

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 1.40 pm on 15 February 1994. Members present: Elliott, Fenlon, Grice, Hollis, Pearce (from 1.42pm), Santoro (from 1.45pm). Apologies D'Arcy. Also present Ted Dahms and Debbie Stolz.

### Minutes of Previous Meeting

Minutes of the Committee meeting held on 16 December 1993 were circulated and confirmed on the motion of Elliott, seconded Grice.

### Matters Arising

#### *Minutes of 16 December 1993 - Other Business - Item 2*

The letter to the Department of Transport concerning the Sinclair McKnight & Partners and Epell be held-over until the next meeting, so that the contents can be discussed with Mr D'Arcy.

### Inward Correspondence

1. Correction of Transcript.

Mr J Nelson, Director Finance and Facilities, Queensland University of Technology (22 December 1993)

Professor T C Dixon, Deputy Vice Chancellor, Queensland University of Technology (24 December 1993)

Mr B Stewart, Director-General, Queensland Emergency Services (24 December 1993).

Ms J Eastwood, Joint General Secretary, State Public Services Federation, Queensland (4 January 1994)

Mr M Peters, Executive Director (Policy and Programs), Department of Tourism, Sport and Racing (4 January 1994)

Mr K Watts, Executive Director Corporate Services, Department of Lands (4 January 1994)

Mr W Thorburn, Executive Manager Corporate Services, The Totalisator Administration Board of Queensland (23 December 1993)

Mr B Wilson, Director-General, Department of Lands (13 December 1993)

2. Mr R D Doyle, The Clerk of the Parliament, Legislative Assembly Offices (16 December 1993)

- Extension of [REDACTED] secondment until 31 March 1994.

3. Mr B Clark, Hon Treasurer, Australian Conservation Foundation: Brisbane Branch (23 December 1993)

- Submission on the Engagement and Use of Consultants.

4. Mr Scott Prasser, Senior Lecturer in Government, The University of Southern Queensland (28 December 1993)

- Suggestions as to the direction the Consultancy inquiry should take.

5. Mr G Curnow, Manager Human Resources, The Totalisator Administration Board of Queensland (6 January 1994)
  - Details for training courses run for Agents and the written Training Course Reports.
6. Mr H Smerdon, Under Treasurer, Treasury Department (1 February 1994)
  - Response to the Committee's request for information on Mr Litfin's consultancy contract and an item shown as "Palmer Compensation" in the Department's response to the Consultancy questionnaire.
7. Mr K Lingard MLA Deputy Leader of the Opposition and Member for Beaudesert and Mr T Perrett MLA Shadow Minister for Primary Industries and Member for Barambah (4 February 1994)
  - Submission for concerns and queries which they consider warrant a thorough investigation by the Public Accounts Committee.
8. Mr P Read, Acting Director-General, Department of Health (8 February 1994)
  - Acceptance to appear before the Committee on Tuesday 1 March 1994.
9. Mr P Read, Acting Director-General, Department of Health (8 February 1994)
  - Additional work undertaken by the Department to identify discrepancies between the information submitted to the Committee and that included in the Departmental Statements.
10. The Hon R J Gibbs, MLA, The Minister for Tourism, Sport and Racing (11 February 1994)
  - Details of:
    - (a) the transfer of Gold Coast Events Company Pty Ltd shares to the Department of Tourism, Sport and Racing; and
    - (b) the transfer of existing assets and liabilities to the Department of Tourism, Sport and Racing.
11. Acceptance to appear at the Public Hearing to be held 1 March 1994.
  - Ms M Donnelly, Chief Executive Officer (10 February 1994)
  - Mr W Bale, Acting Manager, Golden Casket Art Union Office (11 February 1994)

**Resolved** (moved Grice seconded Pearce) that the inward correspondence be accepted.

### **Matters Arising from the Inward Correspondence**

#### *Item 7 above*

Agreed that the Research Staff check the figures stated in the letter and in the Press Release "Call for Casey to Explain Sale Delay" before referring the matter to the Auditor-General.

*Item 10 above*

A copy of this letter be appended to the Committee's Report on the Gold Coast Motor Events Co.

**Outward Correspondence**

1. Correction of Transcripts (17 December 1993)
  - Mr D Williams, Director-General, Department of Tourism, Sport and Racing
  - Mr M Peters, Executive Director, Policy and Programs Division, Department of Tourism, Sport and Racing
  - Mr P Phair, Executive Director, Regional and Corporate Services, Department of Tourism, Sport and Racing
  - Mr P Richardson, Manager of Finance, Department of Tourism, Sport and Racing
  - Ms J Eastwood, Joint General Secretary, State Public Services Federation of Queensland
  - Mr R McIlwain, Chief Executive, The Totalisator Administration Board of Queensland
  - Mr W Thorburn, Executive Manager, Corporate Services The Totalisator Administration Board of Queensland
  - Mr B Stewart, Director-General, Queensland Emergency Services
  - Dr L Keliher, Officer on Secondment, Queensland Emergency Services
  - Mr T Moate, Deputy Director, Queensland Emergency Services
  - Professor T Dixon, Deputy Vice Chancellor, Queensland University of Technology
  - Mr J Nelson, Director of Finance and Facilities, Queensland University of Technology
2. Mr I Robinson, Principle Manager, Office of the Director-General, Department of Primary Industries (17 December 1993)
  - Return of Board of Management meeting Minutes.
3. Acknowledgment of submission on the Engagement and Use of Consultants.
  - Mr B Birgan, Birgan and Associates (20 December 1993)
  - Mr J Yates, Industrial Officer, APESA
4. Mr M Holmes, Department of Lands (20 December 1993)
  - Granting an extension for the return of Mr Watts' correction to the transcript.
5. Ms H Melrose, Vice-President, Sunshine Coast Environment Council (23 December 1993)
  - Advising of the Committee's decision about the leased Crown land known as "Emu Swamp".
6. Mr B Rollason, Auditor-General, Queensland Audit Office (21 December 1993)
  - Advising of matters for possible consideration by Audit in the

Submission supplied by the President of the Federated Engine Drivers' and Firemens' Association of Australasia, Queensland Branch (21 December 1993)

7. Mr D Holloway, President of the Federated Engine Drivers' and Firemens' Association of Australasia, Queensland Branch (21 December 1993)
  - Advising that the matters raised in his Submission on the QEC were forwarded to the Auditor-General for consideration.
8. Mr H Smerdon, Under Treasurer, Queensland Treasury (21 January 1994)
  - Request for further information on the Consultancy agreement with Mr Litfin and the payment shown as "Palmer Compensation".
9. The Hon R Gibbs MLA, The Minister for Tourism, Sport and Racing (28 January 1994)
  - Request for information about the transfer of Indy shares, assets and liabilities from the Treasury Department's control to the Queensland Tourist and Travel Corporation's control.
10. Invitation to attend the Public Hearing on 1 March 1994 (3 February 1994)
  - Mr Peter Read, Acting Director-General, Department of Health
  - Mr I Macoun, Chief Executive, Queensland Investment Corporation
  
  - Mr R Pitt, Deputised Chairman, State Purchasing Council, Administrative Services Department
  - Mr K Leyshon, Director, Golden Casket Art Union Office and Casino Control Division
11. Letters advising of the Committee's public hearing into the engagement and use of external consultants by the Queensland Public Sector (3 February 1994)
  - Dr J Wanna, Centre of Australian Public Sector Management, Griffith University.
  - Associate Professor P Cassidy, Head, School of Economics and Public Policy, QUT.
  - Dr R Fitzgerald, Humanities Division, Griffith University.
  - Professor P Weller, Centre of Australian Public Sector Management, Griffith University.
  - Dr P Reynolds, Department of Government, University of Queensland.
  - Mr D Tucker, Department of Government, University of Queensland.
  - Ms D Conroy, Senior Lecturer, School of Economics and Public Policy, QUT.
  - Mr S Prasser, School of Management, University College of Southern Queensland.
  - Professor K Wiltshire, Department of Government, University of Queensland.
  - Dr M Robinson, Associate Professor, School of Economics and Public Policy, QUT.
12. Ms J Eastwood, Joint General Secretary, State Public Services Federation, Queensland (7 February 1994)

- Requesting the additional information as raised during the public hearing into Consultancies (16 December 1993).

13. Mr D Ford, Director, Casino Control Division (8 February 1994)
  - Advising that the representatives from the Golden Casket Art Union Office would be appearing before the Committee.
14. Mr W Bale, Acting Director, Golden Casket Art Union Office (8 February 1994)
  - Advising that the representatives from the Golden Casket Art Union Office would be appearing before the Committee.
15. Mr B Rollason, Auditor-General, Queensland Audit Office (14 February 1994)
  - Requesting information on the dates certain Departments' Management and Auditor-General's Certificates (Departmental Statements) were signed.

**Resolved** (moved Santoro, seconded Pearce) that the outward correspondence be adopted.

### **Release of Transcripts - The Engagement and Use of External Consultants by the Queensland Public Sector**

**Resolved** (moved Pearce, seconded Santoro) that The Engagement and Use of External Consultants by the Queensland Public Sector, Transcripts of Proceedings for Monday 29 November 1993 and Thursday 16 December 1993 be published under Section 4(2) of the *Parliamentary Papers Act 1992*.

### **Gold Coast Motor Events Co.**

The Committee discussed the appropriate course of action to deal with the some matters on the Indy Grand Prix and the tabling of the Committee's Report on the Gold Coast Motor Events Company.

**Agreed** that the Chairman write to the Management of the Gold Coast Motor Events Co. to obtain further information of the Company's tendering processes and to advise that a Report on the Committee's inquiry is currently being finalised.

### **Treasury Department**

The Chairman outlined the circumstances behind the information obtained from the Treasury Department re the Litfin Consultancy and Palmer Compensation.

**Agreed** that the Chairman write to Mr Smerdon advising that the Committee had considered the matters and expressed concern about the lack of a consultancy agreement for Mr Litfin.

### **Other Business**

1. **Agreed** that the Chairman write to the Accountable Officer of the Department of Family Services and Aboriginal and Islander Affairs re the

grants issue raised by the Auditor-General.

2. Members request that the Research Staff provide a list of references on the subject of legal liability of Ministers was completed (refer *Other Business - Item 3, Minutes of 16 December 1993*). A list of references was provided to the Members. Mr Dahms also advised that a book had just been released which he hoped to obtain from the Parliamentary Library.
3. Mr Dahms provided the Members with a Briefing Paper (refer *Other Business - Item 1, Minutes of 16 December 1993*) on the criticisms of the Committee's Report on the Financial Administration of Aboriginal and Island Councils.
4. Mr Dahms advised the Committee that preliminary discussions had been made in relation to the meeting with the Joint Committee of Public Accounts (in Canberra) and the possibility of attending a hearing held by that Committee.

Further discussion on this subject will be held at the next Committee meeting.

5. Mr Fenlon expressed a desire to attend the IIR conference on Financial Management to be held in Sydney during March 1994.

#### Next Meeting

1.30 pm, 22 February 1994

The meeting closed at 2.25 pm.

Confirmed *22 February* 1994

Chairman



## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 1.35 pm on 22 February 1994. Members present: D'Arcy, Elliott, Fenlon, Grice, Hollis, Pearce, Santoro. Also present Ted Dahms and Debbie Stolz.

### Minutes of Previous Meeting

Minutes of the Committee meeting held on 15 February 1994 were circulated and confirmed on the motion of Elliott, seconded Santoro.

### Matters Arising

1. Mr Dahms placed before the Committee further references to legal liability of Ministers (**Other Business** Item 2).
2. **Agreed** that matters of travel be left to Other Business.

