



REPORT OF THE

STANDING COMMITTEE ON

ESTIMATES AND FINANCIAL OPERATIONS

IN RELATION TO

THE ESTIMATES OF EXPENDITURE 1999/2000

Presented by the Hon Mark Nevill MLC (Chairman)

Report 27

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

The Standing Committee was established on 21 December 1989 with the following terms of reference:

1. There is hereby appointed a Standing Committee to be known as the *Estimates and Financial Operations Committee*.
2. The committee consists of 5 members.
3. The functions of the Committee are to consider and report on:
 - (a) the estimates of expenditure laid before the Council each year; and
 - (b) any matter relating to the financial administration of the State.
4. The Committee shall report on the estimates referred under clause 3 by or within one sitting day of the day on which the second reading of the *Appropriation (Consolidated Revenue Fund) Bill* is moved.
5. For the purposes of clause 3(a), the House may appoint not more than 6 members at any stage of its examination.
6. A reference in clause 3 to "estimates of expenditure" includes continuing appropriations, however expressed, that do not require annual appropriations.
7. The Committee may initiate investigations under clause 3(b) without prejudice to the right of the Council to refer any such matter.

Members of the Committee:

Hon Mark Nevill MLC (Chairman)
Hon Muriel Patterson MLC (Deputy Chairman)
Hon Edmund Dermer MLC
Hon Simon O'Brien MLC
Hon Bob Thomas MLC

Staff of the Committee:

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**Report of the Legislative Council
Standing Committee on Estimates and Financial Operations**

in relation to the

Estimates of Expenditure 1999/2000

1 INTRODUCTION

This is the twenty seventh report by the Standing Committee on Estimates and Financial Operations and is concerned with the consideration of the estimates of expenditure laid before the Legislative Council.

The estimates hearings provide all Members of the Legislative Council with the opportunity to question a range of Government Departments and Agencies invited to attend Committee hearings for the purpose of examining the estimates of expenditure for 1999/2000.

The Committee, in continuing the practice followed in previous years -

- (i) decided to focus on particular Government Departments and Agencies during the estimates hearings; and
- (ii) adopted a Procedure Policy for the conduct of hearings, a copy of which is set out in Appendix "I".

The Committee was assisted by two staff members from the Auditor-General's Office, Mr Brendan Carvalho and Mr Maurice Scampoli for the duration of the hearings. Their assistance to the Committee was invaluable and the Committee is grateful to the Office of Auditor General in providing this support.

2 PROCEDURE

The Committee sought suggestions from Members of the Legislative Council regarding the Government Departments and Agencies to be called to the hearings. Taking into account Member's suggestions, the Committee finalised the list of Departments and Agencies to be called to the hearings and notified the relevant Ministers and Chief

Executive Officers. The Committee also forwarded the 1999/2000 Procedure Policy to the Ministers and Chief Executive Officers which outlined the manner in which the hearings were to be conducted.

In accordance with the Procedure Policy, Committee Members were provided with the first opportunity to question the various Government Departments and Agencies. The Committee then requested questions from the Members of the Legislative Council. If any Member was unable to ask all their questions in the scheduled period, they were provided with the opportunity to table those questions at the end of the hearing. In the event, the allocation of time to each Agency and Department resulted in very few questions being tabled.

3 SPECIFIC DEPARTMENTS AND AGENCIES

Over the course of the three-day program, the Committee examined seventeen (17) Government Departments and Agencies.

This section provides a point form summary of subjects addressed during the Department and Agency questioning.

For further information on Department and Agency responses to individual subjects, reference should be made to the *Hansard* Record of Estimates Committee hearings from 1 June 1999 to 4 June 1999.

