament. Legislative Assembly. Public Accounts Committee

Annual review, 2005-2006 / Public Accounts Committee. [Sydney, N.S.W.] : The Committee, 31 – viii, 33 p. ; 30 cm. (Report no.161 / Public Accounts Committee) ([Parliamentary paper] ; no. 18/53)

At head of title: Legislative Assembly, NSW Parliament.
“November 2006”.

Chair: Noreen Hay

ISBN 0734766432

1. New South Wales. Parliament. Public Accounts Committee.
2. Finance, Public—New South Wales—Auditing.
 - I. Hay, Noreen.
 - II. Title
- III. Series: New South Wales. Parliament. Public Accounts Committee. Report; no. 161
- IV. Series: Parliamentary paper (New South Wales. Parliament); no. 18/53

DDC 657.835

Table of Contents

MEMBERSHIP & STAFF	III
CHARTER OF THE COMMITTEE	V
CHAIR'S FOREWORD	VII
CHAPTER ONE - MEMBERS OF THE COMMITTEE	1
Current Members.....	1
Former Members	4
CHAPTER TWO - FUNCTIONS OF THE COMMITTEE	7
General Functions	7
Appointment of the Auditor-General	8
Annual Reports	8
Review of the Auditor-General's Office.....	8
Statutory Bodies.....	9
CHAPTER THREE - HIGHLIGHTS 2005-2006	11
Reports.....	11
Meetings and Hearings.....	11
Review of the Audit Office.....	11
Completed Inquiries.....	11
Current Inquiries	12
Other Activities	12
Responses To Reports.....	15
Output Indicators	16
CHAPTER FOUR - REPORTS AND INQUIRIES	17
Completed Inquiries.....	17
Progress Of Other Inquiries and Reports	20
APPENDIX ONE -PUBLIC ACCOUNTS COMMITTEE REPORTS	23
Reports from the 47 th to 53 rd Parliaments (1981-2006)	23
APPENDIX TWO - MEETING ATTENDANCE	31
APPENDIX THREE - COMMITTEE EXPENSES	33

Membership & Staff

Chair	Noreen Hay MP, Member for Wollongong (from 19 October 2005)
Chairman	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 Kristina Keneally MP, Member for Heffron (from 12 October 2005) Greg Aplin MP, Member for (from 12 October 2005)
Staff	Vicki Buchbach, Committee Manager Jackie Ohlin, Senior Committee Officer Simon Kennedy, Committee Officer (from Jan 2006) Mohini Mehta, Acting Committee Officer from June 2005-Jan 2006, Assistant Committee Officer Karen Taylor, Audit Office Seconded until 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
URL	www.parliament.nsw.gov.au/publicaccounts

Charter of the Committee

The Public Accounts Committee has responsibilities under Part 4 of the *Public Finance and Audit Act 1983* to inquire into and report on activities of Government that are reported in the Total State Sector Accounts and the accounts of the State's authorities.

The Committee, which was first established in 1902, scrutinises the actions of the Executive Branch of Government on behalf of the Legislative Assembly.

The Committee recommends improvements to the efficiency and effectiveness of government activities. A key part of committee activity is following up aspects of the Auditor-General's reports to Parliament. The Committee may also receive referrals from Ministers to undertake inquiries. Evidence is gathered primarily through public hearings and submissions. As the Committee is an extension of the Legislative Assembly, its proceedings and reports are subject to Parliamentary privilege.

Chair's Foreword

I am pleased to present this brief report on the work of the Public Accounts Committee for year 2005-06.

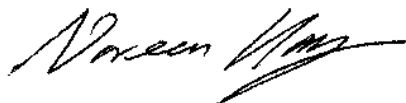
The Public Accounts Committee is one of the busiest in the New South Wales Parliament. This year was no exception: the Committee held 19 meetings, including five public hearings where evidence was taken from 43 witnesses. We tabled five reports, supervised the conduct of the independent review of the Audit Office and commenced two major inquiries that will be completed by the end of 2006.

We also jointly sponsored the inaugural public sector annual reporting awards with the Public Bodies Review Committee.

The major challenge in 2005-06 was the change in membership of the Committee. In October 2005, Kristina Keneally MP, Member for Heffron, Greg Aplin MP, Member for Albury, and I were appointed to the Committee to replace three members who were discharged. I was fortunate to be elected as the Committee Chair. I am grateful to my colleagues and the Committee secretariat for helping me familiarise myself with this role.

I would like to thank both the former and current Committee members for their hard work for the Committee during the year.

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



Noreen Hay MP
Chair

Chapter One - Members of the Committee

- 1.1 Six members serve on the Committee at any time. During 2005-06, three members were discharged and three new members were appointed.

CURRENT MEMBERS

Ms Noreen Hay, MP- Chair

- 1.2 Ms Hay was elected Member for Wollongong in 2003. On 19 October 2005, she was elected as Chair of the Public Accounts Committee. She is also Member of the NSW Stay Safe Committee and the Chair of the Ports and Waterways Parliamentary Caucus Committee. She is an active member of the Parliamentary Bowling Team and a member of the Parliamentary Lions Club.
- 1.3 Her main policy priority is improving mental health services. She has a passion for social justices in the local region, especially a devotion to fostering relations between migrants and Australian born residents. When time permits, she can be found reading, especially thrillers, political biographies and anything that will challenge her on an intellectual level.
- 1.4 Ms Hay is currently Convenor of Parliamentary Women's Unity Network. Ms Hay was also Convenor of the ALP Illawarra Women's Network, ALP Community and Social Service Policy Committee, represented the South Coast Labour Council on the ACTU Women's Committee.
- 1.5 Ms Hay was a community activist with the Illawarra Migrant Resource Centre, member of the inaugural committees to establish a South Coast Workers Women's Health Centre and an Illawarra Women's Health Centre, Convenor of Neighbourhood Committee 8 and the public forum on youth runaways, official visitor to Keelong Remand Centre and guest lecturer to the University of Wollongong on industrial relations.

