The Parliament of the Commonwealth of Australia

Report 444

Annual Report 2013-14

Joint Committee of Public Accounts and Audit

September 2014 Canberra

© Commonwealth of Australia 2014

ISBN 978-1-74366-192-5 (Printed version)

ISBN 978-1-74366-193-2 (HTML version)

This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs 3.0 Australia License.



The details of this licence are available on the Creative Commons website: http://creativecommons.org/licenses/by-nc-nd/3.0/au/.

Contents

For	reword	V
Ме	embership of the Committee	vii
List of abbreviations		ix
1	Introduction	1
	Committee duties	1
2	Summary of activities for 2013-14	3
	Reviews and inquiries	3
	Reviews of Auditor-General reports	3
	Review of Defence Materiel Organisation Major Projects Report	5
	Australian Public Services Updates	6
	Commissioner of Taxation hearings	6
	Other inquiries	6
	Responses to JCPAA Reports	8
	Other major Committee activities	9
	Audit priorities of the Parliament	9
	Review of the annual budget of the ANAO	12
	Engagement with the Independent Auditor	13
	The work and operation of the Parliamentary Budget Office	13
	Annual report requirements for Commonwealth agencies	14
	External engagement and communication	15
	International and interstate engagement	15
	Australasian Council of Public Accounts Committees	16

Foreword

I am pleased to present the 2013-14 Annual Report of the Joint Committee of Public Accounts and Audit (JCPAA), pursuant to section 8B of the *Public Accounts and Audit Committee Act 1951*. It is important to note that, as this report covers the 2013-14 financial year, this period covers part of the 43rd Parliament.

The House of Representatives was dissolved on 5 August 2013; the 44th Parliament commenced on 12 November 2013 and the JCPAA held its first meeting of the 44th Parliament on 9 December 2013.

The Committee's activities in 2013-14 were guided by the Committee's broad set of duties. As such, the Committee:

- reviewed reports of the Auditor-General on behalf of the Parliament;
- reviewed the Defence Materiel Organisation (DMO) Major Projects Report (MPR);
- considered the operation and resources of the Australian National Audit Office (ANAO) and the Parliamentary Budget Office (PBO);
- approved the nomination for appointment of the Independent Auditor of the ANAO; and
- continued to encourage parliamentary and public awareness of the financial and related operations of government, both nationally and internationally.

In addition to this, the Committee has been engaged in the oversight of the Public Management Reform Agenda (PMRA). In June 2014, the Committee published a report into the *Public Governance, Performance and Accountability Act* 2013 (PGPA Act) rules development, making ten recommendations in response to specific issues raised by stakeholders. The Committee is committed to its continued oversight of the PMRA, with a second inquiry into the PMRA regarding the new performance measurement and reporting framework expected to commence in late 2014.

I would like to thank the members of the 43rd Parliament's JCPAA (chaired by Robert Oakeshott and deputy chaired by Yvette D'Ath and Gai Brodtmann MP) for their excellent work, and, on behalf of the new Committee, affirm our commitment to continue the JCPAA's proud tradition of proper scrutiny of the use of public resources by the Executive and its agencies.

Dr Andrew Southcott MP Chair

Membership of the Committee

Chair Dr Andrew Southcott MP

Deputy Chair Mr Pat Conroy MP

Members Ms Gai Brodtmann MP Senator Cori Bernardi (from 13/11/14)

Mr Andrew Giles MP (from 18/3/14) Senator Chris Ketter (from 1/7/14)

Dr Peter Hendy MP (from 18/3/14) Senator the Hon Kate Lundy

Mr Craig Laundy MP Senator Bridget McKenzie (from 1/7/14)

Mrs Jane Prentice MP (from 25/2/14) Senator Dean Smith

Mr Angus Taylor MP Senator Anne Ruston (until 6/614)

Senator Alex Gallacher (until 26/6/14)

Mr Tim Watts MP

Mr Michael Sukkar MP

Ms Lisa Chesters MP (until 18/3/14)

The Hon Tony Smith MP (until 18/3/14))

The Hon Dr Sharman Stone MP

(until 25/2/14)

Committee Secretariat

Secretary Ms Susan Cardell (from 5/5/14)

Mr David Brunoro (until 5/5/14)

Inquiry Secretaries Dr Kate Sullivan

Ms Jane Hearn

Research Officers Ms Casey Mazzarella

Dr Andrew Gaczol (from 12/5/14) Mr Nathan Fewkes (until 12/5/14)

Administrative Officers Ms Tamara Palmer (from 3/314)

Mr Danny Miletic (until 3/3/14)

List of abbreviations

ACPAC Australasian Council of Public Accounts Committees

AG Act Auditor-General Act 1997

ANAO Australian National Audit Office

APS Australian Public Service

ATO Australian Taxation Office

DMO Defence Materiel Organisation

JCPAA Joint Committee of Public Accounts and Audit

MPR Major Projects Report

NCA National Commission of Audit

PAAC Act Public Accounts and Audit Committee Act 1951

PBO Parliamentary Budget Office

PGPA Act Public Governance, Performance and Accountability Act 2013

PMRA Public Management Reform Agenda

PS Act Public Service Act 1999