



Auditor-General for Australia



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4 March 2011

Senator the Hon John Faulkner
Chair
Joint Select Committee on the Parliamentary Budget Office
Parliament House
CANBERRA ACT 2600

Dear Senator Faulkner

I am writing to respond to the following questions:

1. Can you explain the history of the arrangements in place which employ ANAO staff under the Public Service Act, and (a) how this arrangement operates in practice, and (b) in terms of officer neutrality, whether it would be appropriate to appoint PBO staff under the Public Service Act or whether it would be more appropriate they be employed under the Parliamentary Service Act?
2. How many accountants are employed by the ANAO?

ANAO Response

As far as we are aware, the staff of the Australian National Audit Office (ANAO) and its predecessors have always been employed on the same terms and conditions as the broader Australian Public Service. This recognises that the ANAO is an APS agency and the Auditor-General, while independent, is the Chief Executive of the ANAO, and abides by the legislative and policy frameworks applicable to an APS agency.

The ANAO's terms and conditions of employment are governed by a separate Enterprise Agreement. While subject to policy parameters set by the government of the day, the employment framework provides the ANAO with sufficient flexibility to set terms and conditions of employment for staff that have the skills and experience we require. If, however, I considered at any time that this situation unduly impinged on my audit responsibilities, I would raise the matter with the Government in the first instance.

In relation to the question of whether the staff of the Parliamentary Budget Office (PBO) should be appointed under the Public Service Act or the Parliamentary Service Act, our understanding is that if the PBO is established as a separate parliamentary

department or is part of a parliamentary department, staff would be employed under the Parliamentary Service Act.

In response to the second question above, our records indicate that 131 staff are members of either CPA Australia or the Institute of Chartered Accountants in Australia.

Yours sincerely



Ian McPhee