### Inward Correspondence

1. Mr R Whiddon, Senior Ministerial Policy Adviser, Minister for Transport and Minister Assisting the Premier on Economic and Trade Development (18 February 1994)
  - Acknowledgment of the Transcript of Proceedings.

**Resolved** (moved Grice, seconded Fenlon) that the inward correspondence be accepted.

### Outward Correspondence

1. Copies of Transcripts forwarded to the Relevant Ministers for their information (15 February 1994)
  - The Hon R J Gibbs MLA, The Minister for Tourism, Sport and Racing
  - The Hon G N Smith, MLA, The Minister for Lands
  - The Hon P Comben, MLA, The Minister for Education
  - The Hon D J Hamill, MLA, The Minister for Transport & Minister Assisting the Premier on Economic and Trade Development
  - The Hon T J Burns, Deputy Premier, Minister for Emergency Services & Minister for Rural Communities and Consumer Affairs
2. Mr H R Smerdon, Under Treasurer, Queensland Treasury (15 February 1994)
  - Advising of the Committee's concerns on the Litfin Consultancy and its proposed course of action.

3. Advising of changes attendance times for the Public Hearing on 1 March 1994 (15 February 1994)
  - Ms E Cooper, Queensland Investment Corporation
  - Mr G Grundy, Queensland Investment Corporation
  - Ms M Donnelly, Queensland Investment Corporation.
  
4. Letters advising of the Committee's public hearing into the engagement and use of external consultants by the Queensland Public Sector, to be held 23 February 1994 (15 February 1994)
  - Dr J Wanna, Centre of Australian Public Sector Management, Griffith University.
  - Associate Professor P Cassidy, Head, School of Economics and Public Policy, QUT.
  - Dr R Fitzgerald, Humanities Division, Griffith University.
  - Professor P Weller, Centre of Australian Public Sector Management, Griffith University.
  - Dr P Reynolds, Department of Government, University of Queensland.
  - Mr D Tucker, Department of Government, University of Queensland.
  - Ms D Conroy, Senior Lecturer, School of Economics and Public Policy, QUT.
  - Mr S Prasser, School of Management, University College of Southern Queensland.
  - Professor K Wiltshire, Department of Government, University of Queensland.
  - Dr M Robinson, Associate Professor, School of Economics and Public Policy, QUT.
  
5. Ms J Eastwood, Joint General Secretary, State Public Services Federation Qld (16 February 1994)
  - Advising Ms Eastwood that the deadline for provision of the information required from the Union has been extended until 11 March 1994.
  
6. Ms R Matchett, Director-General, Department of Family Services and Aboriginal and Islander Affairs (16 February 1994)
  - Requesting information on the Department's action in relation to matters raised in the *First Report of the Auditor-General on Audits performed for the Financial Year Ended 30 June 1993*.
  
7. Mr B Rollason, Auditor-General, Queensland Audit Office (18 February 1994)
  - Providing information about the sale of the State's Australian Friesian Sahiwal dairy herd.

**Resolved** (moved Elliott, seconded Pearce) that the outward correspondence be adopted.

## **First reading of the Gold Coast Motor Events Co (Indy) Report**

The Chairman had printed and circulated copies of the first draft of his report into the Gold Coast Motor Events Co (Indy) pursuant to Standing Order 203.

**Resolved** (moved Grice, seconded D'Arcy) that the first draft be amended as discussed and presented to the next meeting for adoption pursuant to Standing Order 203.

## **First Reading of the Standard of Preparation of Departmental Statements Report**

The Chairman had printed and circulated copies of the first draft of his report into the Standard of Preparation of Departmental Statements pursuant to Standing Order 203.

**Resolved** (moved Pearce, seconded Santoro) that the first draft be amended as discussed and presented to the next meeting for adoption pursuant to Standing Order 203.

## **Committee Budget**

The Committee considered its budget for the month ending 31 January 1994.

Mr Dahms placed the Committee's proposed budget for 1994/95 before the meeting. Discussion ensued.

**Resolved** (moved Pearce, seconded Santoro) that the Committee adopt the proposed budget.

## **Other Business**

1. The Chairman tabled draft copies of letters to Mr D Stevenson (re consultancies by Sinclair Mc Knight and Epell with the Department of Transport) and to Mr Richards (re details of tendering contracts for security for the 1994 Indy Grand Prix Race).

**Agreed** that these letters be forwarded without alteration.

2. The matter of travel to the IIR conference in Sydney in March 1994 was raised. After discussion Mr Fenlon and Mr Dahms indicated that they would not be attending. The Chairman will attend on an invitation from IIR with hotel and with expenses paid by IIR.
3. Mr Dahms indicated that the cost of the Committee visiting Canberra before the end of the financial year was around \$7,300.
4. The Chairman tabled a letter of invitation to him to attend a luncheon with the Australian Society of CPA (Qld) on 24 March 1994. As he would not be able to attend he asked for one of the Members to attend in his stead.

The Members would consider the matter and let the Research Staff know of their availability to attend.

5. Mr Santoro raised the matter of the Australian Conservation Foundation's submission to the Committee concerning life cycle costing for consultancies.

Mr Dahms informed the Committee that this matter had already been put to the Public Works Committee and that representatives of the Australian Conservation Foundation had appeared before the Public Works Committee. As a result of these representations the Public Works Committee made recommendations on the matter in a report to Parliament.

**Agreed** that the Chairman write to the Australian Conservation Foundation informing them that the issue was before the Government as a result of their representations to the Public Works Committee and that a copy of their submission to the Public Accounts Committee would be forwarded to the State Purchasing Council.

5. Mr Elliott tendered his apologies for the public hearing on 23 February 1994.

#### Next Meeting

At a date and time to be decided.

The meeting closed at 2.20pm.

Confirmed

*1<sup>st</sup> March*

1994

Chairman



## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Strangers Dining Room, Parliamentary House commencing at 1.00 pm on 1 March 1994. Members present: D'Arcy, Elliott, Fenlon, Hollis, Pearce, Santoro. Apologies Grice. Also present Ted Dahms and Debbie Stolz.

### Minutes of Previous Meeting

Minutes of the Committee meeting held on 22 February 1994 were circulated and confirmed on the motion of D'Arcy, seconded Pearce.

### Matters Arising

Mr Dahms informed the Committee that the letters from the last two meetings would be written later this week. The delay was caused by preparations for the public hearing held 23 February 1994 and today.

### Inward Correspondence

1. Mr H Purvis, Secretary, Australasian Council of Public Accounts Committees (21 February 1994)
  - advising of Mid Term Meeting of the Australasian Council of Public Accounts Committees to be held in Adelaide on Monday 4 July 1994 and Tuesday 5 July 1994.
2. Roberts & Kane, Solicitors (23 February 1994)
  - requesting the Committee scrutinise the accounts of the State Department of Health giving consideration to why land was purchased from the Commonwealth (purportedly to build a private hospital) rather than the purchasing the established Greenslopes Repatriation Hospital from the Commonwealth.
3. Mr R Pitt, Deputised Chairman of the State Purchasing Council (24 February 1994)
  - corrections to transcript (Hearing on 23 February 1994)
4. Mr Michael Jones, Senior Policy Adviser, The Minister for Lands (25 February 1994)
  - acknowledging a copy of the transcript of proceedings (evidence from the Department of Lands) from the Inquiry into the Engagement and Use of External Consultants by the Queensland Public Sector.
5. Mr Ken Rosebery, Chief Executive Officer, Gold Coast Motor Events Co. (25 February 1994)
  - advising that no tenders were called, or received for the 1994 Security Contract.

6. Mr D G Stevenson, Director-General, Department of Transport (28 February 1994)
  - supply of information about the co-ordination of traffic lights on arterial roads in South East Queensland.

**Resolved** (moved Pearce seconded D'Arcy) that the inward correspondence be accepted.

### **Matters Arising from the Inward Correspondence**

**Agreed** that the matters raised in the inward correspondence items 2 and 5 be held over for discussion under Other Business.

### **Outward Correspondence**

1. Mr R Richards, Chair, Gold Coast Motor Events Co. (22 February 1994)
  - requesting information about the tendering process used to award the 1994 security contract.
2. Mr D G Stevenson, Director-General, Department of Transport (22 February 1994)
  - requesting information about the co-ordination of traffic lights on arterial roads in South East Queensland.
3. Correction of Transcript of Proceedings - State Purchasing Council (24 February 1994)
  - Mr Pitt
  - Mr Burke

**Resolved** (moved D'Arcy, seconded Fenlon) that the outwards correspondence be adopted.

### **Second Reading of the Gold Coast Motor Events Co (Indy) Report**

Mr Dahms advised the Committee that there were some facts which needed clarification before this report should be adopted.

### **Second Reading of the Standard of Preparation of Departmental Statements Report**

Mr Dahms advised the Committee that this report could not be completed because the Research Staff were awaiting data from the Queensland Audit Office.

**Resolved** (moved Pearce, seconded D'Arcy) that the Committee defer the second reading of these two reports until the next Committee meeting, because of the matters raised by Mr Dahms.

## Other Business

1. Discussion ensued concerning the matters raised in the letter from Roberts & Kane, Solicitors (23 February 1994). The Committee felt that the matter raised in this letter was outside its powers and functions and that matters of policy were involved (Item 2, Inward Correspondence).

**Resolved** (moved Elliott, seconded Santoro) that the Chairman write to the Minister for Health passing on the matters raised in the letter.

2. The calling of tenders for security by the Gold Coast Motor Events Co was discussed (Item 5, Inward Correspondence).

**Resolved**, (moved Elliott, seconded D'Arcy) that the matter be delayed in the absence of Mr Grice until the next Committee meeting.

3. Members raised issues for the consultancy report such as, a register of skills and a central consultancy agency. The Chairman requested Members to think of issues and convey these to the Research Staff as soon as possible.

## Next Meeting

12 April 1994.

The meeting closed at 1.30pm.

Confirmed *12<sup>th</sup> April*

1994



Chairman

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 1.35 pm on 12 April 1994. Members present: D'Arcy, Elliott (from 1.40 pm), Fenlon, Grice, Hollis, Pearce ( from 1.40 pm), Santoro. Also present Ted Dahms and Debbie Stolz.

### Minutes of Previous Meeting

Minutes of the Committee meeting held on 1 March 1994 were circulated and confirmed on the motion of D'Arcy, seconded Fenlon.

