



Speech by

Wayne Wendt

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AUDITOR-GENERAL BILL; FINANCIAL ACCOUNTABILITY BILL

Mr WENDT (Ipswich West—ALP) (9.27 pm): I rise to contribute to this debate on the Financial Accountability Bill and to comment specifically on the roles of the chief financial officer and the head of the internal audit department which will be across the Queensland public sector. As we know, the Financial Administration and Audit Act provides for the officer responsible for the financial administration of the department, the modern equivalent term being the chief financial officer. This bill requires every accountable officer to nominate an employee to assume the responsibilities of the chief financial officer. As such, the bill establishes minimum responsibilities attached to the role. Although these responsibilities are similar to those that are currently undertaken within departments, they recognise that the role has evolved over time from focusing on transaction processing to providing strategic advice and financial analysis to senior management and the accountable officer.

I think it is important to set out the minimum responsibilities of the officers nominated to take on the role of the chief finance officer. These responsibilities include the responsibility for financial resource management—that is, profit and loss and balance sheet management—including the establishment, maintenance and review of financial internal controls; budget management, including monitoring actual performance against budget; the preparation of financial information, including annual financial statements to facilitate the discharge of the department's statutory reporting obligations; the provision of advice on the effectiveness of accounting and financial management information systems and financial controls in meeting the department's requirements, for example, advising on the implementation of new accounting packages; providing advice concerning the financial implications of the financial risks to the department's current and projected services, for example, the budgetary impact of commencing new capital projects; and, finally, to develop strategic options for the department's future financial management capability, for example, being aware and advising on emerging issues that may impact the financial area of an agency.

These minimum responsibilities reflect the increased use of the shared service providers for basic transaction processing. As such, if the department's finance function has been outsourced to another public sector entity, it is important to know that the bill allows the accountable officer to nominate an officer in the service provider to assume the chief financial officer's role. This will ensure the department does not need to employ an officer specifically to take on the role and the minimum responsibility will still be applicable to any officer performing that role.

In addition to the above, the chief financial officer will be required each year to give the accountable officer a statement about whether the financial internal controls of the department are operating efficiently, effectively and economically.

Closely aligned with this role is the requirement that the bill also requires every accountable officer to nominate an officer to assume the responsibilities of head of internal audit. As with the chief financial officer, this is a key accountability role within departments and the bill will provide more clarity and standardisation around the minimum responsibilities of this officer.

I believe that the new roles framed above for both the chief financial officer and the head of internal audit will indeed make their jobs more accountable and transparent and, as such, I commend the bill to the House.