

CAB K.E.
CANCELLED
525



LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

Public Accounts Committee

ANNUAL REPORT

Year Ended 30 June 1988

REPORT NUMBER 5

AUGUST 1988

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

PUBLIC ACCOUNTS COMMITTEE

ANNUAL REPORT

YEAR ENDED 30 JUNE 1988

REPORT NUMBER 5

AUGUST 1988

PUBLIC ACCOUNTS COMMITTEE
ANNUAL REPORT
YEAR ENDED 30 JUNE 1988

<u>CONTENTS:</u>	<u>PAGE NO:</u>
CHAPTER 1 CHAIRMAN'S REVIEW	3
CHAPTER 2 COMMITTEE MEMBERS	5
CHAPTER 3 THE NORTHERN TERRITORY PUBLIC ACCOUNTS COMMITTEE	7
CHAPTER 4 ACTIVITIES 1987/88	11
(A) TABLED REPORTS	11
. ANNUAL REPORT 1986/87	11
. ACTUAL AND CONTINGENT LIABILITIES OF THE NORTHERN TERRITORY GOVERNMENT	11
. REPORT ON AUDITOR-GENERAL'S ANNUAL REPORTS 1985/86	12
. ACCELERATED YEAR END SPENDING	13
(B) CURRENT INQUIRIES	14
. AERO MEDICAL CONTRACT	14
. PUBLIC ADMINISTRATION RECURRENT EXPENDITURE (WASTE-WATCH)	15
. AUDITOR-GENERAL'S ANNUAL REPORTS 1986/87	15
(C) OTHER ACTIVITIES	17
CHAPTER 5 PERFORMANCE OF THE PUBLIC ACCOUNTS COMMITTEE	18
CHAPTER 6 ADMINISTRATION AND STAFFING	22
<u>APPENDICES:</u>	
APPENDIX 1 TERMS OF REFERENCE	
APPENDIX 2 SUMMARY OF MEETINGS	
APPENDIX 3 P.A.C. MEMBERSHIP RECORD	
APPENDIX 4 P.A.C. EXPENDITURE CHART	

CHAPTER ONE

CHAIRMAN'S REVIEW

Since the first Annual Report of the Public Accounts Committee, presented to Parliament on Thursday, 24 September 1987, the Committee has continued to work towards its references and in the past year presented a further three reports being:-

- Number 2 - Report on Actual and Contingent Liabilities of the Northern Territory Government;
- Number 3 - Report on the Auditor-General's Annual Report 1985/86; and
- Number 4 - Report on Accelerated Year End Spending

At year's end, the Committee was in the final stages of preparing a report on Public Administration Recurrent Expenditure (Waste-Watch) and has undertaken preparatory work toward reporting on its specific reference on the Aero-Medical Contract and its standing reference on the Auditor-General's Report, for year 1986/87.

The Committee is of the view that it is inappropriate to take action on matters raised in a report of the Auditor-General until such time that the department or instrumentality involved has had time to address the matter itself. Therefore, before proceeding to report on the Auditor-General's Report for a particular year, the Committee feels it should wait until the following Auditor-General's Report, and then involve itself only in those matters of concern that have not been satisfactorily resolved over the course of two reports.

It is interesting to note that since its inception on 19 June 1986, the Committee has had twelve different members of the Assembly serve as members of the Committee and of those, all but Senator Collins are still members of the Assembly. The relative stability of membership over the past year, wherein the membership remained static until 17 May, allowed the Committee to get on with its job as evidenced by the reports it was able to produce.

Disappointing to note, however, is that in view of the general acceptance of its reports and the generally constructive debate that followed their tabling, the Committee is still a sessional committee established on a trial basis only.

It is also disappointing to note that within the Public Service there is still a level of non-acceptance of the Committee and of the role it can properly and constructively play in ensuring that the public monies of the Northern Territory are adequately accounted for.

In my view the proper accounting for public monies should not merely entail the satisfaction of the provisions of the Financial Administration and Audit Act and Treasurer's Directions, but should also address itself to the issue of achieving measurable and maximum outputs within the constraints of available funding.

Finally, I wish to express my gratitude to the members of the Committee for their continued and bipartisan support and to the staff of the Committee for their support and efforts over the year.

MICK PALMER, MLA

CHAPTER TWO

COMMITTEE MEMBERS

Members of the Public Accounts Committee during the year were:

MR MICK PALMER, MLA Chairman

From 1 July 1987 - date

Country Liberal Party

Member for Karama. First elected 1984.

Other Committees:- Nil

MR BRIAN EDE, MLA

From 1 July 1987 - date

Australian Labor Party

Member for Stuart. First elected 1983. Deputy Leader of Opposition and Shadow Minister for Education, Industrial Relations, Employment and Training, Equal Opportunity, Constitutional Development.