Mr Steve Whan BA, Grad Cert (Mgmt), MP- Vice Chairman

- 1.6 Mr Steve Whan was elected as the ALP Member for Monaro on 22 March 2003 and has served on the Public Accounts Committee since May 2003. Prior to entering Parliament, he worked in his own consultancy business and for seven years at the Australian Sports Commission, as well as in the offices of the then Senator Bob McMullan and the Hon Ros Kelly MP, a former Federal Minister.
- 1.7 Mr Whan has a long commitment to sport and fitness. He is a life member and active player in ACT Water Polo. He has run a very slow marathon and served on the Board of the ACT Academy of Sport and South East Regional Academy of Sport. Mr Whan has two children and lives in Queanbeyan.
- 1.8 On 19 October 2005, Mr Whan was elected as a Vice-Chair of Public Accounts Committee.

Mr Greg Aplin BA (Hons), MP

- 1.9 Mr Aplin was elected as Member for Albury on 22 March 2003. He was appointed to the Committee on 12 October 2005. He was also appointed Shadow Parliamentary Secretary for Transport in 2005 and Shadow Minister for Housing in March 2006.
- 1.10 Mr Aplin is a member of the Public Accounts Committee and the Standing Committee on Natural Resource Management.
- 1.11 Prior to entering State Parliament Mr Aplin was Station Manager for a regional television company and had a background in regional commercial television, community service and Foreign Affairs.

Ms Kristina Keneally, MP

- 1.12 Ms Kristina Keneally MP is the Member for Heffron in the NSW Parliament. Prior to her election in 2003 she was a stay at home mum to her sons Daniel and Brendan and active in several community organisations in the South Sydney and Botany Bay area. She was appointed to the Committee on 12 October 2005.
- 1.13 Kristina's three passions in life are social justice, the importance of community and living life with energy and enthusiasm. Before having children she worked as the State Youth Co-ordinator for the NSW Society of St Vincent de Paul and taught primary school in a 'teacher shortage area' in rural New Mexico.
- 1.14 Born to an Australian mother and an American father, Kristina grew up in the US and moved permanently to Sydney in 1994, and married her husband Ben in 1996.
- 1.15 Kristina's work in as an MP focuses on those things that will assist her local community as it undergoes significant growth and change from an industrial to residential area, particularly in Redfern-Waterloo and Green Square. Planning, roads and public transport are key issues in Heffron.
- 1.16 Kristina is also a member of the Committee on the Independent Commission Against Corruption and the Parliamentary Privileges and Ethics Committee. In 2006 she served on the Joint Select Committee on the Cross City Tunnel. She is also chair of the NSW Government Working Party on Illegal Non-Citizens in the Sex Industry.
- 1.17 From 2007 the seat of Heffron will include Alexandria, Beaconsfield, Daceyville, Eastlakes, Erskineville, Green Square, Kensington, Kingsford, Mascot, Pagewood, Redfern, Rosebery, St. Peters, Sydenham, Tempe, Waterloo and Zetland.

Mr Richard Torbay MP

- 1.18 Mr Torbay was elected an Independent Member for Northern Tablelands on 27 March 1999 and has served on the Committee since June 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 1991-1999.

- 1.19 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.
- 1.20 Mr Torbay 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.
- 1.21 In 2006, he chaired the Joint Select Committee on Tobacco Smoking in New South Wales.

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

- 1.22 Mr John Turner was first elected as Member for Myall Lakes on 19 March 1988 and has been re-elected at subsequent elections.
- 1.23 Mr Turner was the NSW Deputy Leader of the National Party from January 1999 to March 2003. Mr Turner has previously been Shadow Minister for Sport, Recreation and Tourism (2005), Roads and Tourism (1999 to 2003), Fair Trading, Mineral Resources, Fisheries and Hunter Water (1996 to 1999) and Local Government and Hunter Development (1996). Mr Turner has also been Deputy Speaker of the Parliament and Chairman of Committees of the Legislative Assembly from 1993 to 1995.
- 1.24 Mr Turner has also held the positions of Chairman of the Parliamentary Committee of the Ombudsman (1992 to 1993); a Member of the Parliamentary Committee on ICAC (1988 to 1996) to which he was again appointed in 2003, Special Public Accounts Committee on Health Infrastructure (1993), a member of the Public Bodies Review Committee (1996), Select Committee on Bush Fires (1994), the Parliamentary Joint Select Committee on Sydney Markets and the Joint Select Committee on Cross City Tunnel (2006).
- 1.25 Presently, Mr Turner is also a member of the Committee of the Independent Commission Against Corruption, the Ethics & Privilege Committee and the Standing Orders and Procedures Committee.
- 1.26 Mr Turner is also presently the Shadow Minister for Fair Trading and Shadow Minister for Local Government.
- 1.27 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.

FORMER MEMBERS

Mr Matthew Brown BMath, LLB (Hons), MP - former Chairman

- 1.28 Mr Brown was elected as the ALP Member for Kiama on 27 March 1999. From May 2003, he served as Chairman of the Public Accounts Committee. His other parliamentary service includes being Vice-Chair of the Standing Committee on Public Works (1999-2003) a member of the ICAC Committee, a member of the Joint Select Committee on Cross City Tunnel and Vice-Chair of the Ethics Committee. Mr Brown was a Vice-Chair of the Joint Select Committee Nuclear Waste (2003-04). Matt is a past President of the parliamentary Lions Club and has been a member of the Transport Workers Union.
- 1.29 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.
- 1.30 On 23 September 2005, Mr Brown was appointed to the position of Parliamentary Secretary assisting the Minister for Roads and Minister for Transport and consequently was discharged from the Committee.