### Inward Correspondence

1. Mr B. Burke, Manager Contract Services, Queensland Electricity Commission (28 February 1994)
  - Corrections to transcripts of evidence (23 February 1994).
2. Mr M K Donnelly, Chief Executive Officer, Queensland Investment Corporation (2 March 1994)
  - Corrections to transcripts of evidence (1 March 1994).
3. Mr S H Stark, Chief Internal Auditor, Golden Casket Art Union Office (7 March 1994)
  - Corrections to transcripts of evidence (1 March 1994).
4. Mr W J Bale, Acting Manager, Golden Casket Art Union Office (7 March 1994)
  - Corrections to transcripts of evidence (1 March 1994).
5. Mr P Read, Acting Director-General, Queensland Health (7 March 1994)
  - Corrections to transcripts of evidence (1 March 1994).
6. The Hon. R J Gibbs MLA, Minister for Tourism Sport and Racing (9 March 1994)
  - clarification of the date when his portfolio assumed responsibility for the IndyCar Grand Prix.
7. Ms Ruth Matchett, Director-General, Department of Family Services and Aboriginal and Islander Affairs (10 March 1994)
  - details sought by the Committee re Department's action in relation to matters raised in the *First Report of the Auditor-General on Audits performed for the Financial Year Ended 30 June 1993*.
8. Mr Barrie Rollason, Auditor-General (10 March 1994)
  - information concerning the Standard of Preparation of Departmental Statements.
9. Mr J Bothwell, Projects Officer, State Purchasing Council (24 March 1994)
  - acknowledging receipt of a submission on Life Costing forwarded on by the Committee.
10. Mr E Spring, Freedom of Information Co-ordinator, Department of Education (25 March 1994)
  - request for release of Committee documents under the Freedom of

## Information Act.

11. Mr M Baker, Secretary/Senior Research Officer, Public Accounts and Expenditure Review Committee (25 March 1994)
  - advising that the Western Australian Public Accounts Committee will be in Brisbane on 21 and 22 April 1994 and would be interested in meeting with Members of the Queensland Committee.
12. [REDACTED], unsolicited submission (via Mr Grice 28 March 1994)
  - Alleged fraud by employees of the department of Transport.
13. Ms J Eastwood, Assistant General Secretary, State Public Services Federation (7 April 1994)
  - re delays in providing information arising from the Public Hearing of 16 December 1993.

**Resolved** (moved Fenlon seconded D'Arcy) that the inward correspondence be accepted.

## Matters Arising from the Inward Correspondence

1. **Agreed** that the reply from Ms Ruth Matchett be held over until the next meeting (Agenda item 3.7).
2. Lunch with Members of the West Australian Public Accounts and Expenditure Review Committee was decided for Friday, 22 April 1994 at 12.30 pm. The Members indicated their desire to attend subject to confirmation after consulting their diaries (Agenda item 3.11).
3. **Agreed** that the Chairman write to [REDACTED] advising him that investigation of the matters raised in his letter were outside the Committee's statutory powers and that it was really a matter for the CJC. Also the Committee notes that the CJC found no instances of official misconduct in the matters raised (Agenda item 3.12).
4. **Agreed** That the Research staff draft a letter to Ms Eastwood advising her of the Committee's disappointment at the delay in supply of information requested by the Committee during its Public Hearing dated 16 December 1993, and that this letter be placed before the Committee at its next meeting (Agenda item 3.13).

## Outward Correspondence

1. Copies of Transcripts of evidence (23 February 1994 and 1 March 1994) forwarded to the witnesses for verification (2 March 1994) as follows:
  - Mr W Bale, Golden Casket Art Union Office,
  - Ms H Hawkins, Golden Casket Art union Office,
  - Mr S Stark, Golden Casket Art union Office,
  - Ms M Donnelly, Queensland Investment Corporation,
  - Ms E Cooper, Queensland Investment Corporation,
  - Mr G Grundy Queensland Investment Corporation,
  - Mr P Read, Department of Health, and
  - Ms S Porter, Department of Health.
2. Mr R Pitt, Deputised Chairman, State Purchasing Council (3 March 1994)
  - forwarding on a copy of a submission to the Committee dealing with

## Life Costing

3. The Hon R J Gibbs MLA, Minister for Tourism, Sport and Racing (3 March 1994)
  - Seeking clarification of the date his portfolio assumed responsibility for the IndyCar Grand Prix.
4. Roberts and Kane, Solicitors (3 March 1994)
  - reply to their request that the Committee investigate matters concerning the Greenslopes Repatriation Hospital.
5. Mr B Clark, Hon Treasurer, Australian Conservation Council (3 March 1994)
  - reply to his submission containing details of Life Costing.
6. Mr E Spring, Freedom of Information Co-ordinator, Department of Education (29 March 1994)
  - letter by the Clerk of the Parliament on behalf of the Committee advising of the Legislative Assembly's exemption from the provisions of the Freedom of Information Act.

**Resolved** (moved Elliott, seconded Pearce) that the outward correspondence be adopted.

### **Second reading of the Gold Coast Motor Events Co (Indy) Report**

The Chairman read his draft report on the Gold Coast Motor Events Co. - IndyCar Grand Prix paragraph by paragraph pursuant to Standing Order 203.

**Resolved** unanimously (moved Pearce, seconded D'Arcy) that the Chairman's draft report be amended as agreed and adopted as the Committee's report on the Gold Coast Motor Events Co. - IndyCar Grand Prix pursuant to Standing Order 203.

### **Second Reading of the Standard of Preparation of Departmental Statements Report**

The Chairman read his draft report on the Standard of Preparation of Departmental Statements paragraph by paragraph pursuant to Standing Order 203.

**Resolved** unanimously (moved Pearce, seconded Santoro) that the Chairman's draft report be adopted as the Committee's report on the Standard of Preparation of Departmental Statements pursuant to Standing Order 203.

### **Consultancy Transcripts**

**Resolved** (moved Santoro, seconded D'Arcy) that pursuant to section 4 of the *Parliamentary Papers Act 1992*, the Committee authorises the publication of the Transcripts of Proceedings at its public hearings conducted on Wednesday 23 April 1994, and Tuesday 1 March 1994 into the Engagement and Use of External Consultants by the Queensland Public Sector.

## Committee's Report on the Engagement of External Consultants

The first rough draft of this report was placed before the Committee and discussion ensued.

**Agreed** that Members would consider the report and discuss it further at the next meeting.

## Travel to Canberra

The Chairman advised Members that the dates for the planned Committee inspection visit to Canberra were 10 to 12 May 1994. Discussion ensued.

**Agreed** that Mr Dahms would fax details to Members and ask them to check their diaries.

## Committee Budget

The Committee considered its budgets for the months ending 28 February 1994 and 31 March 1994.

## Other Business

1. The Chairman drew Members' attention to the CPA "Lange for Lunch" Registration Form included in their meeting papers.

**Agreed** that the Chairman and Mr D'Arcy attend.

2. The Chairman advised the Committee that [REDACTED] leaves the Committee on Friday 15 April 1994 to return to the Queensland Audit Office. He will contact Members concerning arrangements for farewell drinks.
3. **Resolved** (moved Santoro, seconded Grice) that there would be no Committee meeting on Tuesday 31 May 1994 because it was budget day in Parliament.

## Next Meeting

Tuesday, 26 April 1994.

The meeting closed at 2.30pm.

Confirmed

26<sup>th</sup> April

1994

Chairman



## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 1.43 pm on 26 April 1994. Members present: D'Arcy, Elliott (from 1.47pm), Fenlon, Grice, Hollis, and Pearce. Apologies Santoro. Also present Ted Dahms.

### Minutes of Previous Meeting

Minutes of the Committee meeting held on 12 April 1994 were circulated and confirmed on the motion of Fenlon, seconded Pearce.

### Matters Arising

The Chairman placed letters to Ms Jeni Eastwood (State Public Services Federation, Queensland) and Mr Callander before the Committee as requested at the last meeting.

Agreed that the letters be forwarded to Ms Eastwood and Mr Callander without alteration.

### Inward Correspondence

1. Mr H Smerdon, Under Treasurer, Treasury Department (11 April 1994)  
- Queensland Audit Office Budget.
2. Mr B Rollason, Auditor-General, Queensland Audit Office (13 April 1994)  
- reply to Committee's letter re disposal of the State's Australian Friesian Sahiwal dairy herd.
3. Mr R D Doyle, Clerk of the Parliament (15 April 1994)  
- acknowledging receipt of the Committee's reports numbers 28 and 29 - tabling date 15 April 1994.
4. Mr J Purvis, Secretary Australasian Council of Public Accounts Committees (19 April 1994)  
- information re the Mid-term meeting of Chairmen and Research Staff.
5. The Hon K Hayward MLA, Minister for Health (20 April 1994)  
- enclosing for the Committee's information a copy of the Queensland Health Internal Audit Policies and Standards Manual.
6. The Hon E Casey MLA, Minister for Primary Industries (26 April 1994)  
- the Government's response to the Committee's Report No 26.

Resolved (moved D'Arcy seconded Pearce) that the inward correspondence be accepted.

## Outward Correspondence

1. Mr Ross Pitt, Deputised Chairman, State Purchasing Council (14 April 1994)
  - forwarding copies of Transcripts of evidence taken by the Committee at its public hearings into the engagement and use of external consultants by the Queensland Public Sector.
2. Mr H Smerdon, Under Treasurer, Treasury Department (18 April 1994)
  - reply advising that the Committee had no issues to raise re the Queensland Audit Office budget.
3. The Hon G R Milliner MLA, Minister for Administrative Services (18 April 1994)
  - Transcripts of evidence given by an officer of his department on the engagement and use of external consultants in the Queensland Public Sector.
4. The Hon T McGrady MLA, Minister for Minerals and Energy (18 April 1994)
  - Transcripts of evidence given by an officer of his department on the engagement and use of external consultants in the Queensland Public Sector.
5. The Hon K W Hayward MLA, Minister for Health (8 April 1994)
  - Transcripts of evidence given by officers of his department on the engagement and use of external consultants in the Queensland Public Sector.
6. The Hon K E De Lacy MLA, Treasurer (18 April 1994)
  - Transcripts of evidence given by senior officers of the Queensland Investment Corporation and the Golden Casket Art Union Office on the engagement and use of external consultants in the Queensland Public Sector.

Resolved (moved Fenlon, seconded D'Arcy) that the outward correspondence be adopted.

## Consultancy Report

The First draft of the Committee's report on the Engagement and Use of External Consultants by the Queensland Public Sector was discussed.

Agreed that Members would read the report and provide suggestions and alterations to Mr Dahms by 6 May 1994. A special meeting would be called for the ~~second~~ reading of the Report.

*Fenlon*  


**Correspondence from the Department of Transport and the Department of Family Services and Aboriginal and Islander Affairs.**

These items of correspondence refer to the Committee's original letters dated 22 February 1994 (Sinclair Knight Partners and Epell Consulting with the Dept of Transport) and 16 February 1994 (concerning accountability for grants and related matters).

Discussion ensued.

Agreed that the Chairman write to the Directors-General of the Department of Transport and the Department of Family Services and Aboriginal and Islander Affairs advising that after considering their replies, the Committee has no further questions at this point in time, but will continue to monitor the issues raised.

**Travel to Canberra**

The original dates decided for travel to Canberra (10 - 12 May 1994) are not available due to the Federal Budget. Discussion ensued.

Agreed that Mr Dahms would investigate the possibility of travel to NSW and Canberra in the week beginning Monday 16 May 1994, and inform the Members as quickly as possible. Travel to be arranged and Mr Dahms to accompany Members.

**Next Meeting** To be decided. Next scheduled meeting 7 June 1994.

The meeting closed at 2.20 pm.

**Confirmed**

*9th June*

1994

**Chairman**



## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 11.11am on 9 June 1994. Members present: D'Arcy (from 11.30am), Fenlon, Grice, Hollis, and Pearce. Apologies Santoro and Elliott. Also present [REDACTED].

### Minutes of Previous Meeting

Minutes of the Committee meeting held on 12 April 1994 were circulated. An amendment was made to the agreed matter of the Consultancy report that "A special meeting would be called for the second reading of the Report" read "A special meeting would be called for the first reading of the Report". The minutes were confirmed subject to this amendment on the motion of Grice, seconded Fenlon.