Other Committees:- Constitutional Development.

MR DAN LEO, MLA

From 1 July 1987- date

Australian Labor Party

Member for Nhulunbuy. First elected 1980.

Shadow Minister for Housing, Mines and Energy, Power and Water Authority.

Other Committees:- House Committee, New Parliament House.

MR MICHAEL REED, MLA

From 17 May 1988 - date

Country Liberal Party

Member for Katherine. First elected 1987.

Other Committees:- House Committee, Publications, Subordinate Legislation and Tabled Papers, Environment.

MR RICHARD SETTER, MLA

From 17 May 1988 - date

Country Liberal Party

Member for Jingili. First elected 1984.

Other Committees:- New Parliament House, Constitutional Development, Publications, Subordinate Legislation and Tabled Papers.

MR TOM HARRIS, MLA

From 1 July 1987 - 17 May 1988

Country Liberal Party

Member for Port Darwin. First elected 1977.

Other Committees:- Nil .

MR ERIC POOLE, MLA

From 1 July 1987 - 17 May 1988

Country Liberal Party

Member for Araluen. First elected 1986.

Other Committees:- Publications, Standing Orders, Subordinate
Legislation and Tabled Papers, Environment.

NOTE: A complete membership record is at Appendix 3.

CHAPTER THREE

THE NORTHERN TERRITORY PUBLIC ACCOUNTS COMMITTEE

The Northern Territory Public Accounts Committee was first established by Standing Order 21A of the Legislative Assembly on 16 August 1986.

As a Committee of the Assembly, its authority is derived from the Northern Territory (Self Government) Act of the Commonwealth and the Legislative Assembly (Powers and Privileges) Act.

The Committee is comprised of five (5) members, presently three (3) Government and two (2) Opposition members.

The duties of the Committee are:-

- (a) to examine the accounts of the receipts and expenditure of the Northern Territory and each statement and report transmitted to the Legislative Assembly by the Auditor-General, pursuant to the Financial Administration and Audit Act;
- (b) to report to the Legislative Assembly with such comments as it thinks fit, any items or matters in or arising in connection with those accounts, statements or reports, or in connection with the receipt or disbursement of the monies to which they relate, to which the Committee is of the opinion that the attention of Parliament should be drawn;
- (c) to report to the Legislative Assembly any alteration which the Committee thinks desirable in the form of the public accounts or in the method of receipt, control, issue or payment of public monies;
- (d) to inquire into and report to the Legislative Assembly on any question in connection with the public accounts of the Territory -
 - (i) which is referred to it by a resolution of the Assembly; or
 - (ii) which is referred to it by the Administrator or a Minister; and
- (e) to examine the reports of the Auditor-General laid before the Legislative Assembly with the accounts of a Public Authority of the Northern Territory (including any documents annexed or appended to those reports).

The Committee has been empowered by the Assembly to:-

- (a) send for persons, papers and records;
- (b) adjourn from place to place;
- (c) to meet and transact business in public or private session;
- (d) to sit during any adjournment of the Assembly.

The Committee is also empowered to print from day to day such papers and evidence as may be ordered by it.

Unless otherwise ordered by the Committee, a daily Hansard is to be published of such proceedings of the Committee as take place in public.

Meetings of the Committee usually follow one of the following formats:-

- (a) PUBLIC HEARINGS; Witnesses will usually be requested to attend but, if necessary, may be summonsed and sworn. The normal practice will see the Chairman read a statement on the responsibilities of witnesses.

Public Hearings are open to the public, including the media. Such hearings may be announced by public notice and may also provide for the receipt of public submissions. A full transcript of proceedings is normally produced by Hansard.

- (b) DELIBERATIVE; This is the format used for private meetings of the Committee where confidential matters and the proceedings of the Committee may be discussed, together with general administrative business.

Deliberative meetings are always held in private and are minuted but are not transcribed by Hansard.

- (c) BRIEFING; this form of deliberative meeting may precede a Public Hearing or might simply be used for general information gathering by the Committee.

Such meetings are not open to the public and a confidential transcript will normally be taken of such briefings.

The Committee may also undertake inspections of departmental, authority or other premises.

THE TAKING OF EVIDENCE

The work of the Committee is largely reliant on the effectiveness of its information gathering ability. Some is researched and presented by the Secretariat. However, the major source is the examination of persons with specific and detailed subject knowledge. Such persons may appear before the Committee as Witnesses.

A witness is normally invited to attend and although the Committee is empowered to send for persons, papers and records by summons pursuant to section 19 of the Legislative Assembly (Powers and Privileges) Act, this is not standard practice.

Although evidence at public hearings is not normally taken on oath, each witness remains subject to the sanctions of the Legislative Assembly (Powers and Privileges) Act regardless of whether the witness takes or does not take an oath or affirmation. The Committee may, however, regarding any facts, matters or things relating to the subject of an inquiry to be verified or ascertained by oral examination, require a witness to be examined on oath or affirmation.

