LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

Public Accounts Committee

ANNUAL REPORT

Year Ended 30 June 1989

REPORT NUMBER 6

NOVEMBER 1989

Government Printer of the Northern Territory

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

PUBLIC ACCOUNTS COMMITTEE

ANNUAL REPORT

YEAR ENDED 30 JUNE 1989

REPORT NUMBER 9

NOVEMBER 1989

PUBLIC ACCOUNTS COMMITTEE

ANNUAL REPORT

YEAR ENDED 30 JUNE 1989

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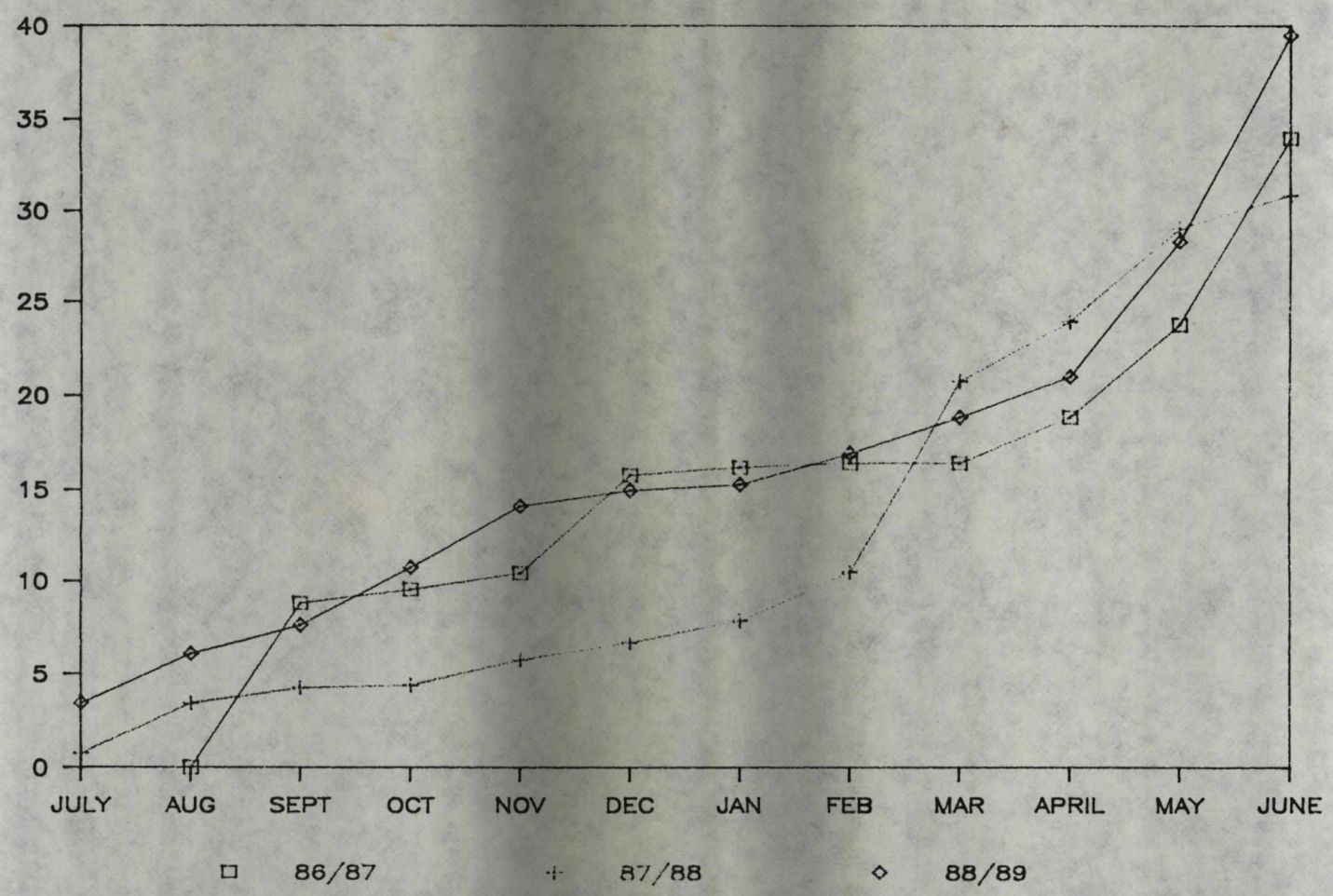