### Inward Correspondence

1. Hon A Ivarato MP, Chairman, Public Accounts Committee (18 April 1994)
  - proposed visit by National Parliament of Papua New Guinea - Permanent Parliamentary Committee on Public Accounts to observe proceedings of the Committee.
2. G B Lui (Jnr), Chairman, Island Co-Ordinating Council (28 April 1994)
  - re Island Council audit and accounts
3. G A Shaw MLC, Chairman, Parliamentary Standing Committee of Public Accounts Hobart (2 May 1994)
  - re agenda items for mid-term meeting of the Australasian Council of Public Accounts Committees on 4 July 1994, particularly one agenda item submitted by PAC of NSW, PAC's to advise if broad based support for statement resolution.
4. B M Rollason, Auditor-General, Queensland Audit Office (4 May 1994)
  - re letter to Premier about concerns for proposed expenditure of the QAO in the review process of Estimates Committees.
5. A Tink MP, Chairman, Public Accounts Committee NSW (5 May 1994)
  - re proposed item of business for July meeting of the Australasian Council of Public Accounts Committees in Adelaide.
6. B M Rollason, Auditor-General, Queensland Audit Office (6 May 1994)
  - notification of change of address, telephone and facsimile numbers.
7. Hon G Milliner MLA, Minister for Administrative Services (10 May 1994)
  - comments to clarify the inference in relation to PAC Report No 29 that the Department back dated its management certificate.
8. J Purvis, Secretary, ACPAC, Hobart (20 May 1994)
  - agenda items and accommodation details for ACPAC mid term

meeting in Adelaide 4 and 5 July 1994.

9. B A Stewart, Director-General, Queensland Emergency Services (2 June 1994)
  - additional information provided to the Committee as requested at public hearing 16 December 1993, Inquiry into the Use of External Consultants by the Queensland Public Sector.
10. A Grice OAM, MLA, Member for Broadwater (9 June 1994).
  - re matters brought to his notice concerning the Lockhart River Community Council.

**Resolved** (moved Fenlon, seconded Pearce) that the inwards correspondence be accepted.

### **Matters Arising from the Inwards Correspondence**

1. **Agreed** that the Committee write to the Hon Aita Ivarato, MP advising of Members' pleasure at the opportunity to see him again and that the Committee would let him know of a suitable time as soon as possible. The letter to include the forward sitting dates. (Agenda Item 3.1)
2. D'Arcy, Fenlon and Hollis indicated their interest in attending the mid-term Australasian Council of Public Accounts Committee meeting in Adelaide (July 4 and 5 1994). Grice and Pearce advised that they would not be attending.

**Agreed** that [REDACTED] would obtain travel and accommodation details (Agenda Item 3.3).

3. The matters raised by The Hon G Milliner MLA (Agenda Item 3.7) were discussed.

**Agreed** that the Chairman write to The Hon G Milliner MLA advising that the matters raised by him were contained in a communication from the Auditor-General which were included as an Appendix to the Committee's report; and that the issues raised by the Hon G Milliner MLA should be addressed to the Auditor-General.

4. The matter of consultancies in Queensland Emergency Services was held over until the next Committee meeting (Agenda Item 3.9).
5. Discussion ensued on the matters raised by Mr Grice (Agenda Item 3.10).

**Resolved** (moved Pearce, seconded Fenlon) that the Committee request Mr Grice to obtain written details from his source.

### **Outward Correspondence**

1. [REDACTED], North Bundaberg (26 April 1994)
  - acknowledged receipt of submission and attachments, advised that the issues do not fall within the statutory powers of the Committee.

2. Jeni Eastwood, State Public Services Federation, Qld (26 April 1994)
  - acknowledged letter of 7 April and commented on details not provided to the Committee as requested at the Public Hearing of 16 December 1994.
3. D G Stevenson, Director-General, Department of Transport (27 April 1994)
  - acknowledged letter of 28 February 1994 and information provided concerning Sinclair Knight Partners and Eppell Consulting.
4. Ruth Matchett, Director-General, Department of Family Services and Aboriginal and Islander Affairs (27 April 1994)
  - acknowledged letter of 10 March 1994 concerning accountability for grants and other matters raised in Committee's letter of 16 February 1994.
5. [REDACTED], North Bundaberg (4 May 1994)
  - re verbal request via Mr Grice's Office for return of documents provided to the Committee, subsequently, copies were made of all documents received and forwarded under cover of this letter.

**Resolved** (moved D'Arcy, seconded Fenlon) that the outward correspondence be adopted.

### **Consultancy Report**

[REDACTED] advised the Committee that he had completely rewritten the Definition of a Consultant and the Compliance with the Instructions sections of the Consultancy report

[REDACTED] Discussion ensued concerning the final drafting of the Committee's report on the Engagement and Use of External Consultants by the Queensland Public Sector.

**Resolved** (moved Fenlon, seconded D'Arcy):

- that consideration of the Committee's report on the Engagement and Use of External Consultants by the Queensland Public Sector be held over until a [REDACTED]; and
- that the Chairman urgently request from the Clerk of the Parliament allocation of a Research Officer [REDACTED] as soon as possible to assist the Committee with the final drafting of the report.

### **Travel to Canberra**

Mr Grice reported to the Committee the results of a recent Committee visit to the Federal and New South Wales Parliaments.

### **Travel to Thursday Island (Agenda Item 3.2)**

The Chairman and Mr D'Arcy travelled to Thursday Island (24-25 May 1994) and the Chairman presented a report to the Committee. The Committee's report into

the Financial Administration of Aboriginal and Island Councils (No 27) was well received by the Island Co-Ordinating Council. The Chairman made reference to the level of activity this Report has generated in the Council and the Department of Family Services and Aboriginal and Islander Services.

The Chairman referred to the Minister's reply to the Committee's report which had been tabled in the House today and outlined acceptance of the Committee's recommendations. The Committee's report has resulted in changes in Departmental policy and to legislation covering Aboriginal and Island Councils.

Discussion ensued.

Agreed that the Committee distribute copies of the Minister's reply to its report on the Financial Administration of Aboriginal and Island Councils (No 27) to all colleagues.

#### Other Business

The Committee thanked Mr Dahms for his service.

Resolved (moved Fenlon, seconded Pearce) that the Committee express its gratitude to [REDACTED] for the high standard of his professional services to the Committee as its Research Director and wish him well in his new position in the Queensland Audit Office.

Next Meeting To be decided.

The meeting closed at 11.50am.

Confirmed

23<sup>rd</sup> June

1994

Chairman



## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 1.38pm on 23 June 1994. Members present: D'Arcy, Elliott, Fenlon, Grice, Hollis, Pearce and Santoro. Also present Rex Klein.

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 9 June 1994 were circulated. Moved, Pearce, seconded D'Arcy.

### 2. Matters Arising from the Previous Minutes

With respect to the matters arising from the inwards correspondence of the previous minutes of 9 June 1994 at point number 5, Mr Grice requested that his dissent to that resolution be noted.

### 3. Inward Correspondence

- 3.1 A Warner MLA, Minister for Family Services and Aboriginal and Islander Affairs (9 June 1994)
  - response to the PAC Report No. 27 on the Financial Administration of Aboriginal and Island Councils
- 3.2 B Rollason, Auditor-General, Queensland Audit Office (15 June 1994)
  - invitation for Chairman to attend new premises of the Queensland Audit Office.
- 3.3 L Scott MP, Chairman, Commonwealth of Australia, Joint Committee of Public Accounts (16 June 1994)
  - re inquiry into the administration of Commonwealth-State agreements for Specific Purpose Payments.
- 3.4 M Le Grand, Director, Official Misconduct Division, Criminal Justice Commission (17 June 1994)
  - advising ATSIC Report to be tabled within next 10 days
- 3.5 NSW Public Accounts Committee (21 June 1994)
  - *Public Defenders* Report No. 81

Resolved (moved D'Arcy, seconded Pearce) that the inwards correspondence be accepted.

### 4. Outward Correspondence

- 4.1 B A Stewart, Director-General, Queensland Emergency Service (14 June 1994)

- thank you for information supplied with letter of 2 June 1994.

4.2 Hon G R Milliner MLA, Minister for Administrative Services (14 June 1994)

- considered and noted contents of letter dated 10 May 1994 refer to Auditor-General.

4.3 Hon A Ivarato MPA, Chairman, Parliamentary Committee of Public Accounts, Papua New Guinea (14 June 1994)

- reply to letter of 18 April 1994 re delegation visit to Queensland PAC later this year.

**Resolved** (moved D'Arcy, seconded Fenlon) that the outward correspondence be adopted.

## **5. Report on the Engagement of External Consultants by the Queensland Public Sector**

5.1 General discussion ensued. Mr Klein to circulate a fresh copy of the preliminary draft report dated 23 June 1994. In addition, Mr Klein to circulate a copy of a section of the report assigned to each Member as per the following:

Section 2 - Allan Grice, section 3 - Tony Elliott, section 4 - Jim Pearce, section 5 - Santo Santoro, section 6 - Gary Fenlon, section 7 - Bill D'Arcy.

It was intended that each member pay close attention to the relevant section to enable an in depth discussion at the next meeting.

5.2 The Deputy Clerk will assist Members to produce the draft report.

## **6. Appointment of Research Director**

Mr Klein reported on the progress of the appointment of the new Research Director. Mr Klein to circulate a copy of the position description to Members.

## **7. Torres Straits Islander Co-ordinating Council**

**Resolved** (moved Fenlon, seconded Pearce) that the Committee endorses the travel undertaken by the Chair and Mr D'Arcy with respect to a visit to Thursday Island on 23-25 May 1994 to hold discussions with the Island Co-ordinating Council.

## **8. Cairns Aboriginal Co-ordinating Council**

**Resolved** (moved Fenlon, seconded Pearce) that the Committee authorises the Chair and Mr D'Arcy to attend a seminar in Cairns on 29-30 June 1994 regarding the Committee's Report No. 27 on the Financial Administration of Aboriginal and Island Councils.

**9. Adelaide Conference**

**Resolved** (moved Pearce, seconded Grice) that the Committee authorises the Chair, Mr D'Arcy, Mr Fenlon and Mr Santoro to attend the Biennial Conference of Public Accounts Committee in Adelaide 4-5 July 1994.

**Next Meeting** To be advised.

The meeting closed at 2.30pm.

**Confirmed**

1994

**Chairman**

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 1.08pm on 4 August 1994. Members present: D'Arcy, Elliott, Fenlon, Hollis, and Pearce. Also present Rex Klein and Louise Hepworth. Apology: Grice.

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 23 June 1994 were circulated. Moved, D'Arcy seconded Fenlon.

### 2. Matters Arising from the Previous Minutes

Regarding the proposed visit by the Permanent Parliamentary Committee on Public Accounts - National Parliament of Papua New Guinea, the Chair advised that he will confirm, during his upcoming visit to that country, whether the visit is to proceed.

### 3. Inward Correspondence

- 3.1 L Keliher, Acting Director-General, Queensland Emergency Services (21 June 1994)
  - re PAC letter of 14 June 1994 advising the Committee has received the full document.
- 3.2 A Millsom, Research Officer, Public Accounts and Expenditure Review Committee (8 July 1994)
  - copy of *Working Paper on the Role, Purpose and Constitution, June 1994* from the Canadian Council of Public Accounts Committees.
- 3.3 A Tink MP, Chairman, Public Accounts Committee, NSW Parliament, (13 July 1994)
  - Notification of Mr Tink's appointment as Parliamentary Secretary to the Premier and relinquish role and membership of the Public Accounts Committee.
- 3.4 M Lehman, Secretary, Economic and Finance Committee, Parliament of South Australia (14 July 1994)
  - Resolutions considered and endorsed of the mid-term meeting of the Australasian Council of Public Accounts Committee.
- 3.5 G Lui, Chairman, Island Co-Ordinating Council, (19 July 1994)
  - Thank you to the Chairman and Mr D'Arcy for their support at the Audit and Accountability Workshop. Copy of the resolutions passed at the Workshop by the ICC.

