



Finance and Administration Committee

Report No 3: Annual Report 2010-11

Introduction

1. The *Parliament of Queensland (Reform and Modernisation) Amendment Act 2011* was introduced on 5 April 2011 and received Royal Assent on 19 May 2011.
2. The Act implemented a number of key reforms to the committee system including the establishment of a number of portfolio committees under Standing Orders to cover all areas of government activity, examine Appropriation Bills, other legislation and public accounts and public works.
3. The Finance and Administration Committee is a portfolio committee established by the Legislative Assembly on 16 June 2011.
4. In accordance with the legislation, the committee is required to table in the Legislative Assembly a report about its activities during the year. The report must include:
 - a list of meetings and the names of members attending or absent from each meeting
 - a summary of issues considered during the year
 - a brief description of ministerial responses to committee recommendations
 - a statement of the committee's revenue and expenditure.¹
5. This report has been prepared in accordance with these requirements for the period 16 June 2011 to 30 June 2011.

Committee Members

6. Committees comprise three members nominated by the Leader of the House and three members nominated by the Leader of the Opposition.

Finance and Administration Committee (53rd Parliament)



From top left to bottom right: **Mr Wayne Wendt MP**, Chair and Member for Ipswich West (ALP); **Mr Tim Nicholls MP**, Deputy Chair and Member for Clayfield (LNP); **Ms Ros Bates MP**, Member for Mudgeeraba (LNP); **Hon Desley Boyle MP**, Member for Cairns (ALP); **Ms Peta-Kaye Croft MP**, Member for Broadwater (ALP); and **Mr Ray Stevens MP**, Member for Mermaid Beach (LNP).

It should be noted that subsequent to the end of the financial year, Mr Tim Nicholls MP was replaced on the committee by Mr Michael Crandon MP, Member for Coomera.

Role of the Committee

7. The committee is a portfolio committee of the Legislative Assembly with the following areas of responsibility:
 - Premier and Cabinet;
 - Reconstruction;
 - Treasury;
 - Finance;
 - Arts; and
 - Public Works and IT.

¹ *Parliament of Queensland Act 2001*, s108

8. In relation to its areas of responsibility, the committee:
- examines bills to consider the policy to be enacted;
 - examines the estimates of each department;
 - examines bills for the application of the fundamental legislative principles set out in the *Legislative Standards Act 1992* (s4);
 - considers the lawfulness of subordinate legislation;
 - assesses the public accounts of each agency within the areas of responsibility in regard to the integrity, economy, efficiency and effectiveness of financial management by:
 - examining government financial documents; and
 - considering the annual and other reports of the auditor-general;
 - considers the public works of each agency within the areas of responsibility in light of matters including, but not limited to the:
 - suitability of the works for the purpose,
 - necessity for the works,
 - value for money of the works,
 - revenue produced by, and recurrent costs of, the works, or estimates of revenue and costs,
 - present and prospective public value of the works,
 - procurement methods used for the works, and
 - actual suitability of the works in meeting the needs in and achieving the stated purpose of the works.
9. The committee also has oversight functions in relation to the Auditor-General and the Integrity Commissioner.

Auditor-General and Queensland Audit Office

10. The Auditor-General Act gives the committee specific statutory responsibilities in relation to the Auditor-General and the Queensland Audit Office (QAO).

Appointment and removal of Auditor-General

11. The Premier (as the responsible minister) must consult with the committee about the appointment selection process, the appointment of the person as Auditor-General and the terms of appointment. The committee must also agree to any proposed motion to remove the Auditor-General from office.²
12. The current Auditor-General's term expires in December 2011.

Audit office budget

13. The Treasurer must consult with the committee in developing the annual budget of the audit office³.

Strategic reviews

14. Strategic reviews of the audit office must be conducted every five years by appropriately qualified persons appointed by the Governor in Council. The Premier is required to consult with the committee on the appointment and the terms of reference.⁴
15. Such reviews include an examination of the Auditor-General's functions and the performance of those functions to assess whether they are being performed economically, effectively and efficiently.
16. Under section 70(7) of the Auditor-General Act the report is referred to the committee.
17. The next Strategic Review Report is due by June 2016.

² Auditor-General Act 2009, ss9, 11 and 18.