4 DEPARTMENTS AND AGENCIES

4.1 POLICE SERVICES (DIVISION 56) \$410,300,000

4.1.1 Summary of Subjects

Matters discussed were as follows -

- Difference between the clearance rates of crime and reported rates of crime in Western Australia
- Funding for targeted operations focussing on crimes against the person, armed robbery, burglary and motor vehicle theft
- Conduct of victimisation surveys
- Degree of unreported crime
- Rationale for Safer WA local committees
- Child abuse unit
- Salaries and allowances
- Staffing levels of various divisions of police operations
- Response times to call-outs
- Funding for DNA data base
- Ability to work within budget allocations
- Subcontracting of police licensing responsibilities
- Single police officer stations
- Electronic surveillance budget for the Bureau of Criminal Intelligence and Internal Affairs
- Recording mechanism for victim information
- Appointment of Deputy Commissioner - Administration
- Specialist security support for 2000 Olympic Games
- Rebuilding and refurbishment of police stations
- Delta Communications and Information Technology
- Acquisition of Joondalup site for police academy
- Collocation of PathCentre's Forensic Biology Laboratory and Chemistry Centre WA to new facility at Midland
- Separation of forensic pathology from criminal investigation
- Emergency management and training
- Domestic violence issues - the Restraining Orders Act
- Budget for surveys undertaken of community attitudes
- Media liaison and public affairs unit
- Outsourcing of Court security unit

- Increase in road fatalities
- Diversion of revenue raised from traffic infringements to the Office of Road Safety
- Assessing the risk of prison escapees

4.2 MINISTRY OF JUSTICE (DIVISION 58) \$364,619,000

4.2.0.1 Summary of Subjects

Matters discussed were as follows -

- Drug management in prisons
- Allocation of funding to legal aid
- Video conferencing facilities from remand centres
- Salaries and allowances
- Statistics about offenders and the programs they are undertaking
- Introduction of reception induction centre at Canning Vale
- Total Offender Management System (TOM)
- Upgrading of Bandyup Women's Prison
- Long term forward planning for prison system
- Involvement with the Bibbulmun Track
- Closed circuit television and video conferencing
- Daily muster of prisoners
- Growth in workload of Magistrates Court, District Court and Supreme Court
- Public Trust Office - market share
- Prisoner work trials
- Self-harm of prisoners
- Psychiatric services available to the Ministry of Justice
- Aboriginal offenders referred to juvenile justice teams
- Crown Solicitors Office Native Title Unit
- Core function unit
- Prison visitors
- Legal aid - Dietrich applications

4.3 HEALTH (DIVISION 73) \$1, 793, 541, 000

4.3.1 Summary of Subjects

Matters discussed were as follows -

- Increase in salaries and allowances
- Home and community care safeguard policy (HACC)
- HACC - fee-for-service policy
- Donor organ rate
- Capital works program
- Establishment of a WA-based organ and tissue donation agency
- Mosquito problem in the Mandurah and Peel area
- Building of staff accommodation
- Back flow prevention program
- Nurses in country areas
- Osborne Park Hospital
- Selling or transferring country state government nursing homes
- Mental health services
- Whitby Falls Hostel
- Armadale Health Service - mental health services
- St John Ambulance - contractual arrangement with Health Department
- Royal Flying Doctor Service - contractual arrangement with Health Department
- Regional Health Boards - responsibilities
- Mental health - expanding services for women and infants
- Mental health - postnatal depression programs
- Office of Health
- Biomedical services at Princess Margaret and King Edward Hospitals
- Total outlay for rural Western Australia (excluding Metropolitan Health Service Board)
- Peel-Mandurah campus redevelopment
- Metropolitan Health Services Board - cost of administration
- Mentally ill prisoners - role of Health Department in providing care
- Fremantle Women's Health Centre - lack of funding
- Patient assisted travel scheme
- Coordination of Aboriginal Medical Service with Commonwealth and State funded services
- Multipurpose service program in rural Western Australia

4.4 CONSERVATION AND LAND MANAGEMENT (DIVISION 42) \$56, 368, 000

4.4.1 Summary of Subjects

Matters discussed were as follows -

- Species of fauna added to the Western Australian threatened fauna list
- Research into dieback conditions in Western Australian flora
- Treatment with phosphites
- Tender for sandalwood
- Fees for public entry to national parks in Western Australia
- Leeuwin-Naturaliste National Park - opposition to entry fees
- Salinity action plan
- Inoculation for dieback
- Manjimup nursery
- Gnangara mound - thinning of pines
- Potential markets for pines from Gnangara mound
- Bonus payments to the Executive Director
- Performance Agreement
- Licences issued or exemptions granted under Wildlife Conservation Act
- Licences issued or exemptions granted under the Conservation and Land Management Act
- Treasury general incentive payments
- Employment or contract for advertising agencies, market research organisations, polling organisations, direct mail organisations, media advertising organisations and lawyers other than the Crown Solicitor's Office
- Pollinia plantations - eligibility for carbon credits and other issues
- Liaison with farm bush fire brigades
- Radio frequency used by bush fire brigades
- CALM debt
- Assets sold this financial year and expected yield from asset sales next financial year
- Nature based tourism programs
- Redevelopment plans for Yanchep National Park
- Royalties
- Coup summary tables
- Proportion of CALM budget directed to alternative species other than maritime pine
- Proportion of CALM budget directed to attracting visitors to reserves
- Decline in estimated number of red kangaroos
- Contracts for third grade jarrah saw logs
- Prosecution for transporting timber without a licence