- 3.6 C Burke, Director of Research, Public Accounts and Estimates Committee, Parliament of Victoria (21 July 1994)
- In accordance with the mid-term meeting of Australasian Council of Public Accounts Committees, their terms of reference for two of its current inquiries.
- 3.7 B Stewart, Director-General, Queensland Emergency Services (28 July 1994)
- Department's Guidelines for Engaging Consultants, Temporary Employees, Section 34 Employees, Casual Employees, Temporary Contractors and Consultants.

Resolved (moved D'Arcy, seconded Pearce) that the inwards correspondence be accepted.

**4. Report on the Engagement and Use of External Consultants by the Queensland Public Sector**

General discussion ensued. To be considered at the next meeting.

**5. Appointment of Research Director**

The Chair welcomed Ms Louise Hepworth as the new Research Director for the Public Accounts Committee. Ms Hepworth to commence on 15 August 1994.

**6. Annual Report**

Agreed that a draft Annual Report be prepared for the next Committee meeting.

**7. Adelaide Conference**

The Chair reported on the mid-term meeting of Australasian Council of Public Accounts Committees.

Tabled resolution of ACPAC drawing attention to the final paragraph of that resolution, which stated *et al* that each Public Accounts Committee forthwith ascertain whether proper internal audit procedures are in place in Government Departments.

The Chair also referred to a media release from ACPAC which stated that a working committee is to be established to consider specific purpose payments and that the Committee to be comprised of a member from the Commonwealth and each State or Territory. Queensland's PAC representative to be nominated at the next Committee meeting.

**Next Meetings** Monday 29 August 1994 at 2.30pm and  
Tuesday 30 August 1994 at 1.30pm.

The meeting closed at 1.27pm.

Confirmed 30<sup>th</sup> August 1994



Chairman

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 1.32pm on 30 August 1994. **Members present:** D'Arcy, Elliott, Fenlon, Grice, Hollis, and Pearce. **Also present:** Louise Hepworth. **Apology:** Santoro.

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 4 August 1994 were circulated. Moved, Elliott seconded Pearce

### 2. Matters Arising from the Previous Minutes

Mr Grice mentioned that he had put in an apology for the 4 August meeting.

The meeting scheduled for the 29 August was cancelled due to Caucus meeting and unavailability of Members.

No matters arising.

### 3. Inward Correspondence

- 3.1 T Fenwick, Director-General, Department of Primary Industries (4 July 1994)
  - re proposed plan for the preparation of the Department's statements for 1993/94 as requested.
- 3.2 L Fourmile, Chairman, Aboriginal Co-ordinating Council (20 July 1994)
  - thank you to Chairman for his address to the Accounting and Audit Workshop in Cairns 29-30 June 1994.
- 3.3 Hon G Graeme Weideman, JP, MP Chairman, Australasian Council of Public Accounts Committees (2 August 1994)
  - requesting Committee's representative on the ACPAC Working Party and the availability of the representative for a Working Party meeting.
- 3.4 A Tink MP, Member for Eastwood, NSW Legislative Assembly (5 August 1994)
  - thank you to Chairman for congratulations on new appointment.
- 3.5 H Cyrulo, Office Manager, Public Accounts and Estimates Committee (12 August 1994)
  - seeking advice as to the suitability of 24 October 1994 for the first working party meeting.

- 3.6 C Burke, Director of Research, Public Accounts and Estimates Committee (19 August 1994)  
- copy of internal audit questionnaire

**Motion for the acceptance of the inward correspondence**

Moved Grice, seconded Pearce.

**4. Outward Correspondence**

- 4.1 C Burke, Director of Research (24 August 1994)  
- thank you for copy of internal audit questionnaire

**Motion for adoption of outward correspondence.**

Moved Grice, seconded Pearce.

**5. Report on the Engagement and Use of External Consultants by the Queensland Public Sector**

The Committee agreed to read the Report today and tomorrow (30 and 31 August) and to discuss the report on Thursday 1 September at 4.00pm. The Chairman went through changes he had made to the Recommendations. These were that Recommendation 1, item no. 3 become a recommendation on its own; that recommendations 5, 6 and 10 be deleted. Mr Pearce thought 10 could stay in. The chairman indicated he would like the first reading of the report be on Tuesday.

**6. Draft Annual Report 1993-1994**

The Chairman outlined changes he had made to a previous draft.

The Chairman read his final draft annual report for the 1993-94 financial year paragraph by paragraph for the **first time** pursuant to Standing Order 203.

Agreed that the Chairman would read his final draft annual report for the 1993-94 financial year paragraph by paragraph for the **second time** at the Committee meeting on Tuesday 6 September 1994.

The Chairman asked that the date for the Minister for Primary Industries reply to the Report No. 26 be included.

The Chairman thanked Louise Hepworth, PAC Research Officer, for her contribution to compiling the Annual Report.

**Resolved unanimously**

Moved by Pearce, seconded by Elliott.

## **7. Nomination of a Delegate to the Working Committee established to consider Specific Purpose Payments**

Mr Bill D'Arcy has been recommended as the Working Party Member. Mr D'Arcy said he would attend the meeting in Melbourne on 27 October 1994. He said the Working Party would look at the PAC's throughout Australia to consider the effect of making combined statements and also to cross reference. A current problem was that all the PAC's operate differently and that a standard model would be more desirable.

Mr Elliott asked whether more pro-active Auditor-General's could be discussed. It was noted that the Auditor-General was pro-active here but not in other States.

Mr D'Arcy said he would be in Sydney on 19 September 1994 and would take the opportunity look into the NSW system.

## **8. Future Inquiries**

### **8.1 Auditor-General's Report**

It was noted that the Auditor-General's report would be available at the end of September.

### **8.2 Review of Internal Audit Procedures in Government Departments**

At the last meeting of ACPAC it was resolved that each PAC act forthwith to ascertain whether proper internal audit procedures are in place in government departments and business enterprises in its particular jurisdiction.

Ms Hepworth said that internal audit survey results (from First Report of the Auditor-General on Audits performed for the financial year ended June 1993) showed that all departmental entities surveyed had an internal audit function except one which was in the process of establishing one. Of the statutory bodies surveyed 52 per cent had established an internal audit function.

An internal audit questionnaire from the Victorian Public Accounts and Estimates Committee was distributed at the meeting.

### **8.3 Accountability of Departmental Grants**

Agreed that the Committee would look into the accountability of departmental grants.

Moved Grice, seconded Pearce.

Ms Hepworth will research the matter after completion of the Consultancy report.

It was decided to invite the Auditor-General to the meeting on Tuesday

6 September 1994 to seek his opinion on a number of matters including the Auditor-General's Report, the internal audit review and the accountability of government grants.

Mr Grice asked the Chairman if a member of PAC receives anonymous information complaining about the misuse of funds could a member of the Committee ask the Auditor-General for the full audit instead of the summary usually supplied? The Chairman said that it could be a matter for the CJC if it was a misuse of funds. However, if there was a concern the Committee could ask the Auditor-General to look at the full audit report to see if it had any problems and provide feed back to the Committee. Mr Pearce said complaints should be in writing.

**9. ACPAC 9th Biennial Conference**

It was agreed that theme suggestions and possible agenda items would be discussed at the meeting on Tuesday.

**10. IAG Conference**

Details of the Conference were provided. Members were asked to indicate whether they would like to attend. Accommodation and Conference fees would be paid separately. The Chairman and Mr Pearce expressed interest.

**11. Other Business**

No other business

The meeting closed at 2.20pm.

Confirmed

*30<sup>th</sup> August*

1994



Chairman

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 4.20pm on 1 September 1994. **Members present:** Elliott, Fenlon, Hollis, Pearce and Santoro. Also present: Louise Hepworth. **Apology:** D'Arcy and Grice

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 30 August 1994 were circulated. Moved Pearce, seconded Fenlon.

### 2. Matters Arising from the Previous Minutes

No matters arising.

### 3. Outward Correspondence

- 3.1 Hon G Graeme Weideman, JP, MP Chairman, Australasian Council of Public Accounts Committees (29 August 1994)
  - nominating Mr Bill D'Arcy as the Committee's representative for the Working Party
- 3.2 B Rollason, Auditor-General, Queensland Audit Office (31 August 1994)
  - Invitation to attend Parliamentary Committee of Public Accounts meeting on Tuesday 6 September 1994.

#### **Motion for adoption of outward correspondence.**

Moved Pearce, seconded Elliott.

### 4. Annual Report

The Chairman read his draft annual report for the 1993-94 financial year paragraph by paragraph for the second time pursuant to Standing Order 203.

Mr Fenlon said he did not go to NSW on the 16-18 May. Mr Elliott went. This change was to be made to page 6 of the Annual Report.

Mr Fenlon said that the 'Committee of the 47th Parliament' had been missed out on page 16.

Ms Hepworth said both these changes would be made before printing.

It was agreed to table the Annual Report on Wednesday 7 September 1994.

Ms Hepworth was asked to check the amount spent on expenses in previous years and against other Parliamentary Committee expenditure.

**5. Report on the Engagement and Use of External Consultants by the Queensland Public Sector**

The Committee reviewed the latest draft of the report on the Engagement and Use of External Consultants by the Queensland Public Sector.

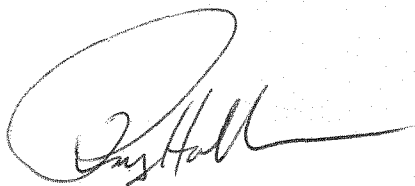
The Committee made a number of recommendations including structural changes, reducing the size of at least two chapters and putting recommendations into the text.

Ms Hepworth said she would aim to have the next draft for the next meeting on Tuesday 6 September 1994.

It was agreed to hold a meeting on Thursday 8 September at 4.00pm to again review the document and read the document for the first time if it was satisfactory.

The meeting closed at 5.20pm.

Confirmed *6<sup>th</sup> September* 1994



Chairman

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 1.40pm on 6 September 1994. **Members present:** D'Arcy, Fenlon, Grice, Hollis and Santoro. Also present: Louise Hepworth and Barrie Rollason, Auditor-General. **Apology:** Elliott and Pearce.

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 6 September 1994 were circulated. Moved Grice, seconded D'Arcy.

### 2. Matters Arising from the Previous Minutes

No matters arising.

### 3. Inward Correspondence

No inward correspondence.

### 4. Outward Correspondence

No outward correspondence.

### 5. Annual Report

The Chairman told the Committee that the Annual Report 1993-1994 would be tabled tomorrow 7 September 1994.

### 6. Report on the Engagement and Use of External Consultants by the Queensland Public Sector

The Chairman asked members to comment on the report and provide changes to Ms Hepworth before Thursday when the Report would be read for the first time.

### 7. ACPAC

Agreed to discuss this agenda item relating to a theme and possible agenda items for the Conference at the next Committee meeting on Thursday 8 September 1994.

### 8. IAG Conference

Agreed that Mr Pearce and Mr D'Arcy would go to the IAG Conference at Royal Pines in October.

## 9. Visit by Mr Barrie Rollason, Auditor-General

### Internal Audit Review:

Mr Rollason said that the QAO had been reporting on and monitoring internal auditing since 1990 and would have a full update in a report at the end of November.

Mr Rollason said he had launched a review of grants across the public sector. This would be available at the end of November. Mr Rollason suggested the PAC could explore the issue further at this time.