Mr Paul McLeay MP - former Vice-Chairman

- 1.31 Mr McLeay was elected as the ALP Member for Heathcote on 22 March 2003 and from May 2003 served as Vice Chairman of the committee. In 2005-06 he was also a member of the Joint Select Committee on the Cross City Tunnel.
- 1.32 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.
- 1.33 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.
- 1.34 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.

Ms Gladys Berejiklian MCom, Grad Dip Int'l St, BA, MP - former committee Member

- 1.35 Ms Berejiklian was elected as the Liberal Member for Willoughby on 22 March 2003 and served on the Committee from May 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 the Hon Helen Coonan and The Hon Peter Collins QC MP. In 1996, Ms Berejiklian was the NSW Young Liberal President.
- 1.36 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.
- 1.37 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.

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.

STATUTORY BODIES

2.8 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).

Chapter Three - Highlights 2005-2006

- 3.1 In 2005-06, the Committee's time was dominated by its large-scale inquiry into Public Private Partnerships. Its other main project was developing a process to appoint a consultant to conduct an independent review of the Audit Office.
- 3.2 The Committee also completed three other inquiries and participated in the judging of the inaugural Public Sector Annual Reporting Awards.

REPORTS

- 3.3 The Committee tabled five reports in 2005-06 of which four related to inquiries commenced in earlier financial years. These are:
- *Risk Management in NSW Public Sector (tabled on September 2005)*
 - *Value for Money from NSW Correctional Centres (tabled on September 2005)*
 - *Annual Review 2004-2005 (tabled on November 2005)*
 - *Sustainability Reporting in NSW Public Sector (tabled on November 2005)*
 - *Inquiry into Public Private Partnerships (tabled on June 2006)*
- 3.4 These reports are all available on the Committee's website.

MEETINGS AND HEARINGS

- 3.5 In 2005-06, the Committee met 19 times including in five public hearings and examined 43 witnesses as part the Public Private Partnerships Inquiry.

REVIEW OF THE AUDIT OFFICE

- 3.6 Every three years, the Committee is required to appoint an independent reviewer to examine the Auditor-General and his office. A review was due in 2006. During the second half of 2005, the Committee researched and consulted widely in order to establish terms of reference for the review which focussed on the most important issues for determining the Audit Office's level of performance.
- 3.7 In January 2006 the Committee called for tenders and, in March, appointed Masters Le Mesurier and Pitchers Partners to conduct the review. The reviewers provided a final report to the Auditor-General in June which was subsequently tabled by the Committee in August 2006. The review found that the Audit Office delivered its services in accordance with professional and legal standards and made nine recommendations for improvement.

COMPLETED INQUIRIES

Risk Management in the NSW Public Sector

- 3.8 This inquiry followed up a 2002 Performance Audit by the Auditor-General called *Managing Risks in the Public Sector*. The Committee surveyed how 29 agencies had responded to the report's recommendations and considered the level of progress towards development of better risk management practices throughout the NSW Public sector. The Committee tabled this report on 15 September 2005.

Value for Money from Corrective Services

3.9 This inquiry was prompted by comments in reports of the Auditor-General to Parliament over a number of years that the costs of correctional centres operated by the Department of Corrective Services appeared to be much higher than those of the privately operated centre at Junee. The Committee compared the costs of the private centre and publicly operated centres using the modern management systems and made recommendations about how the Department collected and reported costing information. The inquiry was completed in September 2005.

Sustainability Reporting in NSW

3.10 Sustainability or “triple bottom line” reporting provides information on the economic, environmental and social performance of organisations. This inquiry was a comprehensive investigation of sustainability reporting in the public sector. 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 of them. The Committee completed this inquiry in October 2005 and recommended that the New South Wales adopt consistent sustainability reporting at both the whole of government and agency levels.

CURRENT INQUIRIES

Managing Animal and Plant Diseases

3.11 In April 2005, the Committee commenced a comprehensive inquiry into the management of plant and animal pests and diseases in New South Wales. Diseases such as bird flu and Foot and Mouth Disease pose huge risks either to human health or the performance of the agricultural industry. The Committee is testing how well the State is prepared to deal with emergency outbreaks and how well it manages non-emergency diseases. The inquiry will be completed in 2006-07.

Home and Community Care Program

3.12 The Home and Community Care program is jointly funded by the Commonwealth and State Governments to provide services to the frail aged, disabled and their carers with aim of helping them stay in their own homes rather than move to institutions. In May 2006, the Minister for Ageing and Disability Services asked the Committee to examine aspects of the joint funding arrangements. The Committee also chose to follow up recommendations from a 2004 Performance Audit of the Home Care Service of NSW as part of this inquiry. The Committee commenced this inquiry in June 2006 and will complete it in 2006-07.

OTHER ACTIVITIES

Consultation on Legislative Amendments

3.13 In accordance with legislative requirements, in 2005-06, the Treasurer referred two bills and three sets of regulations to the Committee for its consideration. In August 2005, the Committee considered

- Public Finance and Audit Regulation 2005;

- Annual Reports (Departments) Regulation 2005; and
 - Annual Reports (Statutory Bodies) Regulation 2005
- 3.14 In November 2005 , it considered changes to the *Public Finance and Audit Act 1983*, the *Annual Reports (Departments) Act 1985* and the *Annual Reports (Statutory Bodies) Act 1984* and associated regulations. These were designed to change terminology to reflect the forthcoming adoption of Australian Equivalents to International Reporting Standards, ensure agencies used accrual accounting requirements; and changed the default annual reporting period for statutory bodies.
- 3.15 On both occasions the Committee was satisfied with the proposed amendments.

Audit Office Briefing Sessions

- 3.16 In 2003-04 the Committee commenced hosting 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. These briefings increase Members' knowledge of public accountability and enable them to discuss the reports with the Auditor-General.
- 3.17 This practice continued in 2005-06 when six briefing sessions were held.