- Receipt of Commonwealth grants
- Comprehensive marine reserve system
- Farm forestry plantation - companies involved
- CALM employment in plantation management
- Management plan over national parks
- Pina radiata pine
- Harvesting of sandalwood
- Review of Cape Range National Park Management Plan
- Eradication of wild pigs in the South West
- Tourism and recreation services
- Conservation and bio-diversity
- Reduction in native forest available for harvesting as a result of RFA

4.5 PUBLIC SECTOR STANDARDS (DIVISION 10) \$2,495,000

4.5.1 Summary of Subjects

Matters discussed were as follows -

- Knowledge among senior public servants as to operation of Public Sector Management Act
- Increasing number of complaints to Commissioner
- Satisfaction of Members of Parliament with quality of Commissioner's activities
- Ethics training and awareness across the public service
- Engagement of consultants
- Identifying systematic issues for agencies
- Use of statistics obtained from breach complaints
- Co-ordination with Ombudsman's office on ethics training
- Reappointments
- Failure by CEO's to forward performance agreements
- Cost of consultants for Executive Search
- Average leave liability
- Appointment of special inquiries
- Initiatives to monitor smaller agencies

4.6 TREASURY (DIVISION 9) \$71,028,000

4.6.1 Summary of Subjects

Matters discussed were as follows -

- Level of economic downturn
- State-Commonwealth intergovernmental agreements
- Payment of GST and State taxes concurrently
- Motor vehicle fleet
- Global increase in costs in anticipation of GST
- GST - fixed proportion of tax with growth base
- GST - timetable for removal of existing taxes
- Presentation of Budget Papers - implementation of recommendations of PAERC
- Subsidies to liquor merchants and/or producers on cellar door wine sales - use of term “subsidies”
- Local Government Development Commission
- Whole-of Government-expense issues
- State wage case
- Standard and Poors AAA Rating
- Gold State scheme

4.7 FAIR TRADING (DIVISION 54) \$9, 835, 000

4.7.1 Summary of Subjects

Matters discussed were as follows -

- Legislative changes to the Builders’ Registration Act 1939 and Home Building Contracts Act 1991
- Amendments to the Associations Incorporation Act
- Trade Measurement Legislation
- Payments under Salaries and Allowances Act
- Appointment of CEO on contract versus permanent public servant
- Break down of inquiries received
- Conduct for finance brokers under the Fair Trading Act
- Legal advice - Crown Law and outside advice
- Legislative program
- Expertise and background of CEO

- Real Estate and Business Agents Supervisory Board
- Uniform Weights and Measures Act
- Retirement Villages Act
- Effect of GST on retail pricing of goods and services
- Auditor-General report critical of measure of customer satisfaction
- Mirror provision to sec 73 of Trade Practices Act in State legislation
- Unconscionable conduct provisions
- Credit Act
- Land valuer's revenue

4.8 COMMERCE AND TRADE (DIVISION 11) \$94, 286, 000

4.8.1 Summary of Subjects

Matters discussed were as follows -

- Statewide communications enhancement program
- Details of expenditure on STEP
- Impact of Asian currency crisis
- Business support for the Aboriginal business development office
- Funding for centres of excellence
- State Funding Advisory Committee
- Promotion of Western Australia internationally as a location for pilot training
- Capital works - specialised container transport
- Industry incentive payment to Fletcher Group of Dubbo to establish an abattoir
- Details of investment Incentive Scheme and basis for payments - relevant criteria
- Opening of Trade Office in the Philippines
- Enterprise support programs to enhance international competitiveness
- Market strategies to identify business opportunities for small and medium businesses
- Polling by Department of Commerce and Trade
- Wittenoom Trust Fund
- Reliance on resource commodity sales
- The Gorgon project
- Promotion of WAIS
- Participation of Aboriginal people in economic development through leadership program
- Funding for relocation of Scitech Discovery Centre
- Specific support under the centres of excellence program for the Institute of Child Health Research
- Expansion of telecentre network

