

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Additional Budget Estimates Hearings – 14 February 2006

Question: F5

Outcome 1, Output 1.2.1

Topic: Compliance with the Financial Framework

Hansard Page: F&PA 25

Senator Murray asked:

I want to formally request you consider this issue further and come back to the committee with a view as to whether you think the process of enforcement—but I do not have a problem with your determinations and directives; that is not an issue for me—and administrative consequence could be better addressed than it is at present. I would expect you to go to him [the Minister for Finance and Administration]...but it is a request.

Answer:

In addition to guidance and training that the Department of Finance and Administration (Finance) has been providing to agencies over recent years, Finance issued Finance Circular 2005/06, *The financial framework—accountability for compliance and dealing with breaches*, on 1 June 2005. This guidance reminds agencies of the statutory responsibilities and accountabilities for dealing with breaches of the *Financial Management and Accountability Act 1997* (FMA Act) and for dealing with matters of concern raised in audit reports. These are set out in the *Public Service Act 1999* (PS Act), the FMA Act and the *Financial Management and Accountability Orders 2005*.