Committee members suggested that the following issues could be looked into: recurring grants (what checks in place); total amount of money paid out in grants; playing the system using different names etc; look into what bodies said they would do with the funds and what they actually did; areas on non compliance; and the need for States and Commonwealth to co-operate to follow the money trail.

### Verbal or Written Information:

Mr Grice asked if verbal information could be used to initiate an audit. Mr Rollason said the QAO takes notice of verbal information but it can often be misleading. All written information is replied to. In the near future the Auditor-General will be required to keep a record of all whistleblowing information and what has been done with it.

### TAFE:

Mr Santoro asked Mr Rollason what feedback there was on the TAFE system and whether there would be any benefit in the PAC looking into it. Mr Rollason said it would be a massive inquiry especially if it looked at waste - which would not be hard to find. It involves masses of money and the money trail would be hard to follow especially where the money goes off campus. PAC could possibly focus on one area rather than the whole system. Mr Rollason offered to provide an update on Ipswich TAFE.

### Computerised HRM:

Mr Rollason was asked by Mr Santoro if there was a role for the PAC to investigate the payroll/HRM computerised system. Mr Rollason said he would be reporting on this and there were inefficiencies such as over payments in the system.

### DPI:

The Chairman inquired how DPI's financial management was going. Mr Rollason said that there appeared to be no problems.

### Corporate Cards and BP Fuel Cards:

Mr Rollason said he would be looking at corporate cards and BP fuel cards.

### Brisbane City Council Land and Roads:

Mr Rollason discussed the issue of road reserves and on whose balance sheet they should appear. He said they were under the control of local government but would not be counted in the value because, if they were sold the money should go to the crown.

Who Should Pay for the Auditor-Generals Role:

Mr Rollason discussed the implications of Treasury's insistence on a user-pays system for the Auditor-General. He pointed out that he was doing work for Parliament as opposed to auditing statements for departments. He asked who should pay for one-off audit statements? Who would pay for work done for Parliament (would costs to departments be increased to cover this?). If departments pay then this could lead to ineffectual audits limited by funds, time wasted on haggling over price and control over the QAO's other problems.

The Chairman suggested that the PAC could look at other systems in other States, Canada and England to see what system of funding they used for the Auditor-General's budget. **The Chairman asked Ms Hepworth to put the matter on the Agenda for a future meeting.**

Praise for work of PAC:

Mr Rollason praised the work of the PAC and said it had had considerable impact on improving financial management in the public sector.

Information distributed:

Mr Rollason distributed the following information to the Committee: The QAO Aboriginal and Island Councils Internal Audit Checklist, August 1994, QAO Team Management Checklist, QAO Auditing Standards, October 1993, QAO Corporate Plan and the QAO Welcomes You to Central Plaza One.

The meeting closed at 2.45pm.

Confirmed

*J September*

1994



Chairman

**Matters Raised after Meeting Closed**

Mr Fenlon asked Mr Rollason about the adequacy of the accounting standards for the public sector. Mr Rollason said accounting standards were produced to provide a consistent basis for accounting entry for the purposes of comparison. He said the Standards worked well in commercial operations such as Suncorp or QIDC, but had problems in the public sector.

It was suggested that this may be something to explore with other PAC's at the Biennial Conference in Melbourne.

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in Room 9.13, Level 9, Parliamentary Annexe commencing at 4.15pm on 8 September 1994. **Members present:** D'Arcy, Elliott, Fenlon, Hollis and Santoro. Also present: Louise Hepworth. **Apology:** Grice and Pearce.

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 8 September 1994 were circulated. Moved D'Arcy, seconded Elliott.

### 2. Matters Arising from the Previous Minutes

No business arising.

### 3. Inward Correspondence

No inward correspondence.

### 4. Outward Correspondence

No outward correspondence.

### 5. ACPAC Biennial Conference Theme and Agenda Items

The Committee suggested the following items.

- State and Commonwealth grants - including matters such as coordination between the Commonwealth and the States so that when State Auditor-General's are asked to report on tied grants they can get a system where reports are tabled on the same day in both Parliaments;
- Accounting standards and their applicability to the public sector;
- Corporatised bodies and the Public Accounts Committee's role - particularly to prevent major collapses.

Ms Hepworth was asked to convey these possible agenda items to the conference organisers.

**6. First Reading of the Parliamentary Committee of Public Accounts Report No. 30 - *The Engagement and Use of External Consultants by the Queensland Public Sector***

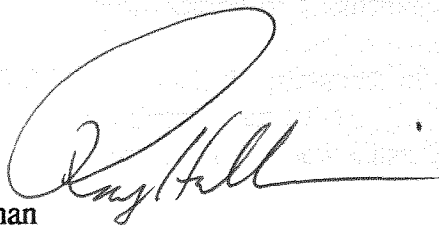
The above report was read for the first time. Ms Hepworth was asked to check the recommendations against the Instructions and make a number of other changes prior to the second reading.

Ms Hepworth was also asked to find out the name and planned release date of the Federal Crime Authority Report that includes recommendations about how to stop tenderers from 'backhanding' each other.

**Next Meeting**            **Tuesday 18 October 1994 at 1.30pm.**

The meeting closed at 5.05pm.

**Confirmed**    *18<sup>th</sup> October*            **1994**

**Chairman**    

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in the Meeting Room, Level 16, Parliamentary Annexe commencing at 1.30pm on 18 October 1994. Members present: D'Arcy, Elliott, Fenlon, Grice, Hollis, Pearce and Santoro. Also present: Louise Hepworth.

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 8 September 1994 were circulated. Moved Allan Grice, seconded Bill D'Arcy.

### 2. Matters Arising from the Previous Minutes

No matters arising.

### 3. Inward Correspondence

- 3.1 J Mollah, Secretary, Legislative Assembly of the Northern Territory, Public Accounts Committee (6 September 1994)  
Notification of Chairman and Committee members.
- 3.2 J Knoff, Department of the Premier, Economic and Trade Development (8 September 1994)  
Details of the new Chan/Haiveta cabinet
- 3.3 A C Harris, Auditor-General, New South Wales, (12 September 1994)  
Acknowledged receipt of the Annual Report for 1993-94, the Mission Statement and Strategic Approach, and the hospitality received.
- 3.4 S O'Neill, Honorary Secretary, Australian Labor Party Cleveland EEC, (16 September 1994)  
Request for a full break-down of current Parliamentarians' expenses.
- 3.5 St Pauls Island Council, (19 September 1994)  
Submission regarding funding for new Council Chambers.
- 3.6 R Coffey, President, Queensland Branch of the Institute of Internal Auditors (29 September 1994)  
Seminar on aspects of the internal audit function, to be held on Friday 4 November at the Hilton International Hotel. Chairman to be guest speaker.
- 3.7 Committee Secretariat (29 September 1994)  
Estimates Committees Questionnaire Analysis
- 3.8 Hon G G Weideman, Chairman, Australasian Council of Public Accounts Committees (5 October 1994)  
Confirmation of final arrangements for the ACPAC Working Party meeting

in Melbourne on 24 October, copies of agenda and background papers.

- 3.9 Hon G G Weideman, Chairman, Australasian Council of Public Accounts Committees (6 October 1994)  
9th Biennial Conference of the ACPAC in Melbourne 31 January - 1 February 1994, proposed cost involved and number of delegates.
- 3.10 J Varghese, Executive Director (Corporate Services), Department of Primary Industries (7 October 1994)  
Re meeting on 6 October 1994 and enclosures.
- 3.11 P Peachey, Camooweal (10 October 1994)  
Request for further reports on the financial administration of Aboriginal and Island Councils.
- 3.12 M Cornwell, Acting Clerk of the Parliament (12 October 1994)  
Draft Standing Orders relating to the New Committee system.
- 3.13 P Anderson, Island Co-Ordinating Council (14 October 1994)  
Proposal by the Steering Committee on Outer Island Councils - Audit and Accountability.
- 3.14 B M Rollason, Auditor-General, Queensland Audit Office (14 October 1994)  
General background information on funding the operations of the Queensland Audit Office.
- 3.15 H R Smerdon, Under Treasurer, Queensland Treasury (14 October 1994)  
Amendments to the Public Finance Standards.

**Motion for the acceptance of the inward correspondence**

Moved Allan Grice, seconded Bill D'Arcy.

**4. Outward Correspondence**

- 4.1 Hon G G Weideman, Chairman, Australasian Council of Public Accounts Committees (31 August 1994)  
Representative on the ACPAC working party.
- 4.2 B Rollason, Auditor-General, Queensland Audit Office (31 August 1994)  
Invitation to attend a Public Accounts Committee meeting on 6 September 1994.
- 4.3 Members of the Parliamentary Committee of Public Accounts (20 September 1994)  
Background brief to the Minister regarding funding for St Pauls Island Council Chambers.
- 4.4 Hon G G Weideman, Chairman, Australasian Council of Public Accounts Committees (20 September 1994)  
Suggested agenda items for the 9th Biennial Conference.

- 4.5 E Dean (22 September 1994)  
Information on the Public Accounts Committee.
- 4.6 B Rollason, Auditor-General, Queensland Audit Office (23 September 1994)  
Background information on funding the Queensland Audit Office
- 4.7 Members of the Parliamentary Committee of Public Accounts (26 September 1994)  
Information relating to Mr D'Arcy's attendance at the ACPAC working party in Melbourne on 24 October 1994.
- 4.8 R Hollis, Chairman, Parliamentary Committee of Public Accounts (28 September 1994)  
ACPAC Subcommittee meeting, joint Federal/State inquiries.
- 4.9 R Hollis, Chairman, Parliamentary Committee of Public Accounts (29 September 1994)  
Suggested titles for speech at the IIA breakfast seminar.
- 4.10 M Cornwell, Deputy Clerk of the Parliament (29 September 1994)  
Amendment to PAC Act 1988 to allow for joint State/Federal inquiries.

**Motion for adoption of outward correspondence.**

Moved Gary Fenlon, seconded Jim Pearce.

**5. Business from Correspondence**

**3.12 Draft Standing Orders**

The Committee requested the following comments be made to the Deputy Clerk regarding the draft standing orders:

**Deliberative meetings 202** - The Committee was concerned that only committee members and staff 'shall be present' at deliberative meetings. The Committee felt that there are difficulties with this statement because it would prohibit other advisers such as the Auditor-General or specialists participating in such meetings. This limits the Committee's ability to deliberate on complex issues that require specialist advice.

**Examination of witnesses 199 (n)** - If the Committee agrees to a witness being accompanied by a legal adviser, can the Committee ask a legal adviser to appear/advise the Committee at the hearing? If yes, what provisions are there for the Committee to do this?

**Proceedings on report 207** - The Committee seeks clarification on the 'rules of engagement' regarding discussion on reports and any associated documentation later considered by the House by motion or notice.

**6. Second Reading of Report No. 30 - The Engagement and Use of External Consultants by the Queensland Public Sector.**

The report was read for the second time and was recommended for printing subject to the changes discussed.

**7. ACPAC Working Party Meeting**

Mr D'Arcy briefly outlined the agenda for the ACPAC Working Party Meeting in Melbourne on Monday 24 October 1994.

The Chairman asked Ms Hepworth to check the dates of the (ACPAC) Biennial Conference in Melbourne next year, as these differed from those previously advised.

**8. St Pauls Island Council**

Ms Hepworth was requested to thank the Council for its letter, but point out that it was not in their powers to consider the issue of funding for new Council Chambers.

**9. New Inquiries**

The Chairman requested Committee members to read the background information supplied on funding the office of the Auditor-General for the next meeting. It was decided that discussion of new inquiries be adjourned to next week's meeting.