It is normal practice, when the swearing of a witness is not required, for the Chairman to read a statement which stresses the responsibilities of witnesses to provide accurate and complete answers and/or documentation to the Committee.

To facilitate briefings, an informative document "Notes for Witnesses", is available to each witness involved in an inquiry.

The evidence taken orally by the Committee is normally recorded by the parliamentary reporting staff (Hansard).

The corrected Minutes of Evidence form a part of the evidence on which the Committee's Report will be based.

All witnesses examined before the Committee are entitled to the protection of the Assembly in respect of anything that may be said by them in their evidence. All papers, including transcripts of proceedings, tabled as evidence before the Committee are subject to the Legislative Assembly (Powers and Privileges) Act and pursuant to that Act, have the same protection as exists in the House of Representatives of the Commonwealth Parliament.

It should be noted that the Committee is not empowered to inquire into matters of government policy and witnesses are to refrain from providing either oral or written submissions on the subject of government policy except with the permission of the relevant Minister or to state what government policy is.

REPORTS OF THE COMMITTEE

The Committee is required to report to the Legislative Assembly on an annual basis as well as providing specific reports from time to time to report its proceedings and evidence taken.

CHAPTER FOUR
ACTIVITIES 1987/88

The Public Accounts Committee, in its second year of operation, has continued to experience a significant membership turnover with two government members being elevated to the Ministry.

The Committee met on eighteen occasions during the year and received briefings from twenty witnesses. A Public Session on the role of the Public Service Commissioner was held on 8 December 1987. All other meetings were 'deliberative' and in accordance with parliamentary practice, were held in camera.

REPORTS TABLED

The following reports were tabled before the Northern Territory Legislative Assembly during the twelve months to 30 June 1988:-

ANNUAL REPORT - YEAR ENDED 30 JUNE 1987 (REPORT NO. 1)

This report was tabled in September 1987 and discussed the Committee's first year of operation. The evolution of public accounts committees since 1861 in Britain to the debates leading to the establishment of the Territory's committee on 16 August 1986 was featured together with a general chapter on Public Accountability. The method of operation of the Territory committee was also presented as was a summary of committee activities during 1986/87.

REPORT ON THE ACTUAL AND CONTINGENT LIABILITIES OF THE NORTHERN TERRITORY GOVERNMENT (REPORT NO. 2)

The subject of government liabilities had been the subject of much debate in the Assembly and led to the successful motion of the then Leader of the Opposition, Mr Bob Collins, for the Public Accounts Committee to examine and report on the matter.

The report identified major liabilities and contingent liabilities of the government and commented on their potential impact on the economy of the Territory.

Particular attention was given to major tourism development projects.

The report was tabled in November 1987 and made the following recommendations:-

"In view of the commercial sensitivities the Committee continue to monitor the Territory's interests in the Yulara and Sheraton projects;

The existing Central Register of Government guarantees and indemnities be maintained and every effort be made to ensure that all such guarantees and indemnities are included in the register and that the Territory's interest be protected by continued monitoring."

REPORT ON THE AUDITOR-GENERAL'S ANNUAL REPORTS 1985/86 (REPORT NO. 3)

The Public Accounts Committee is required "to examine the accounts of the receipts and expenditure of the Northern Territory and each statement and report transmitted to the Legislative Assembly by the Auditor-General, pursuant to the Financial Administration and Audit Act."

In accordance with its terms of reference, the Committee reviewed the Auditor-General's reports for the year ended 30 June 1986:-

<u>Name of Report</u>	<u>Date Tabled</u>
- Annual Report of the Auditor-General	11 November 1986
- Report of the Auditor-General upon the Treasurer's Annual Financial Statement	25 November 1986
- Report of the Auditor-General upon Prescribed Statutory Corporations	29 April 1987

The Committee's report identified issues that appeared to concern the Auditor-General and sought comments from the respective Chief Executive Officers.

On the basis of responses to matters raised and subsequent further comment sought from the Auditor-General, the Committee recommended:-

- "1. The matter of hedging of contracts be kept under review.
2. All measures as are necessary be taken by Treasury to ensure that a repetition of the problems encountered in the non-performance of a bank reconciliation and the absence of a reliable central register, does not occur;

3. The Treasurer's Annual Financial Statements be prepared in such time as to enable the Auditor-General to report to the Legislative Assembly in advance of parliamentary debate on the Territory budget;
4. Treasury keeps under review the adequacy of financial information it has available to Government and the Treasurer advise the Assembly of any proposed changes to the form of government account keeping;
5. Greater effort be made to reduce the loss to the public account in areas covered by Statement 4 of the Treasurer's Annual Financial Statement including better asset control; and
6. The Northern Territory Housing Commission urgently address the issues raised in the Auditor-General's report."