Annual Reporting Awards

- 3.18 In 2006, the inaugural Public Sector Annual Reporting Awards were held to recognise and reward excellence in reporting. Thirty-one departments and statutory authorities entered the awards which were sponsored jointly by the Public Accounts Committee and the Public Bodies Review Committee. Reports were assessed against a comprehensive set of criteria by a culling committee and a judging committee. Committee Chair Noreen Hay MP was on the judging panel and, on 10 May 2006, she and Mr Matthew Morris MP, Chairman of Public Bodies Review Committee, jointly congratulated the winning agencies which were NSW Health (Gold), NSW Fire Brigades (Silver) and Audit Office of NSW (Bronze).
- 3.19 The awards were officially presented as part of the Premier's Public Sector Awards in November. It is planned to hold these awards each year.

Australasian Council Of Public Accounts Committees

- 3.20 The Australasian Council of Public Accounts Committee (ACPAC) comprises all public accounts committees in Australia, New Zealand, Papua New Guinea and Fiji. It meets annually. The Council operates on a two-year cycle, with a biennial conference and a mid-term meeting in alternate years.
- 3.21 Two Committee Members, Ms Noreen Hay MP and Mr Steve Whan MP, and the Committee Manager, Ms Vicki Buchbach, attended the 2006 ACPAC meeting in Alice Springs, Northern Territory from 26 to 28 April 2006.
- 3.22 The Conference was an opportunity to learn about the experiences of other jurisdictions and to discuss important developments in public accountability.

Visiting Delegations

- 3.23 Whenever possible, members of the Committee meet visiting delegations to explain the Committee's operations and exchange information about parliamentary practices in other jurisdictions. When the members are not available, secretariat staff provide briefings.
- 3.24 On 29 and 30 August 2005, the Public Accounts Committee of Gauteng Provincial Legislature in South Africa visited Parliament House. The Committee Manager, Vicki Buchbach, provided a briefing on the work of the Committee and arranged for the Auditor-General and a Treasury official to explain how the operations of these agencies.
- 3.25 On 6 October 2005, three members of the West Australian Legislative Council's Estimates and Financial Operations Committee met with Mr Steve Whan and Committee staff. This Committee was only established in June 2005 and was interested in learning about parliamentary financial oversight arrangements in other States.
- 3.26 On 24 October 2005, 28 treasury and finance officials from China visited Parliament House as part of a visit to study Australian government and business practices. The Committee's secretariat made presentations on the work of the Committee.
- 3.27 On 15 February 2006, around 50 participants in La Trobe University's inaugural Workshop on Parliamentary Financial Scrutiny visited Parliament House. This week-long course, which was partially funded by the World Bank Institute, included committee members, Auditors-General and parliamentary staff from Bangladesh, Ghana, Malawi, Nigeria, Pakistan, Solomon Islands and Sri Lanka. The Committee's Chair, Noreen Hay MP, made a presentation on current work of the Committee and its history since 1902. The presentation led to a lively question and answer session.

Liaison With Accounting Profession

- 3.28 As part of the Committee's role is to comment on the suitability of the form of accounts, the Committee needs to keep abreast of key developments in public sector accounting. The Committee endeavours to maintain links with the accounting profession by contacting major firms and professional organisations about its work and participating in consultation on accounting standards where appropriate.
- 3.29 On 12 September 2005, Mr Paul McLeay MP, Mr Richard Torbay MP and staff of the Committee attended a meeting with Anna d'Allesandro, Public Sector Policy Adviser, and Sepi Roshan, Financial Report and Governance Policy Advisor, of CPA Australia in relation to an exposure draft of the accounting standard for harmonising Government Financial Statistics (GFS) and Generally Accepted Accounting Principles (GAAP). The Committee later provided written comments on the exposure draft.
- 3.30 On 17 November 2005, all six members of the Committee had a meeting with CPA Australia's New South Wales Public Sector Committee in Parliament House. On 15

February 2006, the Committee Chair, Noreen Hay MP, attended a meeting of the Board of the NSW Branch of CPA Australia.

- 3.31 In October 2005, the Committee provided comments to CPA Australia on a guide developed to assist Non-Government Organisations in their administration of government grants.
- 3.32 On 24 January 2006, staff of the Public Accounts Committee secretariat attended a seminar organised by CPA Australia on significant changes to accounting standards which will affect public sector financial reporting.

Study Tours And Visits Of Inspections

- 3.33 From 18 to 31 August 2005, a delegation consisting of Mr Paul McLeay MP, Mr Richard Torbay MP and Ms Jackie Ohlin, Senior Committee Officer undertook a study tour as part of the Committee's inquiry into Public Private Partnerships. They visited government and private sector organisations in London, Washington and New York.

RESPONSES TO REPORTS

- 3.34 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).
- 3.35 The table below lists relevant reports in 2005-06 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. Not all Committee reports require a response from the Government. Details of the responses will be discussed with the reports in the next chapter.

Government Responses to the Committee's Reports*

Report Number	Topic	Relevant Recs	Tabled Date	Response Due Date	Response Provided	Recs Agreed /Partly Agreed
155	Risk Management in the NSW Public Sector	5	15 Sept 05	20 Mar 06	2 May 06	2/3
156	Value for Money from NSW Correctional Centres	6	21 Sept 05	22 Mar 06	24 July 06	6
158	Sustainability Reporting in the NSW Public Sector	7	17 Nov 05	17 May 06	14 July 06	**

** As the Government response did not address the recommendations specifically it was not possible to tell whether they agreed with these recommendations.

OUTPUT INDICATORS

Meetings	19
Hearings	5
Witnesses	43
Reports	5

Chapter Four - Reports and Inquiries

- 4.1 In 2005-06, the Committee tabled five reports. It also commenced two new inquiries and arranged for consultants to conduct an independent review of the Audit Office of New South Wales.

