



ECONOMICS AND GOVERNANCE COMMITTEE

Members present:

Mr LP Power MP—Chair
Mr RA Stevens MP
Mr MJ Crandon MP
Mrs MF McMahon MP
Mr DG Purdie MP
Mr A Tantari MP

Staff present:

Dr A Beem—Inquiry Secretary
Ms M Salisbury—Assistant Committee Secretary

PUBLIC HEARING—INQUIRY INTO THE INTEGRITY AND OTHER LEGISLATION AMENDMENT BILL 2022

TRANSCRIPT OF PROCEEDINGS

MONDAY, 7 NOVEMBER 2022

Brisbane

MONDAY, 7 NOVEMBER 2022

The committee met at 11.53 am.

CHAIR: Good morning. I declare open this public hearing for the committee's inquiry into the Integrity and Other Legislation Amendment Bill 2022. My name is Linus Power. I am the member for Logan and chair of the committee. I would like to respectfully acknowledge the custodians of the land on which we meet today. We are extraordinarily fortunate and blessed to be living in a country with two of the oldest continuing cultures in the world in Aboriginal and Torres Strait Islander people.

With me here today are: Mr Ray Stevens MP, the member for Mermaid Beach and deputy chair; Michael Crandon MP, the member for Coomera; Melissa McMahon MP, the member for Macalister; Dan Purdie MP, the member for Ninderry, who returns from his injuries; and Mr Adrian Tantari MP, the member for Hervey Bay.

This hearing is a proceeding of the Queensland parliament and is subject to the standing rules and orders. Only the committee and invited witnesses may participate in the proceedings. Witnesses are not required to give evidence under oath or affirmation, but I do remind you that it is a proceeding of the parliament and intentionally misleading the committee is a serious offence. I remind the many members of the public that they may be excluded from the hearing at the discretion of the committee.

These proceedings are being recorded and broadcast live on the parliament's website. Media may be present and are subject to the committee's media rules and the chair's direction at all times. You may be filmed or photographed during the proceedings and images may appear on the parliament's website or social media pages. I remind everyone, including those on the committee, to switch their phones to silent mode so we are not disturbed.

CHRISTENSEN, Mr Paul, Senior Director, Queensland Audit Office

FLEMMING, Mr Patrick, Assistant Auditor-General, Queensland Audit Office

WORRALL, Mr Brendan, Auditor-General, Queensland Audit Office

CHAIR: Good morning. Mr Worrall, would you like to make an opening statement before we ask questions?

Mr Worrall: Good morning. Thanks for the opportunity to address the committee about the Integrity and Other Legislation Amendment Bill 2022. There are two equal and important parts to assuring the independence of the Auditor-General. The first is having a comprehensive mandate to conduct audits of public sector entities. The second is the ability to discharge the mandate free from control or undue influence of the executive government.

The Queensland Auditor-General has had for several years one of the most comprehensive audit mandates in Australia. Amendments proposed in the current bill allowing me to conduct performance audits of government owned corporations will further strengthen this mandate. However, past inquiries and strategic reviews of the Queensland Audit Office have identified several opportunities to enhance the operational independence of the Auditor-General. This has culminated in the recommendations made by Professor Coaldrake in his report *Let the sunshine in*. As I noted in my submission to the committee, I believe the proposed amendments to the Auditor-General Act 2009 contained in the bill are an important first step in adopting Professor Coaldrake's recommendations.

The Auditor-General's ability to employ the staff that QAO requires and to determine their remuneration and conditions of employment is currently constrained. The importance of the Auditor-General having autonomy over their staffing arrangements was initially recognised by the Electoral and Administrative Review Commission in their 1991 report on public sector auditing. Four subsequent strategic reviews of QAO have also highlighted how limitations in the public sector framework have impacted our ability to attract and retain professional staff when competing against private audit firms. The amendments proposed in the bill will allow QAO staff to be employed under the Auditor-General Act instead of the Public Service Act. This will provide the Auditor-General with greater autonomy and flexibility in determining staffing arrangements.