**10. DPI Report**

The Chairman outlined the main points discussed in his recent meeting with the Department of Primary Industries.

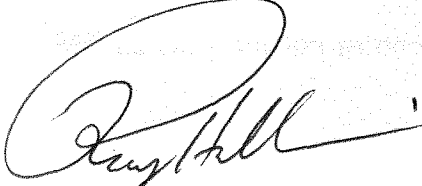
**11. IAG Conference**

Mr D'Arcy provided a brief overview of the conference. Ms Hepworth was asked to provide Committee Members with the paper on Estimates Committees.

**Next Meeting** Tuesday 25 October 1994 at 1.30pm.

The meeting closed at 2.45pm.

**Confirmed** 18<sup>th</sup> October 1994

Chairman 

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in the Meeting Room, Level 16, Parliamentary Annexe commencing at 12.35pm on 28 October 1994. Members present: D'Arcy, Elliott, Fenlon, Grice, Hollis and Pearce. Also present: Louise Hepworth. Apology: Santoro.

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 18 October 1994 were circulated. Moved Tony Elliott, seconded Bill D'Arcy.

### 2. Matters Arising from the Previous Minutes

Agreed that Ms Hepworth check the progress of Standing Order comments forwarded to the Deputy Clerk.

Mr D'Arcy commented on the concern expressed by a number of members of ACPAC regarding the limitation of Committees powers across Australia. Mr D'Arcy said that the ACPAC chair would make a general statement about not cutting back Committee powers at the Biennial Conference.

### 3. Inward Correspondence

- 3.1 Hon G G Weideman, Chairman, ACPAC (4 October 1994)  
Discussion Paper - Financial Reporting by Governments
- 3.2 C Burke, Director of Research, Public Accounts and Estimates Committee, Victoria (18 October 1994)  
Additional papers, agenda and draft minutes of the Public Sector Accounting Standards Board Consultative Group
- 3.3 B M Rollason, Auditor-General, Queensland Audit Office (19 October 1994)  
Copy of the Crown Solicitors' advice on Financial Accounts tabled in Parliament.
- 3.4 R G Walker, Professor of Accounting The University of New South Wales (21 October 1994)  
Copy of working paper entitled *Sydney's Airport Link: Anatomy of a Deal, A case study of private sector involvement in a public infrastructure project.*

#### **Motion for the acceptance of the inward correspondence**

Moved Gary Fenlon seconded Jim Pearce.

**4. Outward Correspondence**

No outward correspondence.

**5. ACPAC Working Party Meeting 24 October 1994**

Ms Hepworth distributed a report on the meeting. Mr D'Arcy provided a verbal briefing. He mentioned that a number of PAC's were looking into grants, accrual accounting and internal audit.

He outlined a Victorian example where an attempt had been made to limit the powers of the Committee.

Mr D'Arcy said that all PAC's have been asked to provide a profile of their Acts, how they operate and member conditions for the next meeting. He said a six monthly publication on the activities of PAC's would be put out by the State who hosts the Biennial Conferences.

Agreed that the Chairman write to the Auditor-General and ask him to provide an update of the Queensland Public Sectors implementation of accrual accounting.

This information has been requested by ACPAC for the Biennial Conference.

**6. Attendance at ACPAC Biennial Conference in Melbourne 31 January - 2 February 1995**

Members were asked to advise Ms Hepworth if they wished to attend by the next Public Accounts Committee meeting (15 November 1994).

**7. New Inquiries**

Agreed that new subcommittees should be formed to pursue new inquiries.

Motion

I move that the Parliamentary Committee of Public Accounts commence an inquiry to review the internal audit function of the Queensland Public Sector.

Moved Jim Pearce, seconded Tony Elliott.

Agreed that Ms Hepworth carry out some preliminary research into the terms of reference for an inquiry into grants.

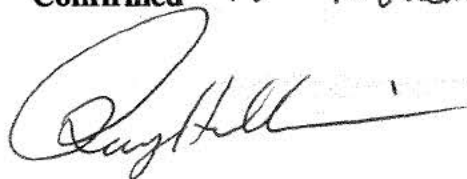
Agreed that the Research Director seek a secondment for January to assist with new inquiries.

**Next Meeting**

Meeting adjourned 1.00pm to 1.10pm for a division in Parliament.

The meeting closed at 1.15pm.

Confirmed 15<sup>th</sup> November 1994



Chairman

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in the Meeting Room, Level 16, Parliamentary Annexe commencing at 1.35pm on 15 November 1994. Members present: Elliott, Fenlon, Grice, Hollis, Pearce and Santoro. Also present: Louise Hepworth. Apologies: D'Arcy

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 28 October 1994 were circulated. Moved Allan Grice, seconded Jim Pearce.

### 2. Matters Arising from the Previous Minutes

#### TAFE and the Payroll System

Mr Santoro asked the Chairman whether the issues of TAFE and the payroll system had been discussed as possible inquiries at the previous meeting which he had been unable to attend.

The Chairman said that they had been raised and that the Committee had resolved to wait for the Auditor-General's report before any decisions were made as it may provide an opportunity for further investigation. In addition, the Chairman and Mr Fenlon commented that the Internal Audit Review could provide an opportunity to talk to TAFE Chief Executives regarding their internal audit procedures.

Mr Santoro said that the TAFE system was still in a state and there was a need for a look at the overall financial systems of colleges.

#### More Meetings and Sub-Committees

Mr Pearce said the Committee should meet more often. Members agreed.

Mr Fenlon mentioned the need for sub-committee's to look at different issues.

#### Powers of the Act

In reply to a question from Mr Grice regarding full audits and the Aboriginal and Torres Strait Islanders and whether the Committee can ask for a full audit, the Chairman said that others including the Minister and the CJC could investigate criminal issues concerning lost funds. The Committee could investigate financial mismanagement if it is identified in the Auditor-General's report, or in other ways outlined in the Act.

#### Standing Orders

Ms Hepworth advised that the Deputy Clerk would circulate another version of the

Standing Orders relating to Parliamentary Committees with recommendations incorporated.

### **Outward Correspondence**

Agreed that the Chairman talk to the Deputy Clerk regarding the secondment of a Research Assistant to the PAC.

### **Other Business**

The Chairman thanked Mr D'Arcy for his work on the ACPAC working party.

## **3. Inward Correspondence**

3.1 G G Weideman JP MP Chairman, Australasian Council of Public Accounts Committees (25 October 1994)

Thank you to Mr D'Arcy MLA for his attendance and contribution to the ACPAC working party meeting and summary of resolutions.

3.2 H R Smerdon, Under Treasurer, Queensland Treasury (1 November 1994)  
Re amendments to Public Finance Standards (disc copy)

3.3 B M Rollason, Auditor-General, Queensland Audit Office (1 November 1994)  
Re Committee's request for information on internal audit in the public sector.

3.4 L Scott, Chairman, Joint Committee of Public Accounts, Canberra (11 November 1994)  
Inquiry into the administration of Commonwealth-State agreements for specific purpose payments.

3.5 L Scanlan, Chairman, National Public Sector Accountants Representative Group (11 November 1994)  
Notification of the International Accountants in Government Convention in Canberra 13 - 17 March 1994.

### **Motion for the acceptance of the inward correspondence**

Moved Allan Grice, seconded Gary Fenlon.

## **4. Outward Correspondence**

4.1 M Cornwell, Deputy Clerk of the Parliament (18 October 1994)  
Draft Standing Orders - comments on procedures.

4.2 C Dacyshyn, Legislative Assembly, Canada (4 November 1994)  
Request for information on internal audit inquiries.

- 4.3 Committee of Public Accounts, House of Commons, London (4 November 1994)  
Request for information on internal audit inquiries.
- 4.4 Sarawak Public Accounts Committee, Malaysia (4 November 1994)  
Request for information on internal audit inquiries.
- 4.5 P Gresham MHR, New Zealand Finance and Expenditure Committee, Wellington (4 November 1994)  
Request for information on internal audit inquiries.
- 4.6 Ms Hodgson, Thursday Island, (4 November 1994)  
Re funding for new council chambers - St Pauls Council
- 4.7 R Doyle, The Clerk of the Parliament, (8 November 1994)  
Re secondment of a research officer to the Committee.
- 4.8 J Mollah, Secretary, Northern Territory Public Accounts Committee (9 November 1994)  
Request for information on internal audit inquiries.
- 4.9 B Rollason, Auditor-General, Queensland Audit Office (11 November 1994)  
Request for copy of survey/questions regarding internal audit inquiries.

**Motion for the acceptance of the inward correspondence**

Moved Jim Pearce, seconded Allan Grice.

**5. Visit to next PAC by Mr Graham Carpenter, Assistant Undersecretary, Treasury**

The Chairman advised Members of the meeting and asked Members to notify Ms Hepworth of any matters they wanted to be brought up at the meeting.

**6. Attendance at ACPAC - Melbourne**

Members were asked who would be attending. Mr Pearce and Mr Elliott indicated they would not; Mr Grice would know by next week; Mr Santoro indicated he was interested and would advise; Mr Fenlon and Mr Hollis said yes.

**7. ACPAC WORKING PARTY RESOLUTIONS**

The Chairman discussed the resolutions.

Agreed that Ms Hepworth obtain a copy of the ACPAC Biennial Conference agenda or draft agenda for the next meeting. This would enable the Committee to

plan Queensland's contribution to papers etc.

## 8. Internal Audit Inquiry

The Chairman commended Ms Hepworth on the briefing paper.

Agreed that Ms Hepworth circulate the Chairman's recent speech on internal audit given at a IIA breakfast seminar, to Committee Members.

The briefing paper was discussed in general terms. It was decided that the first stage would be to collate information and the second to interview Chief Executives from a selection of agencies. It was also decided that an example of a Department with a good internal audit function such as Railways or Health be included to provide a comparison.

Mr Grice asked the Chair how internal audits were working with respect to community groups. The Chairman replied that the transition team put in place had not yet completed their task (in relation to Aboriginal and Island Councils) and this could be looked into early next year.

## 9. Meeting after Auditor-General's report is tabled.

Agreed that the Committee would hold a meeting after the Auditor-General's report was brought down.

## General Business

No further business.

Next Meeting          22 November 1994 at 1.30pm.

The meeting closed at 2.05pm.

Confirmed          22<sup>nd</sup> November 1994



Chairman

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in the Meeting Room, Level 16, Parliamentary Annexe commencing at 1.40pm on 22 November 1994. Members present: Elliott, Fenlon, Hollis, Pearce and Santoro. Apologies: D'Arcy and Grice. Also present: Louise Hepworth, Mr Graham Carpenter (Assistant Under-Secretary, Treasury) and Mr Gerard Bradley (Treasury).

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 15 November 1994 were circulated. Moved Tony Elliott, seconded Jim Pearce.

### 2. Matters Arising from the Previous Minutes

The Chairman said he had not yet talked to the Deputy Clerk regarding the secondment of a Research Assistant for the Committee, but would do so in the near future.

Agreed that the Chairman and Ms Hepworth nominate some dates for a meeting about the Auditor-General's report, circulate those and identify a date for a meeting with a quorum.

### 3. Inward Correspondence

3.1 G G Weideman JP MP Chairman, Australasian Council of Public Accounts Committees (15 November 1994)

The Committee's suggested items have been included in the agenda and confirmation is sought on agreement to present papers on the issues.

3.2 B Littleproud MLA, Shadow Minister for Family Services, Member for Western Downs (15 November 1994)

Referring to the accountability of an organisation called Link-Up (Qld) Aboriginal Corporation to the Committee and request that the Committee carry out an inquiry into the matter.