The report was tabled in the Legislative Assembly in May 1988.

REPORT ON ACCELERATED YEAR END SPENDING (REPORT NO. 4)

This report was tabled in May 1988 following a lengthy inquiry by the Public Accounts Committee.

The Committee sought:-

"To examine the patterns of expenditure of Government Departments and Authorities that rely on annual budget appropriations to determine whether there is any evidence of accelerated year end spending and the circumstances that have led to such accelerated expenditure."

Details of departmental and statutory corporation expenditures were collected on a monthly basis over the four years to 30 June 1987 and unusual expenditure patterns were noted following computer analysis.

Explanations were sought from certain departments and authorities which led to the following recommendations:-

- "1. Annual reports of government departments and statutory authorities should include charts of monthly expenditure in relation to each sub-division of expenditure;
2. The Government address the lack of obvious performance monitoring functions and mechanisms;
3. The Treasury develop and institute programs designed to reduce the incidence of error in financial reporting by departments and statutory authorities; and

4. Existing internal control measures be reviewed to ensure that wasteful year end spending such as was evident within the former Department of Business, Technology and Communications does not go undetected."

CURRENT INQUIRIES

AERO MEDICAL CONTRACT

During the sittings of the Legislative Assembly on 12 November 1986 the Leader of the Opposition, Mr Smith, moved that the following matter be referred to the Public Accounts Committee:-

"All matters concerning the recent decision of the Northern Territory Government relating to the aero-medical contract, including:-

- (1) the adequacy of the tender documents;
- (2) whether all relevant matters were considered in assessing the tender;
- (3) whether proper procedures were followed in assessing the tenders;
- (4) whether the Tender Board formed for the purpose was properly constituted;
- (5) this matter shall not be considered by the Committee until such time as all litigation relating to the matter has been completed."

Paragraph 5 above reflects an amendment put by Mr Hanrahan.

STATUS: On 27 October 1987 the Solicitor for the Northern Territory advised the Committee "that Supreme Court action number 919 of 1986 brought by Skywest against the Northern Territory has been completed."

The Committee has considered the "Reasons for Judgement" delivered in the Northern Territory Court of Appeal on 30 June 1987 by Justices O'Leary CJ, Kearney and Asche JJ.

Briefings have also been received together with other relevant documentation.

The Committee expects to present its report during 1988.

PUBLIC ADMINISTRATION RECURRENT EXPENDITURE (WASTE WATCH)

On 5 June 1987, the Chief Minister referred the following matter to the Committee:-

"To investigate and report upon the levels, patterns and efficiency of expenditure in all Government Departments, Statutory Corporations and Instrumentalities in those areas which generally comprise recurrent administrative expenditure and which are more particularly described in the Treasurer's Directives as the following classifications of expenditure:

- . Salaries and payments in the nature of a salary;
- . Administrative Expenses;
- . Capital Items;
- . Repairs and Maintenance; and
- . Property Management.

The Committee may at its discretion and from time to time report in full or in part on any matter raised in relation to this reference."

STATUS: This inquiry has included a blanket survey of all public sector employees and became known as the "Waste-Watch" inquiry.

The Committee is presently considering its draft report on this matter and expects to table the final document during 1988.

AUDITOR-GENERAL'S ANNUAL REPORTS 1986/87

The Public Accounts Committee is required "to examine the accounts of the receipts and expenditure of the Northern Territory and each statement and report transmitted to the Legislative Assembly by the Auditor General, pursuant to the Financial Administration and Audit Act."

The Committee is further required "to report to the Legislative Assembly with such comments as it thinks fit, any items or matters in or arising in connection with those accounts, statements or report, or in connection with the receipt or disbursement of the moneys to which they relate, to which the Committee is of the opinion that the attention of Parliament should be drawn."

"Any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them or in the method of receipt, control, issue or payment of public moneys" may also be reported to the Legislative Assembly.

STATUS: Departments' and Authorities' responses to questions put by the Committee are being considered. A report is expected to be tabled in 1988.

OTHER ACTIVITIES

The Public Accounts Committee recognises the importance of its role as a conduit of information between parliament, the public sector and the general public. Whilst its function is predominantly finance related, as a committee of the parliament it has the unique opportunity of not only reviewing the efficiency with which public moneys are spent but just as importantly the effectiveness and economy of that expenditure. That is, has the money been spent on the right things, with the right resources at the right price.

As very little can happen in the public sector that has no cost implication, there is equally very little that is outside the purview of this Committee; apart from issues of government policy.

On this basis, the Committee is keen to keep itself abreast of developments in the field of government accounting which are becoming increasingly more concerned with the issue of value for money.

Issues under consideration include:-

- . Modified accruals based accounting for departments;
- . Program Budgeting;
- . Central Agencies' roles and responsibilities;
- . Efficiency, Effectiveness and Economy measures.