- Establishment of Bentley Technology Park

4.9 EDUCATION (DIVISION 25) \$1, 388,391, 000

4.9.1 Summary of Subjects

Matters discussed were as follows -

- Ratio of primary and secondary school students to computers
- Development by each school of a technology plan
- Number of computers provided to schools through computers in schools program
- TEE results in Goldfields Pilbara and Kimberley regions
- Truancy in schools
- Safer WA program - participation by Education Department
- Growth of non-business school sector in Western Australia
- Salaries and allowances
- Asset sale revenue
- Closure of schools
- Special project funding received from the Commonwealth
- Schools in Indian Ocean Territories
- Allocation of \$50 million supplementation
- Productivity dividend applicable to the Education Department
- Devolved purchasing authority from State Supply Commission
- Commonwealth - State relations - Specific Purpose Payments received
- Secondary assistance scheme
- Amenity fee levels and collection rates at State primary schools and State secondary schools
- Anti-bullying programs
- Legal liability of State for extensive bullying
- Early childhood sector - provision of places for four year olds
- Aboriginal pre-school centres
- Multi-age grouping programs (MAG)
- Student educational risk program
- Number of students who fall into risk categories
- Special education teachers
- Training for remedial teaching
- Accountability measures to ensure schools are delivering better outcomes
- Albany Primary School site
- Teacher shortages

- Country incentives package
- Enrolment of international students
- Remote country incentive packages - funding
- National literacy testing

4.10 ANTI-CORRUPTION COMMISSION (DIVISION 3 PREMIER AND CABINET - ITEM 6) \$9, 076, 000

4.10.1 Summary of Subjects

Matters discussed were as follows -

- Total number of charges laid from 1 November 1996
- How many charges investigated by ACC?
- How many charges have been concluded?
- How many charges have led to convictions?
- How many charges have been proceeded with and been dealt with by way of acquittal?
- How many charges have not been proceeded with?
- Allocation for legal services provided by Crown Solicitors Office
- Allocation for legal services by outside lawyers
- Allocation of budget for special investigations
- Expenditure for media work 1998-99 and budget for media work 1999-2000
- Workload of the ACC
- Increase in caseload and static budget allocation
- Absence of proper breakdown of ACC budget in Budget Papers
- Number of ACC staff.
- Number of inquiries initiated
- Special investigations and litigation
- Reason for no increase in projection of core budget
- Number of investigators
- Referral of matters to independent agencies
- Responsibility and accountability of ACC to Parliament.

4.11 PREMIER & CABINET (DIVISION 3) \$82, 981, 000

4.11.1 Summary of Subjects

Matters discussed were as follows -

- Consultants engaged by the Government - why this report does not contain comprehensive list of consultants
- Consultants versus contracts for services
- Checks to prevent re-employment of public sector employees taking voluntary severance
- Contracts for service versus employment contracts
- Use of knowledge acquired by former government employees - have steps been taken to enforce legal rights?
- Payment of money in lieu of leave paid to CEO's
- Availability to consultants of media summaries from Government Media Office
- Requirements under 175ZE of the Electoral Act to report on certain expenditure
- Items incorporated into the asset expansion program
- Funding for native title initiatives
- Costs of operating the native title and strategic issues division
- Management of MetroBus redeployment
- Costs of representing interests of State in native title matters
- Aggregate cost across government agencies of native title matters
- West Coast Field Services - payments made
- Timing of tabling of consultants report to 30 December 1998
- Results of native title research on Wik carried out by AMR: Quantum Harris - call for tabling
- Compilation of internal directory of ministerial officers associated with cabinet
- Role of Ministry in redeployment issues
- Management and funding of the Constitutional Centre of Western Australia
- Cost of running the European Office and method of assessing performance
- Role of Assistant Director General, Ms Vera Novak
- Alleged conflict of interest in native title matters
- Placing of Western Australian legislation on line
- Process of consolidating Western Australian legislation
- Appointment to Government Boards and Agencies
- Costs per Member of Parliament
- Referendum on Federal Constitution later this year - implications for this State