In addition to having available the appropriate level of human resources, auditors-general must be able to access the financial resources required to discharge their mandate. Queensland is the only jurisdiction in Australia where the Auditor-General is required to have their fee rates approved by the Treasurer. In effect, the legislative framework treats QAO as if it were part of the executive government and subject to government control. This goes against the fundamental principles of auditor-general independence as it means the government has the potential to constrain the office's resources through the approval process. Any constraints on my resources will limit my ability to discharge my legislative mandate.

As identified in my submission, I support the proposed amendments to the extent they move responsibility for approving my hourly charge out rates away from the Treasurer and to the committee. I appreciate the fact that we are a monopoly provider of audit services to the public sector entities and, as such, we need to be transparent in the fees we charge and efficient in the audits we perform. We demonstrate this in various ways including through strategic reviews of the office conducted every five years.

In my submission to the committee, however, I highlighted my concerns over using the government indexation rate as a basis for assessing proposed increases in my audit fee rates. I do not see this as a reasonable basis for comparison and it could be perceived as an attempt to link QAO's rates back to a government policy requirement. This would be inconsistent with the intent of Professor Coaldrake's recommendation.

Finally, while it is important that auditors-general can operate independently of the executive government, it is also important that they are accountable for how they discharge their audit mandate and the use of their resources. This accountability should be directly to parliament and only to parliament.

In Queensland the Auditor-General is often referred to as an officer of parliament, but this is not presently recognised in the Auditor-General Act. The proposed amendment to recognise this, along with requiring the Auditor-General to take an oath of office, will provide a strong symbolic step, reinforcing the special relationship between the parliament and the auditor. This committee plays a significant role in maintaining this relationship and this is also recognised in the bill.

As I noted earlier, this bill is an important first step to addressing Professor Coaldrake's recommendations. I look forward to continuing to work with the integrity reform task force to address the remaining recommendations made by Professor Coaldrake which, if implemented, will further strengthen the relationship between the Auditor-General and parliament. I welcome any questions the committee may have.

Mr STEVENS: Thank you very much. As you know, the EGC are very supportive of the work you and your team do and we would like to see it continue unfettered. You raised the matter about the Treasurer basically controlling your audit fees, which is highly unusual. You also referred previously to the difficulty in attracting appropriately qualified staff and the remuneration you have to pay as opposed to what the private sector has to pay to get the level of qualifications you need to run a good audit office. Is that the primary issue you have—that passing on those staff fees and charges is becoming a problem in relation to the audit fees as charged or as controlled by the Treasurer?

Mr Worrall: There are a few elements there. The first thing I would say is that the most recent strategic review had identified an issue about attraction and retention of staff. Again, I think that was the fourth review that recommended that we should not be linked to the government in the indexation rate and we should have freedom to set fees.

In the current environment, this year and last year we have been under siege, I would say, from the private sector in seeking our staff out. They have been subject to cold-calling during that period. We have lost staff. We have lost good staff. They have pretty much gone to the private sector, particularly to the banking and finance industry, which is geared up following the royal commission where they are strengthening their own compliance activities.

Coming back to the fees, the other impediment that we have had for most of the last two years is that we had to seek approval from the Public Service Commissioner to advertise vacancies because we were subject to an FTE cap, which was set out at 191, I think. Whenever we needed to recruit staff, I had to get the Public Service Commissioner's approval. That was always forthcoming, but, again, it was another process delay in going to the market to get resources. What I have learnt over the last two years is that we need to be as nimble as possible not only to attract staff but also to retain staff. That is where we have been losing out to the private sector, where we just do not have the flexibility that they have.

The attraction and retention is definitely a practical impediment especially under the current environment. There are also symbolic impediments. If I am truly the auditor for parliament then I need to be absolutely independent from the executive. At the moment that would not be the case. Under the proposed bill that would not be the case. The government indexation rate is a rate that the government sets for charging its fees and charges. That is for external parties to pay those rates. It is not really an internal rate. The reality is that wages for us over the last two years have been rising at a far higher rate than the CPI rate.

