
The Parliament of the Commonwealth of Australia

Report 440

Annual Report 2012–13

Joint Committee of Public Accounts and Audit

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Foreword

This year marks 100 years since the establishment of the first federal public accounts committee. For the current Joint Committee of the Public Accounts and Audit, this year marks three years of dedicated work in holding Commonwealth agencies to account for the lawfulness, efficiency and effectiveness with which they use public monies.

I did not realise what a fine reputation Australian governance and auditing has throughout the international community when I first took on this Chair's role. I certainly do now, with many travelling delegations from developing democracies choosing to visit Australia to learn from one of, if not the best, systems of governance and audit.

We can place a real value on this reputation much more than what we currently do, and indeed, we can build closer ties with many developing countries because of this long, proud and recognised tradition. As just one example, the new Afghan public accounts committee chose Australia as its model, and has now developed links through the World Bank Institute and others, with our committee. Positive, civil, peaceful development work – Australia has an opportunity to do more of it with long-lasting opportunities in international linkages the spin-off.

So, in addition to meeting its legislated mandate, this committee has sought opportunities to improve oversight and transparency here in Australia and extend our relationships internationally. This has included:

- Formalising changes to the Auditor General's Act – allowing the ANAO to now 'follow the money' across jurisdictions and corporate borders; and making other important improvements. Prior to this, over half of taxpayers' money had limited audit access on how it was spent. Now, the Auditor-General can follow those taxpayers' dollars to make sure efficiency and full value for money is delivered.
- Playing an integral role in the establishment of the Parliamentary Budget Office – which has been an institutional evolution for all

Members of Parliament and one of this 43rd Parliament's greatest achievements for budget transparency.

- Expanding the scrutiny of the Australian Taxation Office by including external scrutiny agencies and professional bodies, and developing a tradition of annual roundtables with the Tax Office.
- Building international linkages to strengthen the already solid relationship between public accounts committees and their parliaments through:
 - ⇒ targeted capacity building and information exchange activities – in particular with the Indonesian public accounts committee equivalent;
 - ⇒ meeting with visiting delegations; and
 - ⇒ participating in international conferences to compare and strengthen the role of public accounts committees.

There are many more examples, however, the focus is always forward and this final report is an opportunity to send a message to the next committee of the next Parliament.

First, I continue to urge the bipartisan and senior committee to continue to demand better performance assessments; drive the aspiration for 'joined up' government; and continue the campaign for plain English communication across the public sector.

Second, extend the tradition of past public accounts committees by driving greater budget transparency and long term budget sustainability. This is an area ready for further scrutiny.

Third, continue to champion the Auditor-General and the Parliamentary Budget Officer – indeed, the role of overseer is a legislated duty. As highlighted at this year's inaugural public hearing with key whole-of-government scrutiny bodies, similar support and recognition should be given to the broader integrity arm of Government, and the development of a collegiate group of independent statutory officers working on integrity and transparency is an emerging, and welcome 'fourth-arm' of Government. They play a critical role in overseeing public sector governance and administration, and need adequate resources and parliamentary attention. Too often they are overlooked or undervalued in their capacity to work with, and for, the public and the Parliament to keep Executive Government focused. I strongly encourage the next committee to continue to hold regular public hearings to both reflect on the overall state of Commonwealth administration; and give scrutiny bodies the strong voice in parliament they deserve.

Fourth, I remind the next committee that reviewing the reports of the ANAO is core work for the committee. There is great merit in paying close attention to the reports of the Auditor General. They provide important information on the state of Australia's public service and how the Government and the Parliament are serving the people.


And last but not least, regardless of political persuasion, I urge all committee members to remain focused and ensure you follow through. Your target should be the core work of the committee – that of overseeing and improving the financial management and administration of the Commonwealth public sector. Ensure follow through by checking that people have heard your messages, have taken action, and that things have actually improved.

Our committee has found that even though we are critical of certain programs at times, that the Australian public sector is improving, and wants to engage on the detail of how further improvements can be made. Overall, and I hope on behalf of all committee members, I commend the exceptional individuals and collective commitment of our public servants in Australia.

In closing, I'd like to thank all members of the committee for their constructive and collaborative work over the life of this Parliament. It has been a really enjoyable and privileged committee to work on, as it is a committee that gets to look inside so many different aspects of working government. I thank all members for focusing on better Government (99 per cent of the time) instead of chasing the easy or divisive political play. Again, I hope I speak for all members who have found this committee, at this time, a rewarding one.

And finally, once again, I thank the ongoing work of the committee secretariat. This is the engine room of good governance and they deliver every time. I cannot sing the praises of the team in the secretariat highly enough. They are true professionals, making them genuine servants to a greater Australia. On behalf of all on the committee, I thank them deeply.

Rob Oakeshott MP
Chair



Membership of the Committee

Chair Mr Robert Oakeshott MP

Deputy Chair Ms Gai Brodtmann MP (from 13/02/13)

Ms Yvette D’Ath MP (until 06/02/13)

Members Hon Dick Adams MP

Mr Jamie Briggs MP

Ms Gai Brodtmann MP

Mr Darren Cheeseman MP

Mr Josh Frydenberg MP

Mr Harry Jenkins MP (from 22/04/13)

Mr Shane Neumann MP (from 06/02/13
until 22/04/13)

Ms Deborah O’Neill MP

Ms Laura Smyth MP

Hon Alex Somlyay MP

Senator Mark Bishop

Senator Kim Carr (from 14/05/13)

Senator Helen Kroger (until 12/09/12)

Senator Louise Pratt

Senator Anne Ruston (from 13/09/12)

Senator Dean Smith

Senator Matt Thistlethwaite
(until 14/05/13)

Committee Secretariat

Secretary	Mr David Brunoro
Inquiry Secretaries	Ms Vikki Darrough
	Mr James Nelson
Research Officers	Mr Shane Armstrong
	Mr Nathan Fewkes (until 15/02/13)
	Ms Elina Gilbourd (from 3/6/13 until 3/7/13)
Administrative Officers	Ms Dorota Cooley (until 18/7/12)
	Ms Louise Goss (until 28/03/13)
	Ms Jazmine Rakic (from 20/12/12)
	Ms Chantell Tasker (from 15/4/13 until 24/4/13)
	Ms Karen Underwood (from 7/05/13)



List of abbreviations

ACPAC	Australasian Council of Public Accounts Committees
ANAO	Australian National Audit Office
APS	Australian Public Service
ATO	Australian Taxation Office
COAG	Council of Australian Governments
DMO	Defence Materiel Organisation
FMA Act	<i>Financial Management and Accountability Act 1997</i>
JCPAA	Joint Committee of Public Accounts and Audit
MPR	Major Projects Report
OECD	Organisation for Economic Cooperation and Development
PAAC Act	<i>Public Accounts and Audit Committee Act 1951</i>
PBO	Parliamentary Budget Officer

