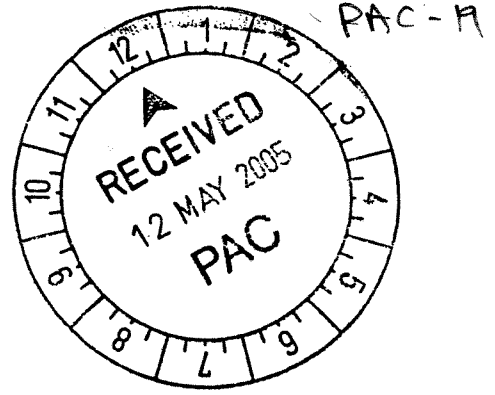




Premier of New South Wales
Australia



11 MAY 2005

Mr Matt Brown MP
Chairman
Legislative Assembly Public Accounts Committee
Parliament of New South Wales
Macquarie Street
Sydney NSW 2000

Dear Mr Brown

Please find attached the Government's response to the report entitled *Government (Open Market Competition) Bill 2003 and Visits of Inspection* tabled in Parliament on 20 October 2004.

The Government welcomes the report and appreciates the work of the Committee in examining the important issues of public disclosure and accountability.

Yours sincerely



Bob Carr
Premier

Government's response to the report entitled *Government (Open Market Competition) Bill 2003 and Visits of Inspection* tabled in Parliament on 20 October 2004.

Recommendation 1: *That the Committee advises the Legislative Assembly of its view that Premier's Memorandum 2000-11 should be reinforced as the standard for compliance by agencies in relation to disclosure of government contract information.*

The Government accepts this recommendation and proposes to issue a Premier's Department Circular reminding agencies of their disclosure obligations under Premier's Memorandum 2000-11.

Recommendation 2: *That the Audit Office conduct a compliance review of Premier's Memorandum 2000-11 in its 2004-05 program as a means of establishing a baseline of agency compliance with the provisions of the Memorandum.*

The Government would welcome any decision by the Auditor General to conduct a compliance review as recommended.

Recommendation 3: *That the Committee advises the Legislative Assembly of its view that there are sufficient current checks and balances in place through agencies issuing grants to satisfy auditing conditions and address any breaches of funding agreements.*

The Government welcomes the Committee's view that there are sufficient current checks and balances in place through agencies issuing grants to satisfy auditing conditions and address any breaches of funding agreements.

Recommendation 4: *That the outcomes of the current Grants Administration Review be referred to New South Wales' government agencies for consideration as a model for grants administration.*

The Government accepts this recommendation and notes that the Grants Administration Review is currently developing, piloting and implementing new processes within the human services agencies. It is intended that these processes will be adopted in time by all agencies involved in grants administration.