Mr STEVENS: You mentioned that you had to go to the Public Service Commissioner to employ staff. Is that still the case with this bill?

Mr Worrall: No. That requirement was relaxed in the middle of this year, I think. For about 18 months that was the framework we operated under. We had to maintain a 191 FTE cap. We were not able to exceed that cap. If I had to fill positions, I had to get approval. If you think about our business, our business is somewhat cyclical. Pretty much all of the public sector entities have a 30 June year end. We have probably brought as much work forward as possible, so we still have peak production time between July, August and September. That is when we are most in need of resources. Working under a cap system with that sort of business operation has really been quite difficult for us.

Mr CRANDON: You mentioned the reforms in this bill and you indicated that you are looking forward to further reforms coming forward. As far as the priorities are concerned, were the reforms in this bill prioritised in the way that you would have prioritised them or would you have seen other reforms that are recommended as more important?

Mr Worrall: I would come back to what I said in my opening statement. I think the reforms proposed in this bill are an important first step. I am supportive of these reforms and look forward to the next tranche of reforms coming through for which work is currently underway. The task force has been consulting with us around the next tranche of reforms.

Mr CRANDON: In relation to what you said a moment ago about the peak time for you being after the end of the financial year for several months, I hear what you are saying in one respect. I understand all of that. My background is in finance et cetera. Why would your position be that that is a peak time for you? Why could you not manage your auditor role over a longer period or pick the down time, if you like?

Mr Worrall: I would say we have been very good at doing that over a number of years, even before I came into this role. We have definitely shifted our utilisation. We have flattened that somewhat and we have brought more work forward to pre 30 June. The reality is that there are still activities that need to be done post 30 June, particularly around the financial report, particularly if there are accounting estimates involved. Some of the biggest and most common accounting estimates in the public sector environment are the valuation of non-current assets at fair value. A lot of that work by the entities is only coming through in the back end of the financial year or even after 30 June. We have probably got to the point where there is not much more we can do.

CHAIR: The committee appreciates firstly that you come from the public sector in the spirit of wanting to give back to the Public Service through your experience. However, we also want to see, as representatives of the public, great value and cost constraint. We want to see those two things in tension. We know that you are very aware of that. Some future Auditor-General could be much more expansive in their role. As you said, they are a monopoly provider. Is that a concern under some future Auditor-General?

Mr Worrall: I do not think so. All we are really saying is that the approval process for rates should actually be by the parliamentary committee and not by the Treasurer. Those rates the Treasurer is setting are really rates for the government to charge to external parties; they are not an internal rate. If the committee provides that oversight, I have no issues with that. I have no issues about being accountable and transparent. We are just saying that that mechanism should be provided by parliament and not by the Treasurer.

There is also a lot of transparency about our rates because 86 per cent of our revenue is derived on a fee-for-service basis. For us to generate that revenue, we have to provide an audit engagement plan to every one of the public sector entities throughout the state through their audit committee that will detail what we see as the risks in the audit, we will detail our response to those risks and we will also detail what our anticipated fee is going to be. Every audit committee around the state is actually managing their own audit fee through our process, if you know what I mean.

CHAIR: We regularly meet with you and put questions to you about the administration and costs. You or the office at that point could put forward arguments about the need for increased fees, the nature of the market when it comes to people with the skill sets you require—all of those sorts of things. We as a committee could do a report to recommend to the parliament, and indeed to the Treasurer, to have an increase in fees under the current structure. We are free to make those decisions. Isn't that sufficient—for the committee to be able to represent that view?

Mr Worrall: Again I come back to the fact that you have some deferral to executive government. I do not really think that is appropriate.

CHAIR: As the Auditor-General with a close eye on the finances that we have, how many other committees do you think should have executive powers to set budgets separate to the budgetary process?

