



Northern Territory Auditor-General's Office

Auditing for Parliament

Mr Jeff Collins MLA
Chair
Select Committee on Opening Parliament to the People
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via email: LCOMM@nt.gov.au

28 November 2016

Dear Chair,

Select Committee on Opening Parliament to the People

Call for Submissions

Thank you for the opportunity to provide a submission to the Select Committee on Opening Parliament to the People and for taking the time to consider the issues raised by the Northern Territory Auditor-General.

The Green Paper on Parliamentary Reform makes reference to the Parliamentary Reform - Opening Parliament to the People (Labor Policy Discussion Paper) and Restoring Integrity to Government – Trust and Integrity Reform Discussion Papers published by the then Opposition ahead of the 2016 Northern Territory Election and the Discussion Paper on Assembly Committee Reform tabled by the Speaker on 25 August 2015. These documents present a range of other proposals which, whilst I have considered, I have not commented upon in this submission.

This submission focuses on the following elements of the Green Paper on Parliamentary Reform:

- New Scrutiny Committees
- Committee Time Allocation and Membership
- Consideration of Estimates and Annual Reports
- Acknowledgement of Country and Prayers

New Scrutiny Committees

The Green Paper on Parliamentary Reform proposes the establishment of two scrutiny committees that will adopt the responsibilities of the Subordinate Legislation and Publications, Public Accounts and Legal and Constitutional Affairs committees. Whilst I acknowledge the Select Committee emphasises the scrutiny committees' responsibilities for time management, the following matters may warrant consideration:

- The Auditor-General, in informing the Parliament, works with the current Public Accounts Committee. The requirement to report to two scrutiny committees does not present a significantly different or additional workload for the Northern Territory Auditor-General's Office however would require appearances by the Auditor-General at both Committees to discuss relevant aspects of Auditor-General's reports to the Legislative Assembly. This could present challenges were the Auditor-General required to present to both committees at the same time if both had the same standing agenda. Reports to the

Legislative Assembly contain the findings and results of audits conducted in the most recently completed six-monthly audit program. Advance notice provided to the Auditor-General of topics of interest would ensure that the content presented is of relevance to each committee.

- The proposed allocation of departmental/agency clusters indicates that one scrutiny committee is likely to have a far greater workload than the other particularly with regard to consultation on the provisions and impacts of bills and subordinate legislation. This may leave insufficient time to address all Committee responsibilities.
- The existing Committees have a range of responsibilities that are conducted either in public forums or in camera. The proposed Committees would need to consider what aspects will be public and what will not during the five meeting hours each Wednesday and how these aspects will be coordinated effectively.

In establishing the structure of the two scrutiny committees and the proposed allocation of portfolios to each committee, the Select Committee might like to consider how matters affecting both scrutiny committees would be addressed. As an example, the former Public Accounts Committee held several hearings relating to the Palmerston Regional Hospital Project. Attendees at that hearing included the former Departments of: the Chief Minister; Treasury and Finance; Health; and Infrastructure. Under the proposed two-committee structure, the Children, Families and Central Agencies Committee will have carriage of matters pertaining to the first three departments and the Development, Tourism, Environment and Culture Committee will have responsibility for scrutinising the operations of the Department of Infrastructure, Planning and Logistics.

Consulting the Community on Bills

I have no specific comments in relation to this proposal.

Passage of Bills

I have no specific comments in relation to this proposal.

Committee Time Allocation and Membership

Having two Committees meet during the same five hour period will require a duplication of secretariat functions and the impact on the resources of the Department of the Legislative Assembly should be considered in this regard. Secretariat functions will encompass internal and external communication, receiving, distilling and collating submissions from the public and the results of public hearings. Beyond human resources, consideration may need to be given to the size and facilities (particularly electronic recording and broadcasting functions) that may be required to support both Committee meetings.

The current broadcast arrangements enable any member of the public including employees and officers of the public sector to watch or listen to public hearings through a range of media options. In the event that the Estimates and Annual Report scrutiny meetings are held concurrently, the proposal may meet criticism that transparency is not being achieved as an individual would need to choose between meetings. A response to this may be to retain the current Parliamentary sitting structure and have one Committee meet on the first Friday morning following sittings and the following Monday afternoon prior to the second week of sittings thus not presenting a conflict for the audience. This suggestion may still achieve the desired outcome of minimising the costs of travel whilst not requiring an additional investment in staff and resources to support the changed/proposed arrangements.

In responding to this element of the Green Paper, I have assumed that members will nominate for their appointment to each scrutiny committee. Given the limited numbers of opposition and independent members in the current assembly, the Select Committee may consider if a proxy arrangement would permit an alternate member to participate in the Committee meetings in the event that a nominated member was unavailable. Clarification on whether a member can be appointed to more than one Committee may be valuable should the Committees meet other than concurrently.

I note throughout the Green Paper the expectation of the Select Committee that the proposed scrutiny committees will need to manage their time to prioritise and address matters subject to consideration. It would be useful to understand the approximate amount of time the Committees intend to spend on each area of responsibility to ensure the Committees are focused on addressing community concerns and ensure that all areas of Committee responsibility are addressed rather than focusing on continuing debate of the merits of proposed policy and legislation.

Super Scrutiny Wednesdays

I have no specific comments in relation to this proposal.

Consideration of Estimates and Annual Reports

Holding Estimates hearings concurrently over a one-week period would encounter similar challenges in relation to public broadcasting as my earlier comments under *New Scrutiny Committees* above. I would encourage the Select Committee to consider holding the Estimates Hearings over a consecutive two-week period to enable the public and media to view the questions and answers during both processes. The Estimates process could be enhanced by requiring comprehensive answers to advance questions to be provided in writing for tabling sufficiently early for more directed questioning during the Estimates hearings as required.

I would encourage the Select Committee to consider holding the Annual Report scrutiny hearings over a consecutive two-week period to enable the public and media to view the questions and answers during both processes. The hearings would be held at a time that permits tabling of Annual Reports prior to the hearing. Given that a number of Agencies currently table their Annual Reports during the November sittings, there exists a risk that the time to prepare questions and responses to support these hearings would be insufficient.

Whilst acknowledging the additional workload perceived by Agencies in presenting formally to scrutiny committees twice per year, scrutinising the Annual Reports would likely provide a more robust evaluation of performance following the tabling of Annual Reports. It would be useful to establish a template to support the scrutiny of Annual Reports which requires the Agencies to report against their key performance indicators as established in Budget Paper 3 relevant to the Annual Report under consideration. This would enable consistency in analysis of Annual Reports. The *Audit Act* currently provides the Auditor-General with a mandate to audit the systems an Agency maintains in order to effectively manage its performance however does not enable the Auditor-General to audit the Agency's actual effectiveness, efficiency and economy in meeting objectives. Amending the *Audit Act* in this regard may enable the Auditor-General to more effectively support the scrutiny committees' proposed Annual Report evaluation.

Debating Petitions

I have no specific comments in relation to this proposal.

Reforming Question Time

I have no specific comments in relation to this proposal.

Acknowledgement of Country and Prayers

For Parliament to continue to commence with a parliamentary prayer and the inclusion of an acknowledgement of country seems appropriate. I have no specific comments as to the form or content.

General

In relation to the proposed Standing Orders, it may be useful to clarify that Standing Order 176 (3) (d) "reports of the Auditor-General" relates specifically to the Auditor-General's Reports to the Legislative Assembly rather than Annual Reports and other reports of the Auditor-General.

Yours sincerely,



Julie Crisp

Auditor-General for the Northern Territory