



MEDIA RELEASE

'Follow the dollar' powers for the Auditor-General

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The Public Accounts Committee (PAC) is seeking additional 'follow the dollar' powers for the Auditor-General to scrutinise the performance of non-government organisations and local governments spending NSW taxpayer funds.

The PAC tabled a report in Parliament today, which called on the NSW Government to extend the performance audit function of the Auditor-General to include audits of local governments, private contractors and other non-government organisations that perform functions on behalf of the State.

"The Auditor-General has been hamstrung by his inability to follow Government funds dispersed to third party providers, and is therefore unable to confirm that those funds were used effectively and efficiently. It is essential that this situation changes," said Committee Chair, Jonathan O'Dea MP.

"The changes we have recommended should allow the Auditor-General to shine a light on areas of Government spending previously outside of his remit. This should add to the public's confidence about how this money is spent."

Other recommendations of the PAC's report, entitled *Efficiency and effectiveness of the Audit Office of New South Wales*, include:

- requiring the Audit Office to breakdown its audit fees for Government agencies,
- requiring the Auditor-General to outsource at least 30% of the financial audits of universities,
- including compliance audits in the Auditor-General's mandate under the *Public Finance and Audit Act 1983*, and
- ensuring that any expansion of the Auditor-General's powers is adequately resourced.

The Government has six months to respond to the PAC's recommendations.

For more information about the inquiry and to access a copy of the report, please visit the PAC website: www.parliament.nsw.gov.au/publicaccounts

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