Mr Worrall: Again, I think it comes back to the role of the Auditor-General and who the Auditor-General is responsible to.

CHAIR: But a lot of committees should have the role to be able to set Public Service budgets?

Mr Worrall: Sorry?

CHAIR: A lot of committees should be able to set budgets separate to Treasury as a principle of good finances?

Mr Worrall: I think some of those entities are probably part of the executive. All I am saying is that we are not part of the executive. I am the parliament's auditor. It would really be appropriate for parliament to set those fees. I have no issues with that, with no deferral to the executive.

CHAIR: With respect, Auditor-General, I think a lot of other bodies would be quite enthusiastic about having committees set their budget separate to the Westminster tradition of executives having control over the budget, would they not?

Mr Worrall: Besides the rate, the other component of our fees is the hours. The rate is just the charge-out rate—what I charge out the labour for. The other component of what results in an audit fee for a particular entity is how many hours it is going to take to do the audit and what level of staff I will need to do that audit.

CHAIR: Again, those are things that we would ask questions about regularly. If the committee so chose, we could make recommendations on that basis.

Mr Worrall: They are things that the audit committees themselves will challenge. From time to time they will challenge us on scope, on fees and things like that. All I am saying is that the fee rate is just a component of the actual audit fee that we would charge an entity.

Mr STEVENS: Mr Worrall, just for clarity in terms of what the chair was alluding to in relation to other committees—and correct me if I am not right here—what you are saying is that, because you are such an independent body auditing government departments independently and government programs independently, the Treasurer should not set the rates. All treasurers try to cut the cloth. We understand that is their job, along with the CBRC and all of those things. This is not about the legal affairs committee setting the budget for the Attorney-General or the health committee setting the budget for health. You are saying that, because you are an independent body, the portfolio committee representing the parliament, the EGC, would be the appropriate parliamentary committee to oversight the fees that you charge.

Mr Worrall: Yes, that is exactly what I am saying. Our audit fees across the public sector, I think, are 0.2 per cent of public sector expenditure. At the end of the day, they are by no means a significant part of any of these entities' operating costs. In terms of the fee increases we have had over the past 10 years, I think we have had about five per cent or a bit over five per cent in actual fee increases, yet the costs increased by 12½ per cent. I would say, if anything, over the past 10 years we have actually been delivering efficiency dividends back to the public sector.

CHAIR: Mr Worrall, of course this committee is very supportive of your work. However, if a future committee perhaps was more critical then would they have the ability to cut the fees that an auditor-general was putting in place?

Mr Worrall: Yes, they would. I think better that the parliamentary committee does it than any treasurer because it only takes a few bad actors and then we could actually be starved of resources through not having fee increases. In that 10-year period we actually had three years when there were no fee increases.

CHAIR: Sometimes the deputy chair ascribes to me bad motives, but we will leave it at that.

Mr CRANDON: Mr Worrall, I imagine that the difficulty you are experiencing in relation to attracting staff could be addressed if you were able to increase the fee structure to attract—‘better quality’ are the wrong words—appropriate levels of experience in the marketplace given that you are competing with banks and other financial institutions.

Mr Worrall: It is not just the fees. I think the important bit there is about the remuneration and having flexibility to try to hang onto somebody who has a better offer or to attract somebody who, at the moment, under the current arrangements, I would not be able to afford because of Public Service overlay.

CHAIR: There being no further questions, we thank the Auditor-General for his appearance here today. I note that no questions were taken on notice.

COX, Mr Andrew, Member, Management Committee, Australian Professional Government Relations Association (via teleconference)

CHAIR: Mr Cox, would you like to make an opening statement before we ask our questions?

Mr Cox: Yes, I would, Chair. I start by apologising for not being there in person and thanking you for allowing me to participate via teleconference. On behalf of the Australian Professional Government Relations Association, I thank you for this opportunity. I hope that I am able to offer some additional insights to assist the committee in its deliberations. My name is Andrew Cox and I am an elected member of the management committee of the APGRA. I am currently a partner at GRACosway, the specialist consulting firm that provides an integrated suite of public affairs and corporate finance communication services.

