



Auditor-General for Australia



5 July 2018

Senator Dean Smith  
Chair  
Joint Committee of Public Accounts and Audit

By email: [jcpaa@aph.gov.au](mailto:jcpaa@aph.gov.au)

Dear Senator Smith

Further to my letter of Friday 29 June 2018, I am writing to provide the Joint Committee of Public Accounts and Audit (JCPAA) with an update on other matters raised at the ANAO's recent private meeting with the JCPAA on 20 June 2018.

At that meeting, I advised you that an application had been made to the Attorney-General to issue a certificate under section 37(1)(b) of the *Auditor-General Act 1997* (the Act) in relation to certain information contained in my proposed performance audit report on Army's Protected Mobility Vehicle – Light. On Friday 29 June 2018 I received a certificate, dated 28 June 2018, from the Attorney-General under section 37(1)(b) of the Act stating that, in the opinion of the Attorney-General, disclosure of certain specified information in the draft performance audit report would be contrary to the public interest. I am currently working through the implications of the certificate in respect of reporting on this performance audit. My consideration must take account of relevant provisions in the Act including that the Auditor-General cannot be required, and is not permitted, to disclose to a House of the Parliament; or a member of a House of the Parliament; or a committee of a House of the Parliament or a joint committee of both Houses of the Parliament, information that is prohibited from inclusion in a public report because the Attorney-General has issued a certificate under section 37 (see subsection 37(3) of the Act).

In respect of the Thales Australia litigation matter, it is unclear what impact the certificate will have on the application by Thales Australia. I will update the Committee further when Thales Australia makes its intentions clear.

During the private meeting on 20 June 2018, the Committee asked questions regarding the costs incurred in defending against Thales Australia's litigation. The ANAO's external legal expenditure on the Thales case to date is \$182,706.01 (including \$9,553.11 of non-AGS barrister fees). The final cost is as yet unknown.

Yours sincerely

A solid black rectangular box used to redact the signature of Grant Hehir.

Grant Hehir