4.12 TOURISM (DIVISION 36) \$37, 783, 000

4.12.1 Summary of Subjects

Matters discussed were as follows -

- www.westernaustralia.au Tourism Commission website

- Brand WA Campaign in the United Kingdom
- Inbound tourism - increase in air transport seats
- Passenger numbers from Asia
- Redeployment of WATC staff
- Representation of interests on Board of WATC
- Tourism aimed at the backpackers market
- Investment attraction fund
- Tourist development fund
- Rebuilding of Onslow and Exmouth tourism infrastructure
- Generic branding strategy
- Cost of Rally Australia, Heineken Classic and Hopman Cup
- Appointment of advertising agent to undertake public relations work
- Attracting events to Western Australia
- Payment for Samrt Cartes at Perth Domestic Terminal
- Developing day trip tourism from Perth
- “Perth - Best on Earth” campaign
- “Perth - Western Gateway to Sydney 2000 Olympics” campaign
- Cost of domestic air fares to Western Australia from eastern states
- Perth Convention Centre
- Perth for Kids - call for re-launch of campaign

4.13 FISHERIES (DIVISION 32) \$17, 235, 000

4.13.1 Summary of Subjects

Matters discussed were as follows -

- Abrolhos island airstrip upgrade
- Cost recovery in relation to the cost of a licence to take salmon
- Involvement of the Commonwealth in day-to-day planning and management of the marine environment
- Commonwealth Wildlife Protection Regulation of Exports and Imports Act 1982
- Fisheries WA approach to Environment Australia policies
- Trends of sick leave and workers compensation leave in Fisheries WA
- Legal fees incurred by Fisheries WA
- Patrol by Fisheries WA of abalone fishery on the south coast
- Fisheries adjustment scheme buybacks
- Output measure - low level of satisfaction in the broader community
- Issue of aquiculture licences Fisheries WA

- Development of by-catch action plan
- Shark Bay trawl-by-catch action plan
- Pilchard kill mortality problem
- Development and promotion of the State aquaculture industry
- Implementation of Australia's ocean policy - effect on Fisheries WA

4.14 ABORIGINAL AFFAIRS (DIVISION 69) \$17, 564, 000

4.14.1 Summary of Subjects

Matters discussed were as follows -

- Establishment of Regional Officer Network - additional funding required
- Management plan for developing Aboriginal sites - involvement of custodians and Aboriginal people in the process
- Aboriginal Heritage Act - requests and approval for Aboriginal sites to be placed on the Aboriginal Heritage Register
- Drafting and development of new Aboriginal Heritage Act
- Aboriginal Lands Trust - progress in facilitating the release of additional land for excision
- Inclusion of Aboriginal communities in land management strategies - facilitating the presence of Aboriginal communities on lands to which they aspire
- Surrender of Kimberley mission land to the Crown in advance of transfer to incorporated Aboriginal communities
- Sealing roads in Aboriginal communities
- Aboriginal community-based patrols, wardens and town reserves
- Northbridge patrols - Karnya patrol
- Consideration for patrols under Police Department as opposed to Aboriginal Affairs Department
- Links with WA Drug Abuse Strategy Office
- Truancy and assistance of Education Department with patrols
- "Bringing Them Home" report - implementation of recommendations
- Funding for the Aboriginal reconciliation movement
- Family history application process - drop in cost per request
- Public awareness forums
- Steps to rectify Auditor General's concerns re acquittal of grant money
- Management of infrastructure - gazetting of towns to provide power and other services at the standard rate
- Effect of gazettal by Aboriginal community of its townsite

- Local area co-ordination model
- Regionalisation of Aboriginal affairs
- Proportion of regional staff Aboriginal. Proportion of regional staff compared to central offices
- Cultural ties of regional staff to area where they work
- Accredited Aboriginal interpreters in the Courts - funding
- Aboriginal alternative dispute resolution services
- Salaries and allowances
- Assistance by Aboriginal Affairs Department to native title claims

4.15 FAMILY & CHILDREN'S SERVICES (DIVISION 80) \$154,395,000

4.15.1 Summary of Subjects

Matters discussed were as follows -

- Women's Policy Development Office
- Criteria for selecting recipients of the community based "No Interest Loan Scheme."
- The establishment of the Criminal Record Screening Unit
- Office of Seniors Interests
- Remuneration of executive directors
- Responsibility for women in prison who are pregnant and look after the needs of a child who is born in prison
- Child care concern report - distinction between priorities 1 to 3
- Child maltreatment allegations
- Initiatives in "Time on Our Side" document
- Elder protection pilot strategy
- New technologies for senior programs
- Consultation with Council on the Ageing (WA) Inc and the Western Australian Council of Social Services
- Proposed carers policy - discussions with other parties
- Parenting as a preventive measure
- Outreach service - innovation in delivery
- Cost effectiveness of early intervention services - decrease in funding
- Breakdown of funding between education services, treatment programs and prevention programs
- Expansion of diversion programs to engage offenders into treatment at various levels of the criminal justice system
- Budget for the Court diversion office and the number of staff employed in it
- Comprehensive strategy to reduce heroin overdoses involving all key agencies