CHAIRMAN'S REVIEW

During the reporting period the Committee presented the following Reports to the Parliament:-

Report No. 5 - Annual Report for Year Ended 30 June 1988

Report No. 6 - Report on Public Administration Recurrent Expenditure

Report No. 7 - Report on the Auditor-General's Annual Reports 1986/87

Report No. 8 - Report on Aero Medical Contract

The content of those Reports is further detailed elsewhere in this Report.

The Committee's work was again enhanced by the increasing stability of membership with the only change being the resignation of Mr Mick Reed and the appointment of Mr Nick Dondas.

It was also encouraging to note the growing levels of acceptance and of co-operation with the Committee by the Public Service.

Also of encouragement was the alteration to the status of the Committee, by way of motion of the Chief Minister on 23 August 1988, from a Sessional Committee on a trial basis only to a Standing Committee of the Parliament.

The Committee was also pleased to assist the newly formed Government Accounting Group with its first public seminar. The formation of the Government Accounting Group and the interest shown in the seminar is further proof of the growing awareness of the need for accountability in Government and the benefits that can accrue to the taxpayer as a result of increasing levels of accountability.

In fact the Committee's aim is the promotion of value for money in the public sector with increased accountability both to the Parliament and the public of the Northern Territory and the Committee looks forward to continued consultation with and co-operation by Chief Executive Officers to advance this aim.

MICK PALMER, MLA

30 November 1989

APPENDIX 4

P.A.C. EXPENDITURE CHART

NO. 41	3/4/89	DELIBERATIVE	. P.A.C. BIENNIAL CONFERENCE QUEENSLAND . ACTUAL AND CONTINGENT LIABILITIES . INTERNAL AUDIT BUREAU . AERO MEDICAL CONTRACT	
NO. 42	3/5/89	BRIEFING	. AERO MEDICAL CONTRACT	DR ELLA STACK MS SANDY GEMMELL MR KEN HARKIN
NO. 43	4/5/89	DELIBERATIVE	. BIENNIAL CONFERENCE . AERO MEDICAL CONTRACT	
		BRIEFING	. P.S.C. AND DEPARTMENT OF LABOUR AND ADMINISTRATIVE SERVICES	MR DAVID HAWKES MS SARAH BUTTERWORTH
			. AERO MEDICAL CONTRACT	MR KEN CLARKE
			. INTERNAL AUDIT BUREAU	MR ALLAN MORRIS MR BARRIE HAMILTON

CHAPTER ONE

THE NORTHERN TERRITORY PUBLIC ACCOUNTS COMMITTEE

1.1 ESTABLISHMENT OF THE COMMITTEE

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

At the commencement of the 1988-89 financial year the Committee members were:-

Mr Mick Palmer, Chairman
Mr Brian Ede
Mr Dan Leo
Mr Mick Reed
Mr Rick Setter

At the sittings of the Legislative Assembly on 23 August 1988 the Committee achieved permanent standing status:-

The Committee members are as follows:-

Mr Mick Palmer, Chairman
Mr Nick Dondas
Mr Brian Ede
Mr Dan Leo
Mr Rick Setter

1.2 PROFILE OF COMMITTEE MEMBERS

MR MICK PALMER, MLA Chairman
From 1 July 1987 - date
Country Liberal Party
Member for Karama. First elected 1984.
Other Committees:- Nil

MR NICK DONDAS, MLA
From 23 August 1988 - date
Country Liberal Party
Member for Casuarina. First elected 1974.
Other Committees:- House, Privileges, Publications, Subordinate Legislation and Tabled Papers, Environment.

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, Primary Production, 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 - 23 August 1988
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.

1.3 FUNCTIONS OF THE COMMITTEE

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.