For context, the APGRA is a professional association for consulting and in-house government relations practitioners around Australia. For example, a consulting firm like mine is engaged by different companies and organisations to assist them with government relations activities or in-house government relations professionals who work for a range of businesses, not-for-profits, charities, industry bodies et cetera to represent the interests of their individual employer. The APGRA's binding code of conduct, included in our submission to this inquiry, promotes the highest standard of government relations practice in Australia. A failure of members to satisfy and commit to the code of conduct membership rules are grounds for declining or cancelling the membership. The code operates alongside the regulatory framework and legislation and codes in Queensland and other jurisdictions, thereby creating a strong co-regulatory framework to ensure the profession continues to operate in an ethical and transparent manner.

For the benefit of the committee, I make it clear that lobbying is only a small part of the role of government relations professionals. We also assist in, for example, researching and advising organisations on current policy settings, assisting on the formulation of a case to government on legislation and other things, monitoring ongoing developments in public policy and parliament, community consultation, education campaigns, the preparation of submissions and reports and general research.

As noted in our submission, the APGRA continues to support the regulatory framework in place in Queensland with aims to ensure that contact between lobbyists and government and opposition representatives is conducted in an ethical and transparent way. As the national peak body for the professional government relations sector, the APGRA supports the Queensland government's intention to ensure those undertaking lobbying activities are appropriately registered and captured by the framework. We acknowledge and welcome the changes to lobbying rules that have been announced by the Queensland government in recent times.

In regard to the bill being considered today, the main area we are focusing on is the potential unintended consequences relating to the creation of a new offence for unregistered lobbying. As we have outlined, there appears to be no way to distinguish between inadvertent unregistered lobbying of those attempting to do the right thing and those deliberately subverting the lobbying regulatory framework. We have outlined ways in which we think this scenario could be addressed through a warning system managed by the Integrity Commissioner on which I am happy to expand further. Chair, I am now happy to answer any of your questions.

Mr STEVENS: Mr Cox, lobbying has become a great concern in terms of some of the unregistered lobbyists et cetera. You have raised concerns about the inadvertent or unintended consequence from the mistake of an unregistered lobbyist. Can you give us an example? If you are lobbying for something, whatever it is—and you mentioned quite a few examples in your opening address—you must be acutely aware that you have to comply with all issues in relation to the laws; otherwise, it is like saying, 'I didn't know the law on speeding was that I couldn't do over 60.' If you are a lobbyist and you are lobbying for things, what are the circumstances around what you believe might be an inadvertent mistake that would excuse you from the legislative punishment resulting from unregistered lobbying?

Mr Cox: Thanks for the question and I think it is a good question. The examples that we are talking about here are technical, human error or IT mistakes. The members of our organisation and the company I work for see this in jurisdictions across the country, where there can be mistakes inadvertently made by the online portal system where the registration process is undertaken. There can be other mistakes made where no-one is to blame for the mistakes that are made but, from time to time, there can be mistakes at an IT level. We try to minimise as many mistakes as possible, as we take these compliance regulations extremely seriously. What we are saying is that we want to

make sure there is a distinction between those honest mistakes that we have tried to limit as much as possible and the deliberate subverting of the laws of unregistered lobbyists who are trying to go in the back door. That is the distinction we are trying to make here.

Mr STEVENS: Does the fact that there is a new platform being developed allay any of your concerns?

Mr Cox: I think it does. We have been engaging with the integrity reform task force and others involved in these processes. I think that is a positive step, definitely. We want to make sure that with the inadvertent human error there is at least a step in between where what we are saying to the Integrity Commissioner is to seek pause to get an understanding of why this unregistered activity has taken place. As we have outlined in our submission, we think there is a good system at the federal level with the Attorney-General's department, where the secretary of the department is able to ask for reasons why this has happened and any justifications, and this is to give an explanation prior to anything being referred to law enforcement or integrity bodies.