COMPLETED INQUIRIES

Risk Management in NSW Public Sector

- 4.2 The inquiry followed up issues raised in the Auditor-General's Performance Audit of 2002, *Managing Risk in the NSW Public Sector*, which found that risk management in agencies falls short of best practice, that many agencies did not consider their risk management to be adequate and that there was a need for greater consistency in the way risks are managed.
- 4.3 The inquiry examined how well agencies were progressing towards best practice risk management by administering a detailed survey to 29 selected agencies of different sizes and types. The survey asked these agencies to assess their performance against aspects of the best practice requirements of the Australian/New Zealand Standard AS/NZS 4360:2004 *Risk Management*. The Committee also called for public submissions and received a total of 33 submissions, including many from the survey respondents. It conducted two public hearings in June 2005.
- 4.4 The results of the survey showed that progress has been made since the Performance Audit, but a few key areas required further development including training, monitoring and the review process. The majority of agencies surveyed either had well-developed risk management practices or provided details of strategies being undertaken to move towards best practice. But the Committee considered that all agencies should have risk management plans and either business continuity plans or disaster recovery plans.
- 4.5 During the inquiry, the Committee was provided with specific examples of positive steps being taken by various agencies in relation to risk management. The main impetus behind this continuous improvement appears to be the executive teams within the individual agencies rather than direction from central agencies.
- 4.6 In the final report tabled on 15 September 2005, 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. Agencies with interrelated functions were encouraged to collaborate on risk management processes.
- 4.7 The report was well-received by participants in the inquiry. On 2 May 2006, the Treasurer provided the Committee with a response to the report that indicated the Government did not support mandatory risk management requirements. However, it agreed with two of the Committee's recommendations about improving risk management guidance for agencies and partially agreed with the other three recommendations.

Value for Money from NSW Correctional Centres

- 4.8 The Committee resolved to undertake this inquiry as a result of comments in the Auditor-General's reports to Parliament from 2002 to 2004 that, while the costs of keeping inmates in the publicly and privately run correctional centres could not be compared properly because they are not calculated the same way, the costs for keeping inmates at the private Junee centre seemed to be far lower than the average cost. The Committee decided to examine whether the private prison was providing value for money and how this compared to public centres.
- 4.9 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.
- 4.10 The Committee examined whether the Department of Corrective Services could show that newer facilities using new management techniques in the Way Forward Program could produce similar levels of cost-effectiveness to the Junee centre.
- 4.11 The Committee received seven submissions and held one day of public hearings in June. It also visited correctional centres at Kempsey and Junee in order to improve its understanding of how the two types of centre operated. The Committee completed its report on 21 September 2005.
- 4.12 The Committee found that the new public management system delivered reduced overtime, sick and other employee related expenses which translated into reduced operating costs so that the direct cost of housing prisoners at the new Mid North Coast Centre at Kempsey was \$87.76 per day compared to \$73.59 for the Junee centre. However the Committee was concerned that other facilities still have high levels of overtime and sick leave. It encouraged the Department to monitor performance and reduce these costs. Health services were also much higher than in the private prison although the public operation costs were averaged across the State and not calculated on the basis of each centre.
- 4.13 The Committee made six recommendations about improving the monitoring and reporting of costs of service delivery. The Committee also found that the private centre at Junee was a useful comparison and recommended that the Government retain a privately operated prison in the future.
- 4.14 On 14 July 2006, the Hon Tony Kelly MLC, Minister for Justice, forwarded a response which indicated that the Government agreed with all of the recommendations and that they would be implemented.

Sustainability Reporting in the NSW Public Sector

- 4.15 The Committee resolved to commence an inquiry into Sustainability Reporting on 1 September 2004. Sustainability or "Triple Bottom Line" reporting combines information on the economic, environmental and social impacts of activities.

- 4.16 The Committee understood that sustainability reporting was being undertaken by some individual NSW government agencies. The inquiry sought to establish the extent of sustainability reporting, how it is supported and how robust and effective it was.
- 4.17 The Committee 26 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.
- 4.18 Public hearings were held on 23 and 31 March and 8 April 2005. In 2004-05 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.
- 4.19 The Committee finalised tabled its report of this inquiry on 17 November 2005. It found that sustainability reporting in the public sector needed to be transparent and coordinated. The Committee supported greater consistency in the manner of such reporting and concluded that this could be achieved by the use of common indicators for reporting on agencies' internal operations. Many of these can be drawn from currently available reporting requirements.
- 4.20 The report made seven recommendations. The Committee has recommended that the New South Wales Government and all agencies develop Sustainability Action Plans and report against these. Initially, these reports would include the sustainability of an agency's internal operations. The Committee also recommended a requirement, to be phased in over time, for agencies to report on the way they influence sustainability issues in the community.
- 4.21 The report was well received by a wide range of organisations. The Committee was pleased to learn that the indicators it developed for the report have been used by the Murray Darling Basin Commission and the Australian Capital Territory Government.
- 4.22 On 13 July 2006, the Committee received the Government response to this inquiry. It noted that work was underway on whole-of-government framework, in the form of sustainability principles, and supported by the Sustainability in Government CEO Committee. While the Government response was very positive about the utility of the Committee's work, it was, however, very brief and did not respond specifically to the seven recommendations in the report.

Annual Review 2004-05

- 4.23 This report discussed the Committee's activities in 2004-05 when the Committee tabled seven reports, six of which related to inquiries. Its work was dominated by three new inquiries into Sustainability Reporting in the NSW Public Sector, Risk Management and Value for Money from Correctional Centres.

