



THIRTY-NINTH PARLIAMENT

REPORT 58

**STANDING COMMITTEE ON ESTIMATES AND
FINANCIAL OPERATIONS**

AGENCY ANNUAL REPORT HEARINGS 2012-13

Presented by Hon Ken Travers MLC (Chair)

December 2015

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

Date first appointed:

30 June 2005

Terms of Reference:

The following is an extract from Schedule 1 of the Legislative Council Standing Orders:

“3. Standing Committee on Estimates and Financial Operations

3.1 An *Estimates and Financial Operations Committee* is established.

3.2 The Committee consists of 5 Members, 3 of whom shall be non-government Members.

3.3 The functions of the Committee are to –

(a) consider and report on –

(i) the estimates of expenditure laid before the Council each year;

(ii) any matter relating to the financial administration of the State; and

(iii) any bill or other matter relating to the foregoing functions referred by the Council;

and

(b) consult regularly with the Auditor General.”

Members:

Hon Ken Travers MLC (Chair)

Hon Peter Katsambanis MLC (Deputy Chair)

Hon Rick Mazza MLC

Hon Alanna Clohesy MLC

Hon Liz Behjat MLC

Hon Martin Aldridge MLC

(appointed 9 September 2015)

(until 5 September 2015)

Staff:

Michael Ryan (Advisory Officer)

Andrew Hawkes (Advisory Officer)

(since 24 November 2014)

Kate McConigley (Advisory Officer)

Mark Warner (Committee Clerk)

(until 27 February 2015)

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REPORT OF THE STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

IN RELATION TO THE 2012-13 AGENCY ANNUAL REPORT HEARINGS

1 REFERENCE AND PROCEDURE

The Committee's function of expenditure review

- 1.1 It is a function of the Estimates and Financial Operations Committee (Committee) to consider and report to the Legislative Council (Council) on the estimates of expenditure laid before the Council each year and any matter relating to the financial administration of the State.¹
- 1.2 Government revenue goes into the Consolidated Account, which is the major source of funding for the State public sector.² The Government's estimates of expenditure for a financial year comprise the Appropriation (Consolidated Account) Bills and the supporting documentation (Budget Papers). These are presented to Parliament on an annual basis to enable the Government to access or 'appropriate' money from the Consolidated Account to fund expenditure by the Government over a given financial year.³ Government agencies are required to table annual reports in the Parliament each year.
- 1.3 Under its terms of reference, the Committee conducts Budget Estimates Hearings and Agency Annual Report Hearings each year. This report relates to the Agency Annual Report Hearings held in relation to the Annual Reports for 2012-13.⁴

The Committee's approach

- 1.4 The Committee's approach to the Agency Annual Report Hearings was similar to the approach taken in the Budget Estimates Hearings in 2013.
- 1.5 The Annual Report Hearings 2012-13 were conducted on:
 - 4, 6, 7, 18, 22 and 25 November 2013

¹ Term of reference 3.3(a).

² The major revenue sources for the Western Australian Government include taxes, imposts, fines, rates, duties, royalties and Commonwealth Government grants: *Constitution Act 1889*, section 64 and the *Financial Management Act 2006*, section 8.

³ *Constitution Act 1889*, section 72.

⁴ The 2012-13 Budget Statements were tabled in the Legislative Council on 17 May 2012. The Appropriation (Consolidated Account) Capital 2012-13 Bill 2012 and the Appropriation (Consolidated Account) Recurrent 2012-13 Bill 2012 were assented to on 3 July 2012.

- 2 December 2013
- 28 and 30 January 2014
- 10 February 2014.

2 AGENCY ANNUAL REPORT HEARINGS

2.1 To assist the Committee in determining which agencies to examine, the Committee corresponded with all Members.

2.2 The Committee sought to give priority to the portfolios of the Ministers in the Council.

2.3 On the 4, 6, 7, 18, 22 and 25 November 2013, the Committee held hearings with the following agencies:

- Western Australian Land Authority (Landcorp)
- Water Corporation
- Department of Environment
- Office of the Environmental Protection Authority
- Swan River Trust
- Department of Transport
- Public Transport Authority
- Department of Training and Workforce Development
- Department of the Premier and Cabinet
- Department of Parks and Wildlife and Swan River Trust
- Department of Corrective Services
- Main Roads
- Office of Road Safety
- Disability Services Commission.

2.4 On 2 December 2013, the Committee held hearings with:

- Department of Local Government and Communities
- Department of Regional Development

- 2.5 On 28 and 30 January 2014, the Committee held hearings with the following agencies:
- Synergy
 - Western Power
 - Horizon Power
 - Department of the Premier and Cabinet
 - Department of Finance (Public Utilities Office)
- 2.6 On 10 February 2014, the Committee held a hearing with:
- Department of Treasury
- 2.7 The hearings were conducted in accordance with the Committee's Procedure Policy.
- 2.8 All Members were notified of the hearings and invited to participate.
- 2.9 All of the hearings were public and the proceedings were recorded by *Hansard*. Transcripts of the hearings are posted on the Committee's website.⁵

Questions on notice

- 2.10 In accordance with the Procedure Policy, the Committee invited Members to submit questions on notice prior to the hearings. A number of Members submitted questions on notice prior to the hearings and the answers were provided to the Members prior to the hearings.
- 2.11 During the Budget Estimates Hearings a number of questions were taken on notice.
- 2.12 Where a Member was unable to ask all their questions in the scheduled time, they were provided with the opportunity to submit un-asked questions in writing at the end of the hearing.
- 2.13 Copies of the questions and answers can be found on the Committee's web page.⁶

⁵ [Standing Committee on Estimates and Financial Operations website](#) Viewed 30 October 2015.

⁶ Ibid.

3 FEEDBACK

Committee comment

- 3.1 The Committee was pleased with the conduct of the hearings, the level of attendance at the hearings and Member participation. A good cross-section of questions were asked by both government and non-government Members and a large number of issues were canvassed in the course of the proceedings.
- 3.2 The Committee is committed to continually reviewing and refining its processes to ensure that effective and worthwhile estimates processes are conducted. To this end, the Committee will continue to consult with Members to improve the process.



Hon Ken Travers MLC
Chair

3 December 2015