- Comparison of heroin death rates per state
- Drug abuse success rate
- Budget for “No Interest Loan” scheme of \$1.5 million
- Response needs to Aboriginal families and children
- International adoptions in Western Australia - review of the Adoption Act 1994
- Parent information centres
- Advancing the status of women
- School drug education programs
- Domestic violence funding
- Funding for children and teenagers in refuges
- Domestic violence advertising budget
- Domestic violence in the Aboriginal community

4.16 TRANSPORT (DIVISION 40) \$760, 575, 000

4.16.1 Summary of Subjects

Matters discussed were as follows -

- Lack of progress in contracting out
- TravelSmart project
- Driver classification for heavy haulage
- Lease of Wyndham Port
- Speed limits on the road
- Development of northern suburbs and Midland metropolitan rail extension master plan
- Allocation of funding for extension of northern suburbs railway line
- Bus-service-passenger-place-kilometres
- Percentage of customers who rank metropolitan passenger services as satisfactory
- Tabling of “Passenger Satisfaction Monitor 1999, A Presentation to Transperth”
- Number of boardings on Transperth buses
- Tonkin Highway works - underspent budget
- Reimbursement of tendering costs up to \$150,000 per contract to unsuccessful tenderers for Kwinana Freeway Project
- Hepburn Avenue Railway station - completion date
- Hepburn Avenue Railway station - split platform versus single island platform
- Number of new buses operating
- Number of new buses manufactured in Western Australia
- Contract with DaimlerChrysler
- Fastrack and Westrail

- Legislation requiring roll cages on utilities
- Contracts for maintenance of roads in rural Australia
- Cyclones Vance and Elaine - assistance for national disaster relief
- Taxi industry - amendments to Taxi Act and Transport Co-ordination Act under national competition policy
- Bus acquisition program
- Gas powered versus diesel powered buses
- Extension of suburban rail network to the south west corridor to Mandurah
- Privatisation strategies
- Sale of licensing centres
- Sale of Midland licensing centre
- Extension of Reid Highway
- Traffic movements on various roads
- Kalbarri air strip
- Review of the Transport Coordination Act and implementation of changes
- Safety of split rail platform versus island platform
- Funding by Main Roads for the construction and sealing of Mowen Road Nannup in light of the fact that \$3 million funded through Regional Forest Agreement
- Sale of Westrail's freight business
- Westrail receive credit for diesel excise
- Number of passenger rail car sets that have been purchased by Westrail since March 1993 for the urban passenger network and the cost of that purchase
- Budget allocation for Stateships
- Road safety in rural and remote Western Australia
- Environmental and land purchase requirements
- Breakdown of figures for Mitchell Freeway extension
- Department of Transport's role in providing transport advice for the coordination of the various arms of public transport in the metropolitan area

4.17 AUDITOR GENERAL (DIVISION 7) \$6, 939, 000

4.17.1 Summary of Subjects

Matters discussed were as follows -

- Section 58C of the Financial Administration and Audit Act and the claim of "commercial - in confidence"
- Joondalup Health Campus - recommendations made by Auditor General
- Responsibility of the Accountable Officer under the FAAA for preparing annual report

- Work load of office
- Office resources devoted to pending introduction of GST
- Office resources devoted to year 2000 problem
- Office resources devoted to performance programs as against compliance audits
- Conducting of value for money (or efficiency and effectiveness) audits
- Requirement of FAAA for Auditor General to report on matters of significance
- Annual reports and presentation of Budget Papers
- Use of consultants and FTE measures
- Monitoring of compliance by agencies and departments with section 175ZE of the Electoral Act
- Examination of reorganisation of Parliament
- Audit of Investment Incentive Program conducted by the Department of Commerce and Trade
- Experience of Auditor General's office with commercial - in confidence documents
- Operation and scope of Financial Administration and Audit Act
- Role of Parliament and its Committees policing compliance with FAAA.
- Accountable Officer (CEO) has first tier of accountability
- Minister administering the legislation has next tier of accountability
- Parliament and its Committees has next tier of accountability
- Auditor General's role is to provide matters of significance that should be brought to notice so that those in a position of and with executive authority or power are able to address the issue
- Reconciliation of annual reports to budget papers - actual result compared against previous years budget estimate
- Staff turnover and retention of staff
- Secondment of staff to other offices
- Use of consultants
- Auditing where work performed by contractors
- Access to out-sourced contracts
- Role of private audit firms with Government Agencies and Departments
- Blurring of distinction between "auditor" and "business adviser" in private practice
- Full and free access to records under the FAAA