1.3.1. 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,

MEETING NO.	DATE	TYPE OF MEETING	KEY AGENDA ITEMS	WITNESSES
NO. 36	6/9/88	DELIBERATIVE	. P.A.C. AS PERMANENT STANDING COMMITTEE . WASTE-WATCH . SEMINAR ON FINANCIAL REPORTING . P.A.C. AIMS AND OBJECTIVES	
NO. 37	27/9/88	DELIBERATIVE	. AERO MEDICAL CONTRACT . NCOM ANALYSIS	
		BRIEFING	. AUDITOR-GENERAL'S REPORTS	MR ELLIOTT ISAACSON
NO. 38	15/11/88	DELIBERATIVE	. AERO MEDICAL CONTRACT . SEMINAR ON FINANCIAL REPORTING	
NO. 39	30/11/88	DELIBERATIVE	. AERO MEDICAL CONTRACT	
NO. 40	1/2/89	DELIBERATIVE	. AUDITOR-GENERAL'S REPORTS . LOCATION OF P.A.C. MEETINGS	
		BRIEFING	. AUDITOR-GENERAL . ROLE OF TREASURY	MR ELLIOTT ISAACSON DR NEIL CONN MR MICHAEL MARTIN

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).

1.3.2 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.

1.3.3 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.

1.3.4 **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.

APPENDIX 3

SUMMARY OF MEETINGS

6. a) The Board of Directors of the Council shall be comprised of a President and two Vice-Presidents elected by the Council; and serving at pleasure whenever possible, the Public Accounts Committee Chairperson of the jurisdiction in which the annual meeting is to be held shall be a member of the Board of Directors. The Members of the Board shall be Chairpersons of the Public Accounts Committees, or similar bodies and may be elected at an Annual General Meeting.

   b) The Board of Directors shall meet once yearly between the annual meeting.

   c) Whenever possible, the Committee Clerk of the jurisdiction in which the annual meeting is to be held, shall be Secretary to the Board of Directors.

   d) An Executive Secretary shall be elected every two years at the annual meeting.

7. a) A quorum of the Council shall be 4 voting members.

   b) A quorum of the Board shall be 2 voting members.

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. The Committee may obtain any documents it requires by summons, if necessary.

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 does not inquire into matters of Government policy and the reasons underlying such policy, however it is certainly able to ask have they got a policy, what the policy is and is it available to the public.

1.3.5 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.

1.3.6 AIMS AND OBJECTIVES OF THE PUBLIC ACCOUNTS COMMITTEE

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.

AUSTRALASIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEES

CONSTITUTION

1. The Australasian Council of Public Accounts Committees is hereby established.

2. The aims of the Council are:

   a) To facilitate the exchange of information and opinion relating to Public Accounts Committees and to discuss matters of mutual concern;

   b) To improve the quality and performance of Public Accounts Committees in Australasia to ensure that taxpayers are getting value for money;

   c) To work with Auditors General so as to improve the effectiveness of both the Auditors and the Public Accounts Committees;

   d) To work with individuals and organisations knowledgeable about matters of concern to Public Accounts Committees; and

   e) To educate the elected Members, the media and the general public as to the purposes and activities of Public Accounts Committees.

3. Membership of the Council is open to Members of Parliament who are members of Australasian Public Accounts Committees or of similar legislative committees scrutinizing public spending, and staff of such committees.

4. The Council shall meet annually, with the meetings open to Members of Parliament who are members of Public Accounts Committees and staff of such committees.

5. In case of questions to be decided at the annual meeting, one vote may be cast by each Public Accounts Committee of each Country, State or Territory.

CHAPTER TWO

ACTIVITIES 1988/89

GENERAL

To play an effective role and to fulfill its Terms of Reference, it is essential that the Public Accounts Committee keep abreast of developments in government accounting and budgeting techniques and methodologies.

To achieve this end it is essential that the Committee has a workable relationship with both the N.T. Treasury and the Auditor-General. A number of informal meetings were held and this continued liaison and co-operation provided a forum for discussion of issues of mutual concern.

The Committee met on 8 occasions during the year, 4 of which were deliberative briefings. Briefings were received from 11 witnesses and in accordance with parliamentary practice, were held in camera. No public meetings were held during the year.

Although the Committee met less frequently than in its previous two years, 1988/89 was a period of consolidation which saw four (4) reports presented to Parliament.

