



## **Auditor-General to use new powers to 'follow the money trail' on Mersey Community Hospital**

The Auditor-General's new powers to scrutinise money spent under Commonwealth partnerships will now be used in practice for the first time to audit the Commonwealth-State arrangements at the Mersey Community Hospital in Tasmania, Public Accounts and Audit Committee Chair Robert Oakeshott said today.

Parliament approved the new powers following a Joint Committee of Public Accounts and Audit inquiry and the successful passage of a private Member's Bill, which also made a range of other enhancements to the Auditor General's Act.

"Mersey Hospital has been managed under a unique Commonwealth-State arrangement in recent times, and this audit will assist to determine whether value for money is being achieved," Mr Oakeshott said.

"Health and hospital reform takes a further step forward in the middle of this year as we move to activity-based funding. Arrangements between the Commonwealth and the state in any health reform need to work in detail, and the opportunity to explore arrangements at the Mersey Hospital over the past four years will assist the health reform agenda to get the detail right.

"The cross-parliamentary Committee of Public Accounts and Audit welcomes this scrutiny from the Auditor-General, and looks forward to a quality audit," Mr Oakeshott said.

**For media comment:** please contact the Committee Chair, Rob Oakeshott MP, on telephone (02) 6584 2911

**For more information:** please contact the Committee Secretariat on telephone (02) 6277 4615 or visit the Committee website:

<http://www.aph.gov.au/house/committee/jcpaa>.