Committee members, together with the Secretary, also attended a number of interstate conferences and seminars on government accounting and accountability during the year.

CHAPTER FIVE

PERFORMANCE OF THE PUBLIC ACCOUNTS COMMITTEE

The Committee's terms of reference support the traditional role of a select group of elected members of parliament to consider the annual reports of the Auditor-General on the expenditure of appropriated monies by public bodies. Details of this role were discussed in the Committee's first annual report; for the year ended 30 June 1987.

Given the degree of emphasis placed by its terms of reference on the reports of the Auditor-General, the Committee must view those reports with full regard to the aims of the Office of the Auditor-General, being:-

"To promote improvement in the public sector financial reporting and accounting in the Northern Territory and to establish a recognised resource for the promotion of improvement in the operational efficiency of Northern Territory public administration."

(Annual Report of the Auditor-General 1986/87)

AIMS AND OBJECTIVES OF THE PUBLIC ACCOUNTS COMMITTEE

The logical extension of the above is a statement of aims and objectives for the Public Accounts Committee which complements the role of the Auditor-General and is consistent with its own terms of reference.

The Committee considers its aim to be **THE PROMOTION OF VALUE FOR MONEY IN THE PUBLIC SECTOR WITH INCREASED PUBLIC ACCOUNTABILITY TO THE PARLIAMENT AND THE PUBLIC OF THE NORTHERN TERRITORY.**

This aim then allows the Committee to pursue the following objectives against which its own performance might be assessed:-

- . to increase the efficiency and effectiveness with which government policy is implemented;
- . to increase the public sector's awareness of the need to be efficient and effective and accountable for its operations;
- . to increase the awareness and understanding of parliamentarians and members of the public of the financial and related operations of government.

Whilst the Committee cannot claim direct credit for all developments in the sphere of government accountability, its presence, together with its declaration of interest in a number of strategically important accountability issues has certainly had an effect.

Some of those issues are now highlighted.

"The Committee is of the opinion that the traditional methods of keeping and presenting Government accounts may, in view of a better educated and informed electorate, no longer satisfy the demand for public accountability.

Whilst the Committee is generally satisfied that expenditure is accounted for in a manner that meets the requirements of the Financial Administration and Audit Act and where required complies with the Treasurer's Directions, it is not satisfied that the mere meeting of those requirements properly accounts for Government expenditure."

(Public Accounts Committee Report Number 1)

This matter had been raised by the Auditor-General in his Annual Report for the year ended 30 June 1986 where he concluded "It is not at present possible to readily extract financial information relative to the costs of particular operations/activities from accounting records currently maintained." Since being followed up by the Public Accounts Committee, the Treasury has introduced standard expenditure classifications and has embarked on a course that will see a system of program budgeting and expenditure reporting across all government departments and statutory corporations.

"The Committee recognises that there are limiting factors which would prevent a radical departure from the current system of account keeping and presentation but believes efficiencies could be obtained in requiring the various arms of government to regularly justify programs they may be administering in terms of stated objectives and progress towards such objectives.

It is not unusual in other places for accountable officers to be required to set criteria against which the performance of a department, instrumentality or a particular program can be judged nor is it unusual for an independent auditor to be required to report on the levels of performance achieved against such criteria."

(Public Accounts Committee Report Number 1)

Treasury Circular B16:87/88 of May 1988 advised that:-

"Cabinet Decision No 5484 approved a revised Activity/Program Budget Format for the preparation, analysis and reporting to Cabinet on the 1988/89 budget.

Previous Activities varied substantially in terms of expenditure and their orientation (ie inputs, outputs, management structure).

The revised format is designed to make Activities/Programs more orientated to the outputs, or desired outcomes, of Departments or Authorities.

PURPOSE OF PROGRAM INFORMATION

Program budgeting is a process which encourages managers at all levels to consider the outputs and results of their activities against specified objectives. It is not just a different way of presenting Budget numbers.

Program Budgeting re-orientates budget considerations on the purposes of Government activity, and the efficiency and effectiveness of that activity, rather than on the level of expenditure on certain items or inputs.

PERFORMANCE INDICATORS ARE AN IMPORTANT PART OF PROGRAM BUDGETING

It is important to emphasise that the role of performance indicators is to assist in making informed judgments rather than to replace them. It is not required or expected that any one indicator, or even set of indicators, will provide a definitive measure of program accomplishment. Rather, their role is in indicating, or focusing attention on, relevant areas to identify where corrective action might be required or where more intensive evaluation is needed.

The development on indicators should focus on questions of:

- efficiency, which is the relationship between the inputs and outputs;
- effectiveness, which is the extent to which the program's outputs, or outcome, met its objective(s).