3.3 Queensland Audit Office (16 November 1994)

Copy of the QAO's Questionnaire on Internal Audit and copy of the QAO's Assessment of Internal Audit.

3.4 Public Accounts and Estimates Committee (16 November 1994)

Draft Program for the 9th Biennial Conference of the Australasian Council of Public Accounts Committees.

**Motion for the acceptance of the inward correspondence**

Moved Jim Pearce, seconded Gary Fenlon.

### 4. Outward Correspondence

No outward correspondence.

**5. Attendance at ACPAC Biennial Conference Papers by the Queensland Public Accounts Committee**

Agreed that the Queensland Public Accounts Committee present three papers on: *State and Commonwealth Grants* (to be delivered by Mr Hollis); *Adequacy of Accounting Standards and their Applicability to the Public Sector* (to be delivered by Mr Fenlon); and *Corporatised Bodies and the Role of the Public Accounts Committee* (not yet determined who would deliver this paper). It was agreed that the papers be 25 minutes long with 15 minutes for questioning.

Treasury agreed to prepare a paper on *Corporatisation*.

Agreed that Mr Hollis, Mr Fenlon, Mr Pearce and Mr D'Arcy attend the ACPAC Biennial Conference.

**6. Letter from Mr Littleproud MLA regarding the Link-Up (Qld) Aboriginal Corporation**

Mr Elliot suggested that the Public Accounts Committee could revisit the Department of Family Services and Aboriginal and Islander Affairs on other matters as well as this.

Mr Fenlon suggested sending the information to the Auditor-General.

Mr Elliott suggested that opinion be sought as to whether the matter could be investigated by the Committee under the Act.

Agreed that Ms Hepworth seek clarification on whether the Committee could investigate this issue under the Act.

**7. Inspection Visit to New South Wales**

The Chairman indicated that at least two Members should visit New South Wales. Mr Fenlon indicated he would go, Mr Santoro will advise in the near future, and Mr Hollis agreed to check with Mr D'Arcy over his availability.

**Next Meeting** To be advised.

The meeting closed at 1.55pm.

**Confirmed** 19<sup>th</sup> December 1994



Chairman

## MINUTES

of a meeting of the Parliamentary Committee of Public Accounts held in the Meeting Room 9.13, Level 9, Parliamentary Annexe commencing at 10.05am on 19 December 1994. Members present: Elliott, Fenlon, Grice, Hollis, Pearce and Santoro. Apologies: D'Arcy. Also present: Louise Hepworth.

### 1. Minutes of Previous Meeting

Minutes of the Committee meeting held on 22 November 1994 were circulated. Moved Tony Elliott, seconded Jim Pearce.

### 2. Matters Arising from the Previous Minutes

No matters arising.

### 3. Inward Correspondence

- 3.1 K J Brown, Clerk of the Committee of Public Accounts, House of Commons, London (17 November 1994)  
Copy of 10th Report Session 1987-88 on Internal Audit in Central Government
- 3.2 C Dacyshyn, Administrative Assistant to Committees, Select Standing Committee on Public Accounts, Legislative Assembly Alberta (17 November 1994)  
Response to request for information on internal inquiries
- 3.3 J Mollah, Secretary, Public Accounts Committee, Legislative Assembly of the Northern Territory (22 November 1994)  
Copies of Internal Audit Survey circulated to all Agencies and to the Internal Audit Bureau
- 3.4 J Varghese, Executive Director, Corporate Services, Department of Primary Industries (23 November 1994)  
Copy of DPI's Divestment of Commercial Activities
- 3.5 C Burke, Secretary, ACPAC, (23 November 1994)  
Registration forms for the 9th Biennial Conference of ACPAC
- 3.6 I Olsson, President, Russell Island Development Association Inc (24 November 1994)  
State funding for SEQ 2001
- 3.7 W Goss MLA, Premier and Minister for Economic and Trade Development (25 November 1994)  
Invitation to attend the Premier's Annual Cabinet Reception

- 3.8 Public Accounts Committee, Tasmania  
Copy of the Committee's report on *Sale/Purchase of Properties - Penguin*
- 3.9 M Morris, Queensland Audit Office (28 November 1994)  
Figures re consultancies
- 3.10 I Glachan MP, Chairman, Public Accounts Committee, NSW (2 December 1994)  
Re seminar on Accrual Accounting - *The Scorecard to Date*
- 3.11 J Lyons, Public Accounts Committee, NSW (5 December 1994)  
Re seminar on Accrual Accounting
- 3.12 T Eddy, Partner, Ernst & Young (9 December 1994)  
Ernst & Young sporting challenge
- 3.13 T Eddy, Partner, Ernst & Young (12 December 1994)  
Copies of speech and overheads
- 3.14 R Srinivasan, Director, Finance and Budget Services (14 December 1994)  
Briefing paper concerning qualification by the Auditor-General of some university financial statements

Agreed to provide Tony Elliott with a copy of the Tasmanian Public Accounts Committee's report on *Sale/Purchase of Properties - Penguin*.

Agreed to write to Mr Olsson regarding letter about state funding for SEQ 2001 and advise that while the Committee sympathises with the situation, it is not within its scope to look into it, as it is outside the Committee's jurisdiction. The Committee suggest the matter could be referred to the Department of Housing, Local Government and Planning.

**Motion for the acceptance of the inward correspondence**

Moved Tony Elliott, seconded Jim Pearce.

**4. Outward Correspondence**

- 4.1 M Cornwell, Deputy Clerk of the Parliament (23 November 1994)  
Memo re approval to seek opinion from Crown Solicitor
- 4.2 G Carpenter, Assistant Under Treasurer, Queensland Treasury (23 November 1994)  
Thank you for attendance at recent Public Accounts Committee meeting
- 4.3 G G Weideman JP MP Chairman, ACPAC (23 November 1994)  
Queensland attendance and papers for the 9th Biennial Conference of ACPAC

- 4.4 R Hollis MLA, J Pearce MLA, G Fenlon MLA and B D'Arcy MLA  
(24 November 1994)  
Memo re accommodation arrangement and flight bookings for the ACPAC  
Biennial Conference 31 January - 2 February 1995

**Motion for the adoption of outward correspondence**  
Moved Jim Pearce, seconded Gary Fenlon.

## 5. **Review of the Auditor-General's first report to Parliament 1994**

The Committee raised the following issues as possibly warranting further investigation.

### 5.1 *BP Fuel Cards*

Resolved to inquire into BP fuel card operations.

Committee Members raised a number of concerns identified by the Auditor-General in his review of fuel card operations.

These included lack of written procedures and failure to cancel non-active BP cards.

### 5.2 *Departmental Statements - Timeliness and Standard of Preparation*

Resolved to look into the issue of timeliness and standard of preparation of Departmental statements.

Agreed to produce an issues paper and to call in three or four departments to a public hearing. This would include CEO's and audit directors.

Agreed that Mr Hollis and Ms Hepworth determine who should be called in.

Agreed that the Committee make public sector-wide recommendations about action that could be taken against those departments who are not meeting deadlines.

### 5.3 *Human Resource Management Systems*

Earlier Auditor-General's reports have raised many concerns in relation to controls over HRMS, and while some have been remedied, a number of significant problems still need to be addressed. On 5 September 1994 Cabinet endorsed new arrangements for the delivery of Government-wide payroll and human resource information services with the Administrative Services Department (ASD) to become the lead agency for HRMS. CITEC has been contracted to provide a centralised payroll service for a period of three years during which the re-engineering project will be taken.

Agreed that the Committee look into the issue.

Agreed that the Committee write to the Administrative Services Department and ask them to provide information about the problems and criticisms of the previous HRMS (including those made in Auditor-General's reports) and how the proposed new system would address these.

The Committee would also ask the Administrative Services Department about the CITEC payroll service and the steps taken to overcome previous systems problems identified in the Auditor-General's reports.

In addition, the Committee will request a meeting at CITEC and arrange for an inspection tour at the same time.

Agreed that background information on what the systems specifications are, what it contains and what its capabilities are, also be sought.

#### *5.4 Home Scheme*

General discussion was held on the Home Scheme. The point was made that the problems inherent within the scheme were a result of decreases in interest rates.

Santo Santoro pointed out the benefits of short sharp inquiries to assist the PAC with its watchdog role including the fact that they are reported in Parliament.

#### *5.5 Family Services and Aboriginal and Islander Affairs*

Woorabinda Aboriginal Council issue - Jim Pearce said that Queensland had handled the issue to the best of its abilities but there were problems with ATSIC.

Suggested that the Committee approach the Federal Government for a joint Federal/State inquiry into the issue as the biggest responsibility lies with ATSIC. Funds were cut at Woorabinda by ATSIC and wages were paid out of other grants. There is a need to find out the background to the affair, the reasons they took actions and the methods of payments.

Woorabinda has publicly asked for assistance. Tony Elliott suggested the Committee talk to the Auditor-General to find out what is being done.

The possibility of a visit to Woorabinda to talk to the main players was also mooted.

#### *5.6 Lang Park*

General discussion on the issue. Reference was made to statements made by the Auditor-General on pages 75-76 of his report. It was decided that adherence to financial standards was part of the PAC's jurisdiction, but some of the other issues would come under the jurisdiction of the Parliamentary Public Works Committee.

## 5.7 *Golden Casket*

Tony Elliott emphasised the need to ensure similar situations do not happen again. Need to send message to corporatised bodies of the need to be accountable.

Agreed to look at the matter and need for message to corporations within the scope of the Internal Audit inquiry and to call in the Golden Casket Office as part of that inquiry.

## 5.8 *Port Authorities*

Discussion was held on the potential for asset sales, for example, land, in light of corporatisation.

The Chairman pointed out that tenure of land was an issue as Lands Department actually had tenure of some land, rather than the Port Authority.

The Committee decided not to look into the issue.

### Inquiry Priorities

The Committee listed the following issues raised in the Auditor-General's report for 1993-94 in terms of its priorities for investigation:

1. Departmental Statements - timeliness and standard of preparation
2. Internal Audit  
Briefing paper to be prepared by Ms Hepworth, including Golden Casket
3. BP Fuel Cards
4. HRM System
5. Lang Park
  
6. **Confirmation of ACPAC Biennial Conference bookings and other arrangements**  
  
Details and attendance confirmed.  
  
Agreed that Ms Hepworth send Allan Grice, Santo Santoro and Tony Elliott conference registration forms.
  
7. **Dispute between Queensland Universities and Auditor-General. Briefing by Mr Ray Hollis MLA and Mr Gary Fenlon MLA**

The Chairman and Gary Fenlon briefed the Committee on the issue.

**8. Secondment of Senior Research Officer to the Public Accounts Committee**

Ms Hepworth advised that an advertisement for a Senior Research Officer had been circulated.

**9. Correspondence received from Mr Russell Cooper MLA**

The Committee decided to look at what accountability processes should be put in place to make outside agencies contracted by prisons accountable.

Agreed that the Committee in the first instance, write to the Chief Executive Officer of Corrective Services Commission, asking him to provide information on the accountability processes in place for private providers to the Commission. The Committee was concerned that the 'system' was not picking up the type of misconduct evident at the Gwandalan Community Correction Centre.

If an unsatisfactory answer is received the Committee will then decide on a course of action that may include a full scale inquiry.

Agreed to write to Mr Cooper to thank him for his letter and advise of the Committee's action.

**Next Meeting** The Chairman agreed to identify dates for a meeting in early February and check with Members on their availability.

The meeting closed at 11.15am.

Confirmed *21<sup>st</sup> February* 1995

*Rory Hill*  
Chairman