REPORTS TABLED

The following reports were tabled before the Northern Territory Legislative Assembly during the twelve months to 30 June 1989:-

ANNUAL REPORT - YEAR ENDED 30 JUNE 1988 (REPORT NO. 5)

This report was tabled in August 1988 and reviewed the activities of the Committee over the previous twelve months.

Issues which were of interest to the Committee's value for money concerns included:-

- modified accruals based accounting for departments;
- program budgeting;
- Central Agencies roles and responsibilities, and the
- Efficiency, Effectiveness and Economy measures.

REPORT ON PUBLIC ADMINISTRATION RECURRENT EXPENDITURE (REPORT NO. 6)

This report was tabled in October 1988. The Terms of Reference provided by the Chief Minister were:-

> "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 Directions 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."

This exercise has demonstrated a considerable degree of interest by the public and more particularly public servants in the areas of public administration and expenditure, especially in relation to wasteful management practice.

The basic issue in considering wasteful management practice is performance accountability.

The Committee is of the view that where management is held to account for the effective, efficient and economic use of human and other resources by reference to levels of achievement against agreed objectives and performance targets, there would be very little wasteful management practised. Instances that did occur would be more identifiable and appropriate corrective action could be taken.

REPORT ON THE AUDITOR-GENERAL'S ANNUAL REPORTS 1986/87 (REPORT NO. 7)

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."

APPENDIX 2

CONSTITUTION

AUSTRALASIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEES

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 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."

"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.

The timing of the Committee's report is consistent with the statement provided in the Chairman's Review to Report Number 5, Annual Report for the Year Ended 30 June 1988:-

> **"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."**

The Auditor-General for the Northern Territory, Mr Elliott Isaacson, continued the approach adopted in the previous year of submitting three separate reports for the year ended 30 June 1987:-

Name of Report	Date Tabled
- Annual Report of the Auditor-General	20 October 1987
- Report of the Auditor-General upon the Treasurer's Annual Financial Statements	20 October 1987
- Report of the Auditor-General upon Prescribed Statutory Corporations	23 February 1988

In the words of the Auditor-General, "There are two general observations which can be drawn from comments recurring regularly throughout the Report:-

(1) **Urgent attention needs to be given to the quality of financial reports** produced in respect of the various

separate government activities and operations and of the government as a whole;

(2) **Delays are occurring in the production of financial reports** which often means that the information has lost much of its relevance by the time it becomes available as well as adding significantly to the accounting and audit costs."

Obviously, timing of presentation of financial reports is a critical issue, but it was the Auditor-General's assessment of the quality of those reports which attracted most controversy.

The Public Accounts Committee, from its considerations of the Auditor-General's reports for the year ended 30 June 1987, recommends that:-

1. The Legislative Assembly endorse the stated aims of the Office of the Auditor-General as being in compliance with the intended role of that Office prescribed under the Financial Administration and Audit Act;

2. In the event that the present wording of the Financial Administration and Audit Act is deemed not to be supportive of the stated aims of the Auditor-General, the relevant legislation be so amended;

3. Departmental financial statements be prepared as an integral part of departmental annual reports, in the form recommended by the Auditor-General and not as 'balance sheets';

4. Guidelines be developed along the lines proposed by the Under-Treasurer and are to be applied in the Northern Territory Treasury, for the preparation of all departmental annual reports in the Territory;

5. The Northern Territory Treasury, following consultation with the Auditor-General, enter into negotiations with the Commonwealth regarding the most cost efficient and acceptable form of acquittal of commonwealth grants and specific purpose payments.

REPORT ON AERO MEDICAL CONTRACT (REPORT NO. 8)

This Report was tabled in May 1989 and resulted from a reference by the Legislative Assembly:-

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

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

"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; and

(4) whether the Tender Board formed for the purpose was properly constituted."

Whilst the findings of the Committee had been largely pre-empted by the Northern Territory Courts and associated media coverage, the inquiry has provided a permanent record of a significant and costly exercise in Government contracting in the Northern Territory.

What the Committee found was a relatively simple system of procurement which had the capacity to continue a process followed by other States and the Commonwealth designed to achieve value for money in government purchasing.