If directly quantifiable measures of program achievement cannot be developed, consideration should be given to developing indirect measures of performance eg. Narrative indicators may also be useful in the first instance."

"The existing Central Register of Government guarantees and indemnities be maintained and every effort be made to ensure that all such guarantees and indemnities are included in the register and that the Territory's interest be protected by continued monitoring."

(Public Accounts Committee Report Number 2)

The Committee was generally satisfied that contingent liabilities were recorded by the N.T. Treasury and their potential impact monitored. The fact that the Treasury subsequently embarked on a recruitment campaign for suitable persons to monitor and maintain the register of contingent liabilities further satisfied the Committee that this matter is being addressed. The Committee nevertheless has reserved the right to further review the situation.

In its report on the Auditor-General's Annual Report 1985/86 the Committee noted a number of serious problems within the N.T. Treasury that questioned the accuracy and therefore value of financial information and advice available to government. These problems included:-

**HEDGING OF CONTRACTS
NON-PERFORMANCE OF BANK RECONCILIATIONS
ABSENCE OF A RELIABLE CENTRAL REGISTER
DELAYED PRESENTATION OF FINANCIAL STATEMENTS
ASSET CONTROL**

The Committee is aware that these matters are being attended to and will review the situation following presentation of the Auditor-General's Annual Report 1987/88.

FINANCIAL PERFORMANCE

Public Accounts Committee expenditure for the year ended 30 June 1988, salaries excluded, represented a net decrease of 9.09% over the previous year and a saving of 44% on budget allocation for 1987/88.

Further details are at Appendix 4.

In summary, the Public Accounts Committee has established clear objectives by which its own performance can be monitored and reviewed and has made a significant contribution to increased public sector financial and operational performance during 1987/88.

CHAPTER SIX

ADMINISTRATION AND STAFFING

The Public Accounts Committee is supported by a Secretariat of two full time staff. It is intended that permanent staffing be kept to an absolute minimum with the ability to augment resources on an as-needed basis through secondment or contracting of specialised persons for specific projects.

Secretariat staffing is provided by the Department of the Legislative Assembly. Other facilities such as access to Hansard, photocopying and PABX is similarly provided.

All indirect administrative support as in personnel and finance matters is also provided by the Department of the Legislative Assembly.

STAFF AS AT 30 JUNE 1988

MR DAVID RICE

Secretary

MS JUDY CUMBERLAND

Research Assistant

STAFF CHANGES

Mr Tony De Silva was seconded from the Department of Education to serve with the Committee as a Project Officer on its Waste Watch inquiry from 28 September 1987 to 31 March 1988.

APPENDIX 1

TERMS OF REFERENCE



Legislative Assembly of the Northern Territory

PUBLIC ACCOUNTS COMMITTEE

Telephone 81 2262
Telex AA 85154
Telegrams Comparlas

G.P.O. Box 3721
Darwin
N.T. 5794

TERMS OF REFERENCE

(Minutes of Proceedings - Tuesday 28 April 1987)

1. The following provisional Standing Order, to operate on a trial basis as a Sessional Order, be agreed to:

21A PUBLIC ACCOUNTS COMMITTEE

- (1) A Standing Committee of Public Accounts to consist of five Members shall be appointed at the commencement of each Assembly.
- (2) The duties of the Committee shall be -
 - (a) to examine the accounts of the receipts and expenditure of the Northern Territory and each statement and report transmitted to the Legislative Assembly by the Auditor-General, pursuant to the Financial Administration and Audit Act;
 - (b) to report to the Legislative Assembly with such comments as it thinks fit, any item or matters in or arising in connection with those accounts, statements or reports, or in connection with the receipt or disbursement of the moneys to which they relate, to which the Committee is of the opinion that the attention of Parliament should be drawn;
 - (c) to report to the Legislative Assembly any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them or in the method of receipt, control, issue or payment of public moneys;
 - (d) to inquire into and report to the Legislative Assembly on any question in connection with the public accounts of the Territory -
 - (i) which is referred to it by a resolution of the Assembly; or