Inquiry into Public Private Partnerships

- 4.24 Public Private Partnerships (PPPs) refer to a variety of arrangements for private sector involvement in providing government infrastructure or services. PPPs have been a major recent innovation in public policy, both internationally and in Australia.
- 4.25 The Committee inquiry was to assess whether the New South Wales Government was managing its PPPs efficiently and effectively. The inquiry focussed on the models of evaluating and monitoring these projects and how risks were assessed and allocated between the public and private partners. Other key questions were the extent of opportunities to share knowledge across and between agencies and the management of intellectual property issues.
- 4.26 In August 2005, a delegation of the Committee undertook a study tour of international jurisdictions to examine issues relating to management of public-private partnerships.
- 4.27 The Committee called for submissions in September 2005, and received 27 in response. It held five public hearings in October, November and December 2005 and in February 2006.
- 4.28 The Committee tabled the report of this inquiry on 8 June 2006. The report found that although less than ten percent of assets are provided through these arrangements, because they tend to be large, complex projects that can affect people's lives for a very long time, PPPs arouse a great deal of interest.
- 4.29 The inquiry found that Government guidelines for PPPs are open to interpretation and are not being applied consistently. The Committee was also concerned at conditions which led to PPP arrangements being seen as less than transparent. This leads to a low level of community trust about PPP projects. The Committee considered that the Government could improve disclosure and clarify the PPP process and make greater efforts to monitor the ongoing value of projects over their entire lives..
- 4.30 The report made a total of 26 recommendations about improving the administration of these projects. Key recommendations were to make guidelines mandatory, increase the disclosure of information about PPPs, publish information about the accounting treatments for the projects and about the evaluation criteria used to determine whether a project should be performed by the public or private sectors. The Committee recommended a stronger emphasis on monitoring and evaluating these projects over the length of contracts.
- 4.31 A Government response is due in December 2006.

PROGRESS OF OTHER INQUIRIES AND REPORTS

Inquiry into Managing Animal and Plant Diseases

- 4.32 On 29 March 2006, the Committee resolved to conduct an inquiry into the management of plant and animal diseases in New South Wales. The inquiry is following up the recommendations of two performance audits by the Auditor-General, *Managing Animal Disease Emergencies* from 2002 and *Implementing the*

Ovine Johne's Disease Program from 2003. These reports are the starting points for an examination of the overall efficiency and effectiveness of State's biosecurity system.

- 4.33 The agricultural sector is of significant economic importance with production in New South Wales of around \$8 billion a year, even during the current drought. Outbreaks of diseases can be very costly to stop, do irreparable harm to markets and sometime even affect human health. Governments and industry both have roles to play in preventing diseases and pests from spreading and minimising these threats.
- 4.34 The Committee called for submissions to this inquiry in April 2006 and it has received 15 submissions. The Committee held two public hearings on 8 August and 9 August 2006 at Parliament House.
- 4.35 The inquiry will be completed during 2006-07.

Home and Community Care Program

- 4.36 The Home and Community Care (HACC) program is jointly funded by the Commonwealth and State Governments to provide services to the frail aged, disabled and their carers with aim of helping them stay in their own homes rather than move to institutions.
- 4.37 On 11 May 2006, the Hon John Della Bosca MLC, Minister for Ageing and Minister for Disability Services, asked the Committee to consider and report on the joint funding and planning arrangement for the HACC Program. The Committee resolved to agree to this request and, on 7 June 2006, adopted terms of reference for the inquiry incorporating these issues as well as those raised in an October 2004 Performance Audit by the Auditor-General *Home Care Service*.
- 4.38 The HACC program funds some 700 services across NSW in the areas of personal care, meals/food services, respite care, transport, home maintenance and modification, domestic assistance and social support. The Home Care Service is the largest provider of HACC services in NSW, receiving approximately one-third of the total funds for the HACC program in this State.
- 4.39 In June 2006, the Committee called for submissions through publicly advertising and by writing to key stakeholders. It has received 20 submissions from government agencies, services providers and consumer organisations. Hearings were held in September and October 2006. The inquiry will be completed during 2006-07.

Review of the Audit Office

- 4.40 As described in Chapter Two, every three years the Committee is required to appoint an independent reviewer of the auditing practices and standards of the Auditor-General and to test the level of compliance with those standards. The most recent review was completed in 2003.
- 4.41 The review process is conducted in strictest secrecy. The Committee is not involved and it cannot see any findings until the Auditor-General forwards the reviewer's final report to the Committee for publication. However, the Committee does have

considerable latitude in defining the scope of the review through establishing the terms of reference.

- 4.42 The Committee's two priorities were to ensure that the review focussed on the most critical issues about the operation of the Audit Office of New South Wales and to have the review completed before the term of the current Auditor-General expired in September 2006. In mid-2005, the Committee commenced a comprehensive consultation process by seeking the views of all members of New South Wales Parliament, Australasian Public Accounts Committees, academics and the accounting profession. These responses, the Committee's research and the recommendations of the previous review were used to develop terms of reference which were adopted in November 2005.
- 4.43 In January 2006, the Committee called for tenders by public advertisement. Six tenders were received. After a stringent evaluation process, in March 2006, the Committee appointed a partnership between two auditing and accounting firms, Masters Le Mesurier and Pitchers Partners, to conduct the review. The Committee endorsed to the reviewer's planned approach.
- 4.44 Over the next two months, the reviewers performed fieldwork by examining audit working papers and interviewing Audit Office staff, key NSW officials and staff of Audit Offices in other Australasian jurisdictions. The reviewers reported their progress to the Committee regularly. They presented the Auditor-General with a final report in late June 2006. This was published by the Committee in August 2006.
- 4.45 The review's overall finding was that the Audit Office delivers its services in accordance with professional and legal standards. There were some very minor instances of non-compliance with standards. The review made nine recommendations for improvement, all of which were agreed to by the Auditor-General and will be implemented.