HON MARK NEVILL MLC
CHAIRMAN

22 June 1999

APPENDIX “I”

LEGISLATIVE COUNCIL STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

1999/2000 ESTIMATES HEARINGS PROCEDURE POLICY

1. Circulation of invitations and procedural guidelines prior to the hearings

The Committee will issue invitations and procedural guidelines as follows:

(a) **Agency representatives**

The Chief Executive Officer (CEO) and the responsible Minister for each agency included in the review will be issued invitations to attend the relevant hearing approximately one month in advance of the hearing date. Where however, conditions dictate otherwise, a shorter time frame may be necessary. Should this occur, the Committee will endeavour to advise the CEO and Minister at the earliest possible opportunity.

(b) **Members of the Legislative Council**

Members of the Legislative Council will be issued invitations to attend the hearings approximately one month in advance of the date of the hearing. Where however, conditions dictate otherwise, a shorter time frame may be necessary. Should this occur, the Committee will endeavour to advise the Members at the earliest possible opportunity.

Once the Committee has determined which agencies will appear before it, Members of the Legislative Council will be informed of the agencies to be reviewed.

2. **Witness Information Sheet**

Ministerial advisors appearing before the hearings will be requested to complete a ‘Witness Information Sheet’ (copy attached at appendix A). All the information sought

is necessary to allow Hansard to meet various requirements involved in producing a final and correct document.

3. Order of questions

Although the Chairman must give priority to Committee members to ask questions, every endeavour will be made to facilitate the asking of questions by other members (subject to time constraints).

Calling of questions is at the Chairman's discretion.

Questions must relate to the budget estimates 1999/2000 or to the content of the departments/agencies annual report for the current financial year. The Chairman has the discretion to call a question out of order.

Questions will only be permitted during the time allocated for the hearing.

At the Chairman's discretion, questions outstanding at the close of the hearing may be directed to the department or agency in question in writing through the Committee. Outstanding questions should be handed to the Advisory/Research Officer (ARO) at the close of each hearing for forwarding to the agency via the responsible Minister. Response to the question should be forwarded to the ARO within five working days of receipt of the question.

The Procedure for handing up questions on notice:

- questions must be legible (**preferably typed and on 3.5" floppy disk**), and clearly identify:
 - i. the author of the question; and
 - ii. the intended recipient (agency/department/individual)
- comply in all other respects with these guidelines.

4. Procedure for asking questions

During the hearings, questions should be directed through, and be acknowledged by, the Chairman appointed for the particular hearing.

5. Type of questions permitted

Questions can be in regard to any matter relating to the financial administration of the State and should not:

- be hypothetical; or
- be questions regarding Government policy, unless directed towards the Minister (SO331).

6. Questions taken on notice

Questions that are asked during the hearing and that agency or departmental representatives are unable to answer during the hearing will be taken on notice.

Following the hearing, the ARO will forward a (faxed) copy of the question as it appears in the uncorrected Hansard to the office of the Minister responsible for the relevant agency. The responsible Minister must then on-forward such question to the relevant agency CEO.

Agencies responding to questions on notice should do so through their responsible Minister.

Agencies are asked to respond to questions on notice in the manner outlined in Appendix B.

The Agencies response to the questions on notice, and other supplementary information, should be provided in **both** hard copy and disc form, preferably WordPerfect 6.1. Any queries in this regard should be directed to the Hansard Sub-Editor, Mr Morey Grafton, by telephone on 9222 7266 or facsimile on 9222 7813.

Responses should be received by the ARO within five working days of the ARO's initial forwarding date of questions to the responsible Minister.

In limited circumstances where there are exceptional grounds, the Committee in its discretion may grant a short extension of time to respond. The responsible Minister must immediately advise the Committee if a delay is anticipated and the reason for the delay. The Committee in its discretion will advise a new response date.

