



JCPAA Review of the Management of Federal Airport Leases

***Public Hearing, Monday 7th March, 11:45am – 1:00pm,
Committee Room 1R4, Parliament House, Canberra***

Committee chair, Mr Bob Baldwin, announced that the Joint Committee for Public Accounts and Audit (JCPAA) would hold a public hearing on Monday 7th March to review the following Auditor-General report:

- ***Audit Report No. 50, 2003-04, Management of Federal Airport Leases***

The Australian National Audit Office (ANAO) review of the *Management of Federal Airport Leases* focused on the Department of Transport and Regional Services' (DOTARS) management of contracts entered into as part of the 1997 and 1998 leasehold sales of 17 Federal airports.

The ANAO findings revealed that DOTARS took some time to develop procedures to administer important aspects of lessees' contractual obligations. However the ANAO report did acknowledge that significant changes had occurred in the Australian aviation market including challenges arising from the Asian economic crisis, September 11 2001 events in the U.S., the collapse of Ansett, the Bali bombing, the SARS pandemic and the Iraqi war.

"The Committee is interested in following up on ANAO recommendations agreed to by DOTARS."

"The main areas of concern include: cost recovery for lease administration costs; inadequate insurance cover for some of the privatised airports; and deficiencies in contract management issues and reporting" said Mr Baldwin.

Some other areas of interest the Committee may focus on at the public hearing include:

- Annual lease reviews;
- Lease management; and
- Airport development commitments.

Under the Public Accounts and Audit Committee Act 1951 (PAAC Act), it is the duty of the Committee to examine all reports of the Auditor-General that are tabled in each House of the Parliament.

For media comment: please contact Mr Bob Baldwin MP on telephone 0419 694 620.

All Auditor-General's reports can be found on the ANAO website at www.anao.gov.au

For **more information**, contact the inquiry secretary on telephone (02) 6277 4615 or visit the Committee's website at www.aph.gov.au/house/committee/jpaa/index.htm