CHAIR: Mr Cox, many of the people engaged in lobbying are people who have had considerable experience with either government or politics. They purport to their clients to have knowledge about the systems of government. Shouldn't those people be able to understand their obligations under this process and be able to fulfil them?

Mr Cox: I think that is entirely fair. People who are registered lobbyists should be well aware of the requirements under the law and the codes in place in Queensland and other places to know what the compliance is for them to be able to do their job. I think that is a fair comment, yes.

CHAIR: As there are no further questions, I thank you and the Australian Professional Government Relations Association for your submission. Certainly it will inform our deliberations on this issue. We thank you for your participation here today. I note that no questions were taken on notice. Thank you very much, Mr Cox.

GOLDMAN, Mr Daniel, Director, Industrial Policy, Together Queensland Industrial Union of Employees

CHAIR: Mr Goldman helped inform our earlier public inquiry. Would you like to make an opening statement before we start?

Mr Goldman: Just briefly, thank you, Chair. We support many aspects of this bill and we support, for example, the independence of the Auditor-General and the Audit Office. However, we have concerns about the removal of public sector conditions and entitlements from the Audit Office. We acknowledge that there are some protections in the bill for particular employees currently employed, but there are two competing policies or aspects of policy. One is that there are to be these whole-of-sector conditions and entitlements and minimums and standards that are to apply as widely as possible. Also, there is the other policy agenda around the independence of integrity agencies. Both of those are important. We are concerned that removing the public sector conditions from staff of the Audit Office going forward is not the most appropriate or balanced position to take.

With respect to some of the comments that have been made by the Auditor-General, we certainly support the lack of interference in decisions of the Auditor-General and the Audit Office in their functions but also in relation to public sector employment decisions. Therefore, we would say it would be entirely appropriate that various aspects of the functions of the act around reviews and reporting to various other bodies in relation to public sector disciplinary matters or those sorts of things may not be appropriate, but we think the framework and the minimum conditions and standards are appropriate to be applied as widely as possible. In our discussions with the Public Sector Reform Office we have suggested some principles around our position that, where things have to be limited in order to provide independence, it happens to the minimum extent required.

In terms of the specific points the Auditor-General went to, the attraction and retention of staff is, and is increasingly going to be, an important factor for all of these public sector agencies. We would suggest that certified agreements in the negotiation of industrial conditions are part of the way to do that. If the Auditor-General wants to pay staff more to attract them, then that can be done under the current arrangements through a certified agreement which sets higher wages and conditions and would enable that to occur. We certainly agree that the caps to public sector employment and barriers to recruitment selection were a problem and they applied right across the Public Service.

We would also suggest that the drive expressed by the Auditor-General to make the Audit Office an employer of choice and attract staff is something for which there is also an underpinning policy drive by the current state government, as recommended in the Coaldrake report. These are things that government is wanting to do across the whole of the public sector. We are concerned about taking agencies out of that public sector framework to achieve that same thing, when the whole of the sector should be moving towards the capacity to be an employer of choice and compete for staff.

Mr STEVENS: You might have been here when the Auditor-General was explaining to the committee how difficult it is for the Audit Office to compete with the private sector, in particular in relation to the job descriptions they have. You have obviously gone against the Coaldrake report recommendation. I take it that the Auditor-General may have to offer salaries competitive with the private sector which may be over and above what normal public sector moneys would be. What you are saying, I gather, is that they should be able to pay those extra staff plus take on board all the public sector requirements. Do you find that a little bit difficult for the Audit Office as an employer when they have to compete with these other organisations?

Mr Goldman: None of the minimum entitlements and conditions in the Public Sector Act in terms of entitlements or conditions for staff would be limiting on the Auditor-General in terms of attracting and retaining staff. They are minimum standards. They are mostly things that go to attract and retain staff.