APPENDIX A**Committee Hearings
Information for Witnesses**

Important: Please read the following notes before giving evidence.

Full Name: (Title) _____ (First Name) _____ (Last Name) _____

Title of Position Held: _____

Business Name and Address: _____

Telephone: _____ **Fax:** _____

Signature: _____ **Date:** _____

Introduction

- A committee hearing is a proceeding in Parliament. As such, you must not deliberately mislead the committee and you must respect the members of the committee and the committee's orders and procedures. If you do not comply with these requirements, you may be subject to legal penalties.

What happens at a hearing?

- Committees are made up of members of Parliament. Usually there are 3 - 5 members of a committee.
- You will be escorted to the committee's meeting room by one of the committee's staff. After you are seated, the chairperson of the committee will ask you:
 - to state your full name, address and the capacity in which you appear before the committee; and
 - if you have read and understood these notes.
- The chairperson may invite you to make an opening statement to the committee.

- The chairperson will then ask you a series of questions, following which other members of the committee may ask you more questions. If other members of the Legislative Council are present, they may also ask you questions. With limited exceptions (discussed below) you must answer questions you are asked.
- The chairperson may invite you to make any additional comments you consider necessary.

Parliamentary privilege

- Your evidence given to a committee is protected by parliamentary privilege. This means that your evidence, among other things, cannot be used against you in subsequent related proceedings in a court or tribunal.

Your entitlements

- In giving your evidence you are entitled to:
 - (a) access to relevant documents;
 - (b) raise any matter of concern to you relating to evidence to be given or documents produced;
 - (c) benefit of counsel¹;
 - (d) apply for all or part of your evidence to be given in private session and for an order restricting publication of, or access to, that evidence;
 - (e) decline to answer a question or produce a document on the grounds that the question is unlawful or outside the scope of the matters in issue or under inquiry;
 - (f) be informed before your evidence is given that if part of it might incriminate you or another person, that fact should be made known to the committee before that part is actually given;
 - (g) know of and, if desired, rebut any allegations made against you whether or not those allegations amount to criminal conduct or dealing;
 - (h) a reasonable opportunity to correct errors in a transcript of evidence; and
 - (I) provide supplementary or new evidence.

Is your evidence public or private?

- Most hearings of standing committees are public. In other words, members of the public and the media may attend the hearings and the proceedings may be reported. In contrast, most hearings of select committees are private, which means that members of the public and the media may not attend them. If you are uncertain as to whether your hearing is private or public, ask the committee's staff before the hearing or the Chairman of the committee before you start giving evidence.
- Note that, even if your evidence is given to a committee in private session, or your evidence is subject to an order restricting publication of it or access to it, the committee can still report your evidence to the Legislative Council if it considers it necessary to do so. This means that even your private evidence may become public.

If you are a public servant

¹ This means that you are entitled to have counsel (a legal or other adviser) present with you to advise you. It does not mean that you are entitled to be represented by counsel who responds to the committee on your behalf.

- Public servants appearing before a committee in that capacity are entitled to refuse to answer questions on matters of policy. The committee must direct all such questions to the responsible Minister.

You must not disclose evidence given in private session

- You must not publish or disclose any evidence given to a committee in private session unless that evidence has been reported to the Legislative Council in a public document. Premature publication or disclosure may:
 - constitute a contempt of the Legislative Council; and
 - mean that the publication or disclosure of the relevant material is not subject to parliamentary privilege.

Transcript of your evidence

- A transcript of your evidence will be made and sent to you for correction of typographical and transcription errors. You should not discuss your evidence until the Hansard report is finalised. Please see the letter which will accompany the uncorrected transcript in this regard.

Threats or intimidation

- If you have been threatened or intimidated by any person in respect of giving your evidence to the committee, you should immediately inform the committee or one of its staff.

APPENDIX B

LEGISLATIVE COUNCIL STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

QUESTIONS ON NOTICE SUPPLEMENTARY INFORMATION

Ministerial officers should follow the format shown below when supplying questions on notice related supplementary information.

DAY: Day, Date Month 1998

DIVISION: 99 (if applicable) - Ministry of Good Fortune

QUESTION: Hon A.B. Brown (not “The Member for West Metropolitan”) asked
.....

ANSWER: The actual expenditure.....

