



PUBLIC ACCOUNTS & AUDIT COMMITTEE

Report Tabling

4 September 2006

[Ms GRIERSON](#) (Newcastle) (12.47 p.m.)—I also endorse the comments that you made, Mr Speaker, and the member for Corio regarding the delegation to Malaysia and Japan. In speaking to *Report 407: Review of Auditor-General's reports tabled between 18 January and 18 April 2005* of Joint Committee of Public Accounts and Audit, it is always important to remember that holding government departments to account is a worthy task. It brings great benefits to the Australian people, and the work of the ANAO—the Audit Office—must be praised. It is independent and it certainly is rigorous. I also register my thanks to the secretariat. They have had a major load in catching up after an election, and I think we have done that well together.

The report looks at five separate audit reports. They are an interesting group and they certainly are important. The first one was on the investment of public funds and Commonwealth debt management. It deals with over \$20 billion of Australian funds: \$20 billion held by the Australian Office of Financial Management and \$6 billion held under authorities under the Financial Management and Accountability Act. So we are talking about a lot of money that is held in a one-year period, that is surplus when departments are managing their budgets and that needs to be invested. Unfortunately, there were shortcomings found by the Audit Office. There were shortcomings in compliance and in record keeping. The Audit Office also found that records were inaccurate and incomplete and that agencies were still lacking in sound governance and reporting processes.

The committee followed up on that work and made several recommendations. Those recommendations went to having absolutely defined investment strategies and to making sure there was value for money. Those recommendations mean that government departments should have an investment strategy, a risk strategy and a report that goes to parliament that says what those strategies are, what the value and return is for those moneys, whether they are managed in house or by external agencies and what fee schedules apply. It is only correct, when we are talking about \$26 billion of taxpayers' money at the end of 2004, that it is managed properly and I congratulate the committee on their recommendations.

The section on regulation of Commonwealth radiation and nuclear activities by ARPANSA has absolute currency, and it is certainly one area in which we need to give the public great assurances. Most importantly, we followed up the Audit Office's findings that things could be improved a great deal and recommendations were made that I am sure will do that, particularly when the Department of Health and Ageing take their responsibility more seriously in managing those processes and in supporting ARPANSA.

It is important to mention that we have recommended that ARPANSA provide a quarterly report to the parliament on any licensed breaches, including incidences of noncompliance. The Australian public would like to see those annually reported to parliament and not to read about them in the press. That does nobody any good. This requirement should include a short statement to the parliament even when no breaches have occurred. That would give us confidence that some rigour and professionalism exists in such an important agency.

We also looked at Centrelink complaints procedures and the management of them. A third of Australians deal in their daily lives with Centrelink, so it is extremely important that if things are not going well they have a chance to say so. Unfortunately, the Audit Office found that there was no nationally mandated framework for complaints. It found there was no cultural approach; it was up to individual Centrelink programs and officers. It also found that there was no cost framework and that customers were not aware of their rights in making complaints or, if they were, that there was still some fear of retribution. It was a fear that they would be punished in some way—that their moneys would be diminished.

Our recommendations went to reforming the system. Certainly it made sure again that there was a public report to this parliament on all the surveys that Centrelink run, what they find in them and how they respond to them. We did find that a lot of activity was happening but that there was not a lot of guided response. We also realised that there are very vulnerable people in our society, such as the mentally ill and the homeless, who are at times not even able to be accessed. We suggested that there have to be ways to put those people into focus groups to make sure that their needs are understood and responded to.

The other report we looked at was *The Edge Project*, which is terribly important at this time when the government is considering some sort of identification card for people across the Centrelink and social security framework. We found that the IT project certainly failed in that case. (*Time expired*)