Appendix One -Public Accounts Committee Reports

REPORTS FROM THE 47TH TO 53RD PARLIAMENTS (1981-2006)

No	Report Title	Date	Reference from			Initiated by PAC ¹
			Minister	Treasurer	Auditor-General	
53rd Parliament 2003-						
159	Inquiry into Public Private Partnerships	June 2006				
158	Sustainability in the NSW Public Sector	November 2005				
157	Annual Review 2004-2005	November 2005				
156	Value for Money from NSW Correctional Centres	September 2005				A
155	Risk Management in the NSW Public Sector	September 2005				A
154	Review of Operations of Audit Committees	April 2005				A
153	Inquiry into the reporting and auditing requirements for small agencies	December 2004				
152	Annual Review 2003-2004	November 2004				
151	Government (Open Market Competition Bill) 2003 and Visits of Inspections	October 2004	Legislative Assembly			
150	Inquiry into Academics' Paid Outside Work	September 2004				A
149	Inquiry into Infringement Processing Bureau	September 2004				
148	Review of Fire Services Funding	September 2004				
147	Annual Review	June 2004				
146	Inquiry into NSW Ambulance Service: Readiness to Respond	June 2004				A
145	Review of the Audit Office under Section 48A of the Public Finance and Audit Act 1983	November 2003				
144	History of the Committee 1902-2002	September 2003				
52nd Parliament 1999-2003						
143	First Home Owner Grant Scheme	December 2002				A
142	State Forests: Inquiry into the Practice of Trading with Customers who have defaulted on Renegotiated Repayment Terms	December 2002				A
141	Inquiry into the New South Wales Aboriginal Land Council's Mortgage Fund	December 2002				A

¹ "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 the original inquiry was a reference to the Committee

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC ²
140	The Role of Auditing and Accounting in Recent Corporate Collapses	October 2002				
139	Annual Review 2001-2002	December 2002				
138	Review of Reporting Requirements for Small Agencies – Discussion Paper	November 2002				
137	Follow-up's of Auditor General's reports to Parliament 2001: Omnibus Volume	November 2002				A
136	Valuation of The Australian Museum's Collection Assets	November 2002				A
135	Delegation by the Minister for Health	October 2002				A
134	Case Studies and Issues in the Private Financing of Public Infrastructure and Services	October 2002				
133	Inquiry into Court Waiting Times	June 2002				A
132	Annual Review	February 2002				
131	Inquiry into the School Student Transport Scheme	February 2002				
130	Industry Assistance	June 2001				A
129	Annual Report for the Year Ended 30 June 2000	June 2001				
128	Inquiry into the Collapse of the NSW Grains Board	May 2001				A
127	Submission to the Green Paper: "Working with Government – Private Financing of Infrastructure and Certain Government Services in NSW"	April 2001				
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				
125	Report on the Long Term Financial Viability of the Waste Recycling and Processing Service	July 2000				A
124	Report on the Financial Disclosure of the WorkCover Scheme Statutory Funds	July 2000				A
123	Report on Cost Control in the Department of Juvenile Justice	July 2000				A
122	ED100: Arrangements for the Provision of Public Infrastructure by other Entities: Disclosure Requirements – Discussion Paper	June 2000				
121	Problems in the Administration of the <i>Public Finance and Audit 1983</i> during the review of the Audit Office of New South Wales <i>Act</i>	February 2000				
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				

² "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 the original inquiry was a reference to the Committee

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC ³
119	Annual Report for the Year Ended 30 June 1999	December 1999				
51st Parliament 1995-1999						
118	Streamlining Payment of Overdue Debts	December 1998				
117	Follow-Up Report: Offshore and Off-Target Why NSW lags the field in overseas projects	November 1998				
116	Annual Report for the Year Ended 30 June 1998	October 1998				
115	Changing the Culture: Dispute Management In Local Councils	June 1998				
114	Proceedings of the Interactive Seminar on Dispute Management in Local Government	April 1998				
113	Proceedings of the Conference on Doing Business with the World Bank and the United Nations	1997				
112	Legal Services to Local Government: Minimising Costs Through Alternative Dispute Resolution – Discussion Paper	November 1997				
111	Annual Report for the Year Ended 30 June 1997	November 1997				
110	Follow-Up Report to the Auditor-General's Performance Audit Report entitled <i>Joint Operations in the Education Sector</i>	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
108	Matters arising from the Auditor-General's Report for 1996	June 1997				A
107	Follow-Up of Selected Public Accounts Committee Reports: 1988 – 1996	June 1997				F
106	The Public's Debts to the State: Better Agency Collection, Higher State Revenue – Discussion Paper	November 1997				
105	Proceedings of the Seminar on Debts and Debtors: Getting Better Results	May 1997				
104	Proceedings of the Biennial Conference of the Australasian Council of Public Accounts Committees	May 1997				
103	Annual Report for the Year Ended 30 June 1996	May 1997				
102	Proceedings of the Conference on Public/Private Infrastructure Financing: Still Feasible?	October 1996				
101	Matters arising from the NSW Auditor-General's Report for 1995	June 1996				A

³ "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 the original inquiry was a reference to the Committee

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC ⁴
100	Pioneers – Progress but at a Price. The Implementation of Accrual Accounting in the NSW Public Sector	June 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
98	Australasian Council of Public Accounts Committees Mid-Term meeting (Transcript of Proceedings)	May 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				
96	Proceedings of the Seminar on Asset Valuation in the Public Sector: Issues in the Controversy	April 1996				
95	Annual Reporting in the NSW Public Sector (The truth, the whole truth and nothing but the truth?)	April 1996				
94	Offshore and Off-Target – Why NSW lags in Overseas Projects	November 1995				
93	Annual Report for the Year Ended 30 June 1995	November 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
91	Report on Darling Harbour: Sporting Facilities	August 1995				
90	Annual Reports – Issue Paper	May 1995				F
50th Parliament 1991-1995						
89	Proceedings of the Seminar on Accrual Accounting – The Scorecard to Date	February 1995				
88	Report on the Rural Assistance Authority	February 1995	Legislative Assembly			
87	Co-ordination of Government Inputs into Overseas Projects – International Market Development Activities of NSW Marketing Boards	December 1994				
86	Inquiry into State Debt Control (Balanced Budget) 1994	December 1994				
85	Annual Report for the Year Ended 30 June 1994	October 1994				
84	A Tale of Two Olympic Cities: Visit to Los Angeles and Montreal by the Public Accounts Committee	October 1994				
83	Preparations for the Peer Review of the Auditor-General's Office	June 1994				

