

Introduction

Background to the review

- 1.1 The Joint Committee of Public Accounts and Audit (JCPAA) has a statutory duty to examine all reports of the Auditor-General that are presented to the Presiding Officers of the Australian Parliament, and report the results of its deliberations to both Houses of Parliament. In selecting audit reports for review, the Committee considers:
- the significance of the program or issues raised in the audit reports;
 - the significance of the audit findings;
 - the arguments advanced by the audited agencies; and
 - the public interest of the report.
- 1.2 Upon consideration of 18 audit reports presented to the Parliament by the Auditor-General between 1 February 2004 and 14 April 2004 (3rd quarter 2003-2004), the Committee selected three reports for further scrutiny at public hearings.
- 1.3 On 29 August 2004, the Prime Minister announced an election which resulted in the dissolution of the House of Representatives. On 31 August writs for the election were issued and Parliament was prorogued.
- 1.4 Parliament resumed on 6 December 2005, and the Joint Committee of Public Accounts and Audit was re-appointed for the 41st Parliament. On 8 December, a sectional committee was appointed to review Auditor-General reports. It resolved to review the three audit reports agreed to in the 40th Parliament. In addition, on 9 February 2005 a further eight audit reports were included in the Committee's review after consideration of a

total of 37 Auditor-General's reports tabled in Parliament between April – December 2004 (4th quarter 2003-2004, 1st and 2nd quarter 2004-2005).

1.5 The audit reports reviewed by the JCPAA are listed below:

- Audit Report No. 25, 2003–04, *Intellectual Property Policies and Practices in Commonwealth Agencies*;
- Audit Report No. 34, 2003–04, *The Administration of Major Programs, Australian Greenhouse Office*;
- Audit Report No. 36, 2003–04, *The Commonwealth's Administration of the Dairy Industry Adjustment Package, Department of Agriculture, Fisheries and Forestry, Dairy Adjustment Authority*;
- Audit Report No. 46, 2003-04: *Client Service in the Family Court of Australia and the Federal Magistrate's Court*;
- Audit Report No. 50, 2003-04: *Management of Federal Airport Leases*;
- Audit Report No. 4, 2004-05: *Management of Customer Debt (Centrelink)*;
- Audit Report No. 5, 2004-05: *Management of Standard Defence Supply System Upgrade*;
- Audit Report No. 21, 2004-05: *Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2004*;
- Audit Report No. 15, 2004-05: *Financial Management of Special Appropriations*;
- Audit Report No. 16, 2004-05: *Container Examination Facilities (Australian Customs Service)*; and
- Audit Report No. 18, 2004-05: *Regulation of Non-prescription Medicinal Product*.

1.6 The public hearings for the respective reports were held on:

- Monday 9 August 2004 (ANAO Audit Report No. 25);
- Monday 14 February 2005 (ANAO Audit Reports No. 34 and 36);
- Monday 7 March 2005 (ANAO Audit Report No. 50);
- Monday 4 April 2005 (ANAO Audit Reports No. 46 and No. 4);
- Tuesday 5 April 2005 (ANAO Audit Reports No. 15 and No. 18);
- Thursday 28 April 2005 (ANAO Reports No. 16, No. 5 and No. 21);
- Thursday 12 May 2005 (ANAO Report No. 21); and

- Monday 27 June 2005 (ANAO Reports No. 5 and No. 21).

1.7 A list of witnesses attending all public hearings is at Appendix D.

The Committee's report

1.8 This report of the Committee's examination draws attention to the main issues raised at the respective public hearings. Where appropriate, the Committee has commented on unresolved or contentious issues, and has made recommendations.

1.9 The Committee's report is structured as follows:

- Chapter 2 – Audit Report No. 25, 2003–2004, *Intellectual Property Policies and Practices in Commonwealth Agencies*;
- Chapter 3 – Audit Report No. 34, 2003–2004, *The Administration of Major Programs (Australian Greenhouse Office)*;
- Chapter 4 – Audit Report No. 36, 2003–2004, *The Commonwealth's Administration of the Dairy Industry Adjustment Package*;
- Chapter 5 – Audit Report No. 46, 2003–2004, *Client Service in the Family Court of Australia and the Federal Magistrates Court*;
- Chapter 6 – Audit Report No. 50, 2003–2004, *Management of Federal Airport Leases*;
- Chapter 7 – Audit Report No. 4, 2004–05, *Management of Customer Debt (Centrelink)*;
- Chapter 8 – Audit Report No. 5, 2004–05, *Management of Standard Defence Supply System Upgrade*;
- Chapter 9 – Audit Report No. 21, 2004–05, *Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2004*;
- Chapter 10 – Audit Report No. 15, 2004–05, *Financial Management of Special Appropriations*;
- Chapter 11 – Audit Report No. 16, 2004–05: *Container Examination Facilities (Australian Customs Service)*, and
- Chapter 12 – Audit Report No. 18, 2004–05: *Regulation of Non-prescription Medicinal Products*.

1.10 The following appendices provide further information:

- Appendix A - Conduct of the Committee's review
- Appendix B - List of submissions authorised
- Appendix C - List of exhibits received
- Appendix D - List of witnesses who appeared at the public hearings
- Appendix E - Schedule of Airport Insurance Cover for Federally leased airports from 1997-2005
- Appendix F - Airport Development Commitment Expenditure as required under Airport Sale Agreements.

1.11 A copy of this report is available on the Committee's website at <http://www.aph.gov.au/house/committee/jcpaa/reports.htm>.