- (ii) which is referred to it by the Administrator or a Minister; and
 - (e) to examine the reports of the Auditor-General laid before the Legislative Assembly with the accounts of a Public Authority of the Northern Territory (including any documents annexed or appended to those reports).
- (3) The Committee shall examine only those accounts of receipts and expenditure of the Northern Territory and reports of the Auditor-General for financial years commencing after 30 June 1986: provided that this shall not prevent the consideration by the Committee of matters included in reports of the Auditor-General for the year ending 30 June 1986 which have or may have a continuing effect on the form of the public accounts; the method of receipt, control, issue or payment of public moneys.
 - (4) Prior to determining whether to undertake an inquiry into any matter which may have arisen in connection with the public accounts of the Territory, pursuant to paragraphs (2) (a) and (e), with the concurrence of the Committee, the Chairman is empowered to write to the Chief Executive Officer of the relevant Department or Public Authority for a report on the matter.
 - (5) The Committee shall take care not to inquire into any matters which are being examined by a Select Committee of the Assembly especially appointed to inquire into such matters and any question arising in connection therewith may be referred to the Assembly for determination.
 - (6) The Committee shall elect a Government Member as Chairman.
 - (7) The Chairman of the Committee may, from time to time, appoint a Member of the Committee to be the Deputy Chairman of the Committee and the Member so appointed shall act as Chairman of the Committee at any time when there is no Chairman or when the Chairman is not present at a meeting of the Committee.
 - (8) In the event of an equality of voting, the Chairman, or the Deputy Chairman when acting as Chairman, shall have a casting vote.
 - (9) The Committee shall have power to appoint sub-committees and to refer to any such sub-committee any matter which the Committee is empowered to examine.

- (10) Three Members of the Committee shall constitute a quorum of the Committee and two Members of a sub-committee shall constitute a quorum of the sub-committee.
 - (11) The Committee or any sub-committee shall have power to send for persons, papers and records, to adjourn from place to place, to meet and transact business in public or private session and to sit during any adjournment of the Assembly.
 - (12) The Committee shall be empowered to print from day to day such papers and evidence as may be ordered by it and, unless otherwise ordered by the Committee, a daily Hansard shall be published of such proceedings of the Committee as take place in public.
 - (13) The Committee may proceed to the despatch of business notwithstanding that all Members have not been appointed and notwithstanding any vacancy.
 - (14) The Committee shall report annually and shall have leave to report from time to time and to report its proceedings and evidence taken; and any Member of the Committee shall have power to add a protest or dissent to any Report.
 - (15) Unless otherwise ordered by the Committee, all documents received by the Committee during its inquiry shall remain in the custody of the Assembly: provided that, on the application of a department or person, any document, if not likely to be further required, may, in the Speaker's discretion, be returned to the Department or person from whom it was obtained.
 - (16) The Committee shall be provided with all necessary staff, facilities and resources and shall be empowered, with the approval of the Speaker, to appoint persons with specialist knowledge for the purposes of the Committee.
 - (17) The foregoing provisions of this Resolution, so far as they are inconsistent with the Standing Orders, have effect notwithstanding anything contained in the Standing Orders; and
2. That, unless otherwise ordered, Mr Ede, Mr McCarthy, Mr Leo, Mr Palmer and Mr Poole be appointed as Members of the Committee.

APPENDIX 2

SUMMARY OF MEETINGS

MEETING NO.	DATE	TYPE OF MEETING	KEY AGENDA ITEMS	WITNESSES
NO. 18	29/7/87	BRIEFING	. ACCELERATED YEAR END SPENDING (EDUCATION) . ACTUAL & CONTINGENT LIABILITIES	MR GEOFF SPRING MR H.M. ANDERSON MR OTTO ALDER MR RON CAVANOUGH
NO. 19	30/7/87	BRIEFING DELIBERATIVE	. ACTUAL & CONTINGENT LIABILITIES . P.A.R.E. (WASTE-WATCH)	MR OTTO ALDER MR RON CAVANOUGH
NO. 20	11/8/87	BRIEFING	. ACCELERATED YEAR END SPENDING (HEALTH & COMMUNITY SERVICES) . ACCELERATED YEAR END SPENDING (INDUSTRIES & DEVELOPMENT)	MR RAY NORMAN MR TERRY FEGAN MR GORDON LEE KOO MS MARGARET LYONS
NO. 21	9/9/87	DELIBERATIVE BRIEFING	. ANNUAL REPORT 1986/87 . TREASURY: NCOM	MR JOHN GARDINER MR RAY ALLWRIGHT
NO. 22	16/9/87	DELIBERATIVE	. ANNUAL REPORT 1986/87	
NO. 23	13/10/87	DELIBERATIVE	. GENERAL BUSINESS	
NO. 24	10/11/87	DELIBERATIVE	. REPORT: ACTUAL AND CONTINGENT LIABILITIES	MR OTTO ALDER

