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As you have the formal summary of activities of the Commonwealth JCPAA in your conference papers, I'd like to use this time to relate the activity report to our conference themes - *Challenges Facing Contemporary Public Accounts Committee*. Those challenges for PAC members are often to do with process, but I suggest they also go to public interest that can never be separated from the work and accountability of governments.

Our first inquiry, a continuation of one interrupted by a federal election, dealt with the provision of indigenous law and justice services. The inquiry took us to regional centres as well as the remote township of Yuendumu in the Northern Territory at the invitation of the indigenous community. Only through that direct contact could we predominantly urban white Anglo-Saxon parliamentarians learn of the reality of violence and abuse within indigenous communities. But it is important to note that two stories were told by the community - one by the men and one by the women. As the only female member attending, I heard a completely different account to my male counterparts. So gender representation is important.

Our recommendations drew attention to the difficulty for women and children to access legal services for domestic violence within a system focussed on the most extreme cases involving incarceration. Since our report, the plight of remote aboriginal communities dealing with violence and abuse has received intense public interest.

Similarly, the reopening of our Aviation Security Inquiry, first undertaken as a result of the changed security landscape post September 11, also raises the contemporary nature of public interest. The decision was taken after media attention to criminal activity and possible security breaches at Australian airports. This was followed by the leaking to the media of an internal Customs report that outlined security failings, particularly at Sydney Airport. Subsequently our report, and an independent report concurrently undertaken by Sir John Wheeler, found security failings and the JCPAA specifically recommended continuous random audits of Sydney Airport by the relevant Department. Interestingly, the committee summonsed Customs to reappear because the leaked report had been in their possession but had never been disclosed to the committee. The person who leaked that customs report has just been tried and sentenced to imprisonment for his action, with no public interest indemnity being proffered, even though the importance of that report was validated. The JCPAA has never seen the complete report, only a confidential summary. Our final report recommended some continuing reporting requirements to the JCPAA at specified intervals. We are awaiting the Executive's response to that particular report.

The committee also initiated an inquiry into taxation administration. Although the report and recommendations have not been finalised, the committee formally requested that the Taxation Commissioner meet with the committee twice a year in a similar way that the Governor of the Reserve Bank of Australia presents to the Economics Committee of Parliament.

This has been accepted and the first meeting is scheduled for later this month.

The other major inquiry being undertaken by the JCPAA is into Defence procurement. Again, before the completion of the inquiry the committee has recommended to the Executive that the Australian Government adopt the UK model and institute auditing and reporting on the top 30 defence procurement projects. Although this has been agreed to by the Prime Minister, to commence in 08-09, the committee's effort to have additional funding allocated to the National Audit Office to allow preliminary work on modelling and methodology has not been supported.

The Defence Inquiry has also raised the issue of financial standards and accountability and the need for cultural change and financial training for many defence personnel.

With regards to other inquiries linked to financial audits, we continue to find breaches of the Financial Management Act and legal protocols by key departments.

The issue of outsourcing and confidentiality of information has also featured strongly in our work during this session. An audit report into the use of "commercial in confidence" by several key departments found that its application was flawed in the majority of cases.

Interestingly, the JCPAA has conducted eight in-camera hearings so far this parliament: two for audit report inquiries, five for the aviation security inquiry and one for the defence inquiry. In addition, two private briefings were held for the aviation security inquiry. In the last parliament the JCPAA took evidence in camera in only one formal hearing. Certainly, security considerations are impacting on our work but we need to reflect on the balance between the request for confidentiality and accountability requirements.

It must be said that our committee can take pride from its operations. Firstly, its excellent relationship with the Australian National Audit Office and the Auditor-General. Secondly, by achieving 85% agreement or in principle agreement by the Government for our recommendations. It can also be pleased that bipartisan agreement has been consistently achieved.

The initiative to consult on a regular basis with the Secretary of the Department of Prime Minister & Cabinet and the Public Service Commissioner on public sector performance is also to be commended.

At this conference we have discussed the membership of Public Accounts Committees. In the case of the JCPAA, our membership reflects proportionality, so the government has the majority. True bipartisanship however would probably suggest an equal ratio between government and opposition members either directly or through a weighting system. But that is a debate for another time and place.

Our committee's workload is considerable. In fact in my recent MP performance review I counted around 150 hearings, meetings and site visits this term, perhaps reflecting the need for additional secretariat personnel and resources. Our committee's retention rates are also concerning. Three Chairs and a continuing turnover of members this term suggest that appointments or election to go on the JCPAA may not be linked to the need for experience or continuity. Nor may there be a realistic understanding of the work involved. So perhaps our JCPAA needs to consider the KPMG report, "The Parliamentary Public Accounts Committee: An Australian and New Zealand Perspective", and do its own performance audit - perhaps using the suggested KPIs - and consider the value of induction training for members of the JCPAA from the Public Sector Governance and Accountability Research Centre.