⁴ "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 the original inquiry was a reference to the Committee

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

⁵ "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 the original inquiry was a reference to the Committee

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC ⁶
62	Phase One Report on the Public Accounts Committee Special Inquiry into the Port Macquarie Hospital Contract	June 1992	Legislative Assembly			
61	Follow-Up Report on Financial Accountability	June 1992				F
60	Report on Dividend Payments made by Statutory Authorities to the Consolidated Fund	April 1992				A
59	Report on the National Parks and Wildlife Service	December 1991				
58	Annual Report for the Year Ended 30 June 1991	October 1991				
49th Parliament 1988-1991						
57	Report on Legal Services Provided to Local Government	May 1991				
56	Parliamentary Scrutiny of Performance Seminar held 9 November 1990	April 1991				
55	Report on Payment Performance of Major Statutory Authorities and Inner Budget Sector Departments	April 1991				
54	Examination of the Juvenile Transport Service of the Department of Family and Community Services	March 1991				A
53	Report on the Auditing of Local Government	January 1991				
52	Report on the Forestry Commission	December 1990				
51	Annual Report for the Year Ended 30 June 1990	October 1990				
50	Report on the Lord Howe Island Board	December 1990				A
49	Report on the NSW Auditor-General's Office	July 1990				
48	Report on the Darling Harbour Authority	December 1989				
47	The Challenge of Accountability	November 1989				
46	Annual Report for the Year Ended 30 June 1989	October 1989				
45	Report on the Payments to Visiting Medical Officers	June 1989				
44	Report on the NSW Ambulance Service	February 1989				
43	Report on Payments without Parliamentary Appropriation	February 1989				
42	Report on the Management of Arson in the Public Sector	January 1989				
41	Annual Report for the Year Ended 30 June 1988	September 1988				

⁶ "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 the original inquiry was a reference to the Committee

No	Report Title	Date	Reference from			Initiated by
			Minister	Treasurer	Auditor-General	PAC ⁷
40	Report on the Heritage Council of New South Wales	June 1988				
39	Report on the Purchasing Practices and the Allocation of Stores and Equipment Resources within the Technical and Further Education System	February 1988				
38	Proceedings of the Accrual Accounting Seminar held 5 February 1988	May 1988				
48th Parliament 1984-1988						
37	Report on the Ravensworth Coal Washery	October 1987				A
36	Report on the Biennial Conference of Public Accounts Committees, Sydney – May 1987	October 1987				
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				
34	Supplementary Report for the Year Ended 30 June 1987	September 1987				A, F
33	Annual Report for the Year Ended 30 June 1987	September 1987				
32	Report on the Home Care Service of New South Wales	July 1987				
31	Report on the Film Corporation of New South Wales	June 1987				A
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
29	Report on the New South Wales Builders Licensing Board	December 1986				
28	Follow-Up Report on Overtime, Sick Leave and Associated Issues in the NSW Police Force	November 1986				F
27	Annual Report for the Year Ended 30 June 1986	August 1986				
26	Follow-Up Report on Annual Reporting of Statutory Authorities	July 1986				F
25	Report on the Collection of Parking and Traffic Fines	July 1986				A
24	Follow-Up Report on Overtime Payments to Corrective Service Officers	June 1986				F
23	Report on Proposed Regulations Accompanying the <i>Annual Reports (Departments) Act 1985</i> and Miscellaneous Amendments Concerning Annual Reporting	May 1986				
22	Report on Recommended Changes to the Public Accounts	May 1986				

⁷ "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 the original inquiry was a reference to the Committee

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

⁸ "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 the 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>
5-July-2005	✓	✓	✓	✓	Apology	Apology
14-September-2005	✓	✓	✓	Apology	✓	Apology
21-September-2005	✓	✓	✓	Apology	✓	Apology
<i>DATE</i>	<i>MEMBERS</i>					
	<i>HAY</i>	<i>WHAN</i>	<i>KENEALLY</i>	<i>APLIN</i>	<i>TURNER</i>	<i>TORBAY</i>
*19-October-2005	✓	✓	✓	✓	✓	✓
9-November-2005	✓	✓	✓	✓	✓	✓
16-November-2005	✓	✓	✓	✓	✓	✓
18 November 2005	✓	✓	✓	✓	✓	✓
30-November-2005	✓	✓	✓	✓	✓	Apology
2-December-2005	✓	✓	✓	✓	Apology	Apology
16 February 2006	✓	Apology	✓	✓	✓	✓
17-February-2006	✓	✓	✓	✓	✓	Apology
1-March-2006	✓	✓	✓	✓	✓	✓
8-March-2006	✓	✓	✓	✓	✓	✓
29-March-2006	✓	✓	✓	✓	✓	✓
5-April-2006	✓	✓	✓	✓	✓	Apology
3-May-2006	✓	✓	✓	✓	✓	✓
10-May-2006	✓	✓	Apology	✓	✓	✓
24-May-2006	✓	✓	✓	✓	✓	Apology
7-June-2006	✓	✓	✓	✓	✓	✓

- *19 October 2005 Ms Noreen Hay MP was elected as Chair of the Committee and Mr Steve Whan MP was elected as Vice-Chair of the Committee

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 Chair 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 2005-06, the Committee members, other than the Chair, received an allowance of \$3,295 per annum in recognition of their responsibilities.