³ Auditor-General Act 2009, s21

⁴ Auditor-General Act 2009, ss68, 69 and 70

Reporting of sensitive information

18. If the Auditor-General considers that disclosure of a matter in a report to Parliament would be against the public interest, the matter must be reported to the committee instead⁵.
19. The Auditor-General did not report any matters of this nature to the committee during the reporting period.

Pecuniary interests declaration

20. The Auditor-General is required to lodge a pecuniary interests statement with the Speaker. The Speaker must provide a copy of the statement to the committee if requested.⁶

Audit Office strategic plan

21. The *Financial and Performance Management Standard 2009* (s9) requires that accountable officers⁷ develop a strategic plan and in developing the plans they must comply with the document called 'Agency planning requirements' prepared by the Department of Premier and Cabinet.⁸
22. That document requires that the Auditor-General consult with the Treasurer and the committee about the resource implications of strategic plans for the audit office.⁹

Integrity Commissioner

23. The *Integrity Act 2009* also gives the committee specific statutory responsibilities in relation to the Integrity Commissioner.
24. These responsibilities include:
 - to monitor and review the performance by the integrity commissioner of the integrity commissioner's functions;

- to report to the Legislative Assembly on any matter concerning the integrity commissioner, the integrity commissioner's functions or the performance of the integrity commissioner's functions that the committee considers should be drawn to the Legislative Assembly's attention;
- to examine each annual report tabled in the Legislative Assembly and if appropriate, to make comment on any aspect of the report and to make recommendations;
- to examine each strategic review report tabled in the Legislative Assembly and if appropriate, to comment on any aspect of the report and to make recommendations;
- to report to the Legislative Assembly any changes to the functions and procedures of the integrity commissioner the committee considers desirable for the more effective operation of the Act;
- other functions conferred on the committee by the Act.¹⁰

Strategic reviews

25. The Integrity Act also requires that a strategic review of the integrity commissioner's functions is conducted within 4 years after the commencement of that section of the Act.¹¹ The first strategic review must be conducted by January 2014.
26. The Minister is required to consult with the committee about the appointment of the reviewer and the terms of reference of the review. Once tabled the report is deemed to be referred to the committee.¹²

⁵ *Auditor-General Act 2009*, s 66

⁶ *Auditor-General Act 2009*, s 12

⁷ The Auditor-General is the accountable officer for QAO under the *Public Service Act 2008*.

⁸ *Financial and Performance Management Standard 2009*, s 9

⁹ Queensland Government, *Agency Planning Requirements*, October 2010: 11-12

¹⁰ *Integrity Act 2009*, s89

¹¹ *Integrity Act 2009*, s86

¹² *Integrity Act 2009*, s88

Committee Reports and Inquiries

Committee Inquiries

27. The committee was allocated responsibility for examination of the budget estimates for its portfolio areas as well as the Legislative Assembly and Parliamentary Service.
28. It should be noted that Mr Murray Watt MP, Member for Everton, was appointed to the committee to replace the Hon Boyle for the Estimates process.
29. This inquiry will be completed in the next reporting period.

Committee Expenditure

30. The committee is funded from the appropriation made to the Legislative Assembly.
31. Details of the Finance and Administration Committee expenditure for the period 1 June 2011 to 30 June 2011 are set out in the following table:

Detail	\$
Staff salaries and related expenses	18,238
Employer superannuation contributions	2,982
Salary related taxes and workcover	1,659
Travel expenses	6,743
Advertising, printing and stationery	0
Meeting/Hearing expenses	18
Telecommunication costs	174
Subscriptions and publications	0
Total Expenditure	29,814

32. The committee did not have a budget allocation for the 2010 – 11 financial year.

Meeting Attendance Record

16 June 2011 – 30 June 2011						
Meeting Date	Wendt	Nicholls	Bates	Boyle	Croft	Stevens
17.06.11	✓	✓	✓	✓	✓	

Committee Secretariat

33. The committee is supported in its' activities by a Research Director, a Principal Research Officer and an Executive Assistant (job share position).

Wayne Wendt MP
Chair
August 2011

Contacting the committee

Copies of committee publications are available on the Internet via the Queensland Parliament's home page at: www.parliament.qld.gov.au

For further information please contact the committee secretariat:

Finance and Administration Committee
Parliament House
George Street
Brisbane Q 4000

Telephone: 07 3406 7576

Fax: 07 3406 7500

Email: fac@parliament.qld.gov.au