The underlying principle that competition for the supply of goods and services to government should achieve the best value in such a way that the government's integrity for fair dealing is beyond reproach was not met in the case of the aero-medical contract.

In relation to its terms of reference, the Committee concluded, in the majority report, that:-

(1) the tender documents were adequate;

(2) all relevant matters required to be considered by the Tender Board were considered in assessing the tender;

(3) proper procedures were followed in assessing the tenders; and

(4) the Tender Board formed for the purpose of considering the tenders was properly constituted.

Legislative Assembly of the Northern Territory

PUBLIC ACCOUNTS COMMITTEE

Telephone (089) 46 [illegible]
Telex AA85154
Fax 81 2528
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G.P.O. BOX 3721
DARWIN, N.T. 5794

TERMS OF REFERENCE

STANDING ORDER 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

CURRENT INQUIRIES

UPDATE OF REPORT ON THE ACTUAL AND CONTINGENT LIABILITIES OF THE NORTHERN TERRITORY GOVERNMENT

STATUS:

At the time of presenting the Committee's Report on the Actual and Contingent Liabilities of the Northern Territory Government, it was recommended to the Legislative Assembly that:-

> "In view of the commercial sensitivities the Committee continues 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 the continued monitoring."

Although the recommendations had only been noted by the Legislative Assembly as at 30 June 1989 and not adopted, the Committee intends providing a follow-up report to the Assembly on the extent of Government liabilities as at 30 June 1988 and 30 June 1989.

ACCELERATED YEAR END SPENDING SURVEY 1986/87, 1987/88

STATUS:

Expenditure details have been received from all departments and statutory authorities. These details have been transposed into a series of pie and bar charts to facilitate interpretation of expenditure patterns.

The Committee has the matter of accelerated year end spending under review and will report on any matters of significance to the Assembly should they arise.

THE ROLE AND RESPONSIBILITIES OF CENTRAL AGENCIES

STATUS:

The Public Accounts Committee sought the comments of the Chief Executive Officers of each of the four central agencies (Treasury, Auditor-General, Chief Minister's and Public Service Commissioner) on relative and respective responsibilities for

assessing and reporting on efficiency and effectiveness the Northern Territory public sector.

The Committee currently has the matter under consideration.

APPENDIX 1

TERMS OF REFERENCE

OTHER ACTIVITIES

AUSTRALASIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEES

Also essential is to maintain contact with other Public Accounts Committees - a need obviously recognised by these Committees which resulted in the formation of the Australasian Council of Public Accounts Committees. A copy of its constitution is at Appendix 2.

BIENNIAL CONFERENCE OF PUBLIC ACCOUNTS COMMITTEES

The Chairman, a committee member and the Secretary attended the Sixth Biennial Conference of Public Accounts Committees in Brisbane on 18 and 19 May 1989. This conference enabled committee members and the Secretary to meet their counterparts and to exchange ideas and information.

The Northern Territory will host the 1991 Biennial Conference of Public Accounts Committees.

ROYAL AUSTRALIAN INSTITUTE OF PUBLIC ADMINISTRATION (N.T.) CONFERENCE

The Chairman attended the 1989 Royal Australian Institute of Public Administration (N.T.) Conference whose theme was "Ethics in Public Administration".

GOVERNMENT ACCOUNTING GROUP/PUBLIC ACCOUNTS COMMITTEE JOINT SEMINAR

On 4 November 1988 the Public Accounts Committee combined with the Government Accounting Group to present a seminar on Public Sector Financial Reporting. This was the first such public seminar to be presented by either organisation. Such was the success of the seminar that not only was it completely booked out with participation from both the private and public sector, but requests are still being received for copies of papers presented by interstate and local speakers.

The speakers included David Shand, First Assistant Secretary, Department of Finance, Canberra, who presented a report on Achievements and Directions in Public Sector Financial Reporting, and Phil Smiles, Chairman, New South Wales Public Accounts Committee, who spoke on Current Issues in Public Sector Financial Reporting - the New South Wales Public Accounts Committee perspective.

CHAPTER THREE

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 1989

MR DAVID RICE

Secretary

MS JUDY CUMBERLAND

Research Assistant