APPENDIX 3

P.A.C. MEMBERSHIP RECORD

NORTHERN TERRITORY PUBLIC ACCOUNTS COMMITTEE

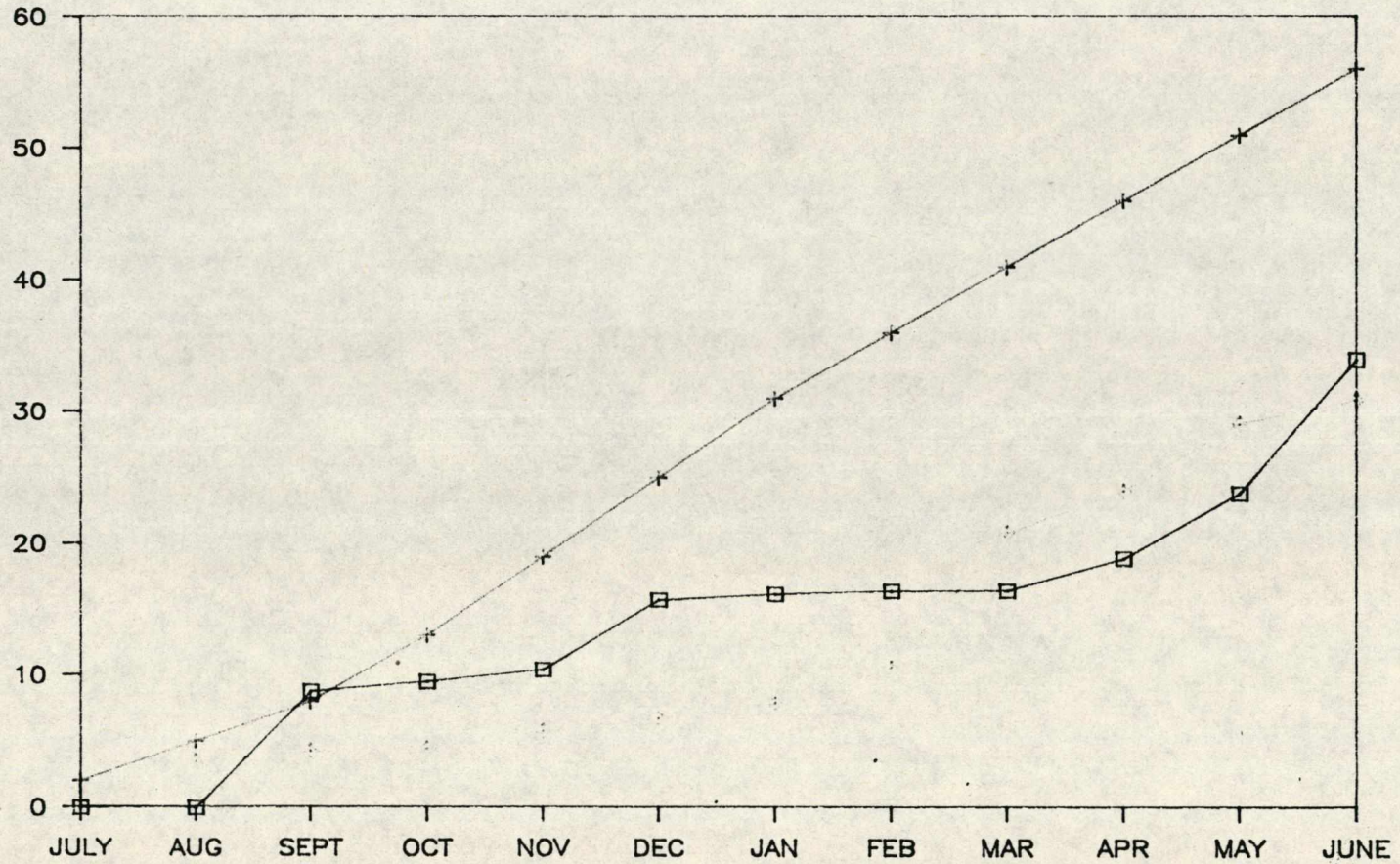
MEMBERSHIP RECORD 19/6/86 TO 30/6/88

NAME	POLITICAL PARTY	PERIOD SERVED FROM	TO	STATUS
LEO, D.M.	A.L.P.	19/6/86 28/4/87	- 16/2/87 - DATE	MEMBER
PALMER, M.J.	C.L.P.	19/6/86 28/4/87	- 16/2/87 - DATE	MEMBER CHAIRMAN
PERRON, M. B.	C.L.P.	19/6/86	- 16/2/87	CHAIRMAN
SMITH, T.E.	A.L.P.	19/6/86	- 20/8/86	MEMBER
TUXWORTH, I.L.	C.L.P.	19/6/86	- 16/2/87	MEMBER
COLLINS, B.	A.L.P.	20/8/86	- 16/2/87	MEMBER
EDE, B.R.	A.L.P.	28/4/87	- DATE	MEMBER
MCCARTHY, T.R.	C.L.P.	28/4/87	- 7/5/87	MEMBER
HARRIS, T.	C.L.P.	7/5/87	- 17/5/88	MEMBER
POOLE, E.H.	C.L.P.	28/4/87	- 17/5/88	MEMBER
REED, M.	C.L.P.	17/5/88	- DATE	MEMBER
SETTER, R.	C.L.P.	17/5/88	- DATE	MEMBER

APPENDIX 4

P.A.C. EXPENDITURE CHART

P.A.C. EXPENDITURE



□ 1986/87

+ projected 87/88

Source: PAC 1988