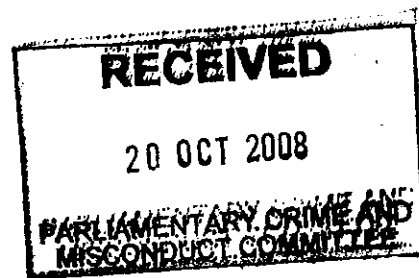


Auditor-General of Queensland



17 OCT 2008

Your ref:
Our ref:

00-3242
P Christensen 3405 1118

Mr P Hoolihan MP
Chairman
Parliamentary Crime and Misconduct Committee
Parliament House
BRISBANE QLD 4000

Dear Mr Hoolihan

Thank you for your letter of 18 September 2008 seeking a submission to the Committee's three year review of the Crime and Misconduct Commission.

I have provided comments below on two aspects of the CMC's functions, powers and operations as requested by the Committee, being the jurisdiction, functions and powers of the CMC and the devolution of responsibility for prevention of and dealing with misconduct. QAO's dealings with CMC are in the area of misconduct and therefore comments have been limited to this area.

JURISDICTION, FUNCTIONS AND POWERS OF THE CMC

The *Crime and Misconduct Act 2001* currently precludes the CMC from investigating misconduct in all public sector entities.

The scope and extent of my powers as Auditor-General extend to a broader range of public sector entities than are covered by the CMC. This may lead to some confusion as to the oversight undertaken by our respective organisations. While it is recognised that this issue has been considered previously by the Committee, accountability would be improved by extending the mandate of the CMC to cover all public sector entities.

DEVOLUTION OF RESPONSIBILITY FOR PREVENTION OF AND DEALING WITH MISCONDUCT

A memorandum of understanding has been in place between QAO and the CMC since 1994. This memorandum sets out agreed conditions for mutual cooperation, information sharing, cooperative operations and preservation of information between QAO and the CMC while maintaining their independence.

Under this arrangement, the CMC refer issues to QAO which they consider may have financial or audit implications for investigation. Ongoing liaison with the CMC ensures that the requests that the CMC forward are appropriate for QAO and are within the boundaries of QAO's mandate.



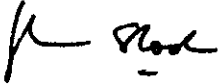
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A liaison officer role is in place in both entities to ensure that action to be taken is agreed upon. This arrangement is operating effectively. Officers from QAO's local government audit area and those dealing with issues arising from Aboriginal Shire councils and former Torres Strait Island councils also meet with CMC officers on a regular basis to discuss accountability issues.

Overall, the CMC appears to be adequately performing their current misconduct responsibilities.

If you would like to discuss this matter further, please contact me or have one of your officers contact Mr Paul Christensen, Acting Director – Audit Policy and Reporting, on 3405 1118.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Glenn Poole'.

Glenn Poole
Auditor-General