Mr STEVENS: They are on top?

Mr Goldman: Yes. In relation to remuneration for more highly remunerated staff they are seeking to attract and retain, we do not oppose those sorts of arrangements. What might be the case now in the labour market we have, where pushing up wages and conditions for a particular cohort of staff might be where the market might take the Audit Office, is not unique but a particular set of circumstances. Were we to completely divorce the Audit Office from public sector standards and conditions, there might be other times and conditions where a race to the bottom on cost might be the pragmatic thing to be done by an Audit Office. Competing with the private sector in a tight labour market and paying more is one thing; competing on cost based on the other submissions the
Brisbane

Auditor-General made may well be to provide less employment security, fewer conditions and standards to large parts of the Audit Office because of other factors of competition or in order to pay the high salaries to a few individuals. That would be a range of our concerns about that.

Mr STEVENS: We see the Audit Office as a very independent body. They see themselves as an independent body. The government sees them as an independent body. Do you feel that as an independent body they can better deal with the business of being an independent body by making directions, particularly financial directions, which suit their operation themselves?

Mr Goldman: We support the outcomes of the Bridgman review, which suggested there should be whole-of-sector public sector conditions and standards. There are a range of integrity agencies for whom there is an arrangement that protects the independence of statutory officers, including in this bill in relation to the integrity office, and ensures that officers of the integrity office cannot be directed in the performance of their duties. It ensures a range of those things. We think having a common framework around minimum entitlements and conditions is appropriate in this case.

CHAIR: This is a tough question about whether these independent bodies are public servants or whether they are separate and accountable only to parliament and the parliamentary committees. Would you be comfortable if we were the body that had oversight over issues such as bullying, sexual harassment and all of the complex issues you deal with? We have our own concerns, but I would like your opinion.

Mr Goldman: I think there are some concerns there. I think there are important principles such as the independence of statutory officers, but there are also important principles about the independence of a Westminster Public Service. While this is an independent agency, it is an agency that would, but for the particular provisions in this bill, be part of the public sector. That has been drawn very widely very deliberately by the Bridgman reforms, and we really think that should be limited only very exceptionally. We accept there should be some limitations for the Audit Office, but they should be minimised to only those ones that genuinely interfere with the independence of the office and their capacity to do that work independently.

Mr TANTARI: Mr Goldman, in your submission you raise a concern that the employee could be seconded to a position with the QAO with reduced conditions and entitlements without their agreement. On what basis do you raise this concern?

Mr Goldman: Under the Public Sector Bill the committee looked at this morning, there are two different arrangements for the movement of staff on a temporary basis: there are secondments that only apply to the Public Service, and those secondments are done through agreement between chief executives; then there are mobility arrangements which apply more widely, and those mobility arrangements expressly provide for agreement with employees. There are some differences between Public Service employment and public sector employment. One of those is that when you are a public servant your employer, the state of Queensland, has some powers over you that may not be the case in other places. The right to transfer employees and second employees is one of those Public Service rights.

Very deliberately through consultation the mobility arrangements that apply more widely than the Public Service are limited to only where there is the agreement of the employee, so that employees who are not public servants and Public Service officers cannot be picked up and moved around without their agreement. Our concern in relation to this bill is that it introduces the idea of secondment—it takes it out of the Public Service Act into this bill—and does not appear, on its face at least, to have those protections. It is not clear on what basis a decision could be made to second an employee from any public sector agency into the Audit Office and what rights an employee might have to say no or to negotiate conditions in relation to that move. That is certainly a concern of ours.

CHAIR: Thank you for your appearance. We have certainly got our money's worth out of you. I note there were no questions taken on notice. There being no further questions in this session, thank you for your assistance. That concludes today's hearing. Thank you to everyone who participated today. Thank you to the Hansard reporters. A transcript of these proceedings will be on the committee's webpage in due course. I declare this public hearing closed.

The committee adjourned at 12.39 pm.