



Speech By
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MEMBER FOR GYMPIE

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ECONOMICS AND GOVERNANCE COMMITTEE

Report, Motion to Take Note

 **Mr PERRETT** (Gympie—LNP) (2.06 pm): I rise to speak on the Economics and Governance Committee's report No. 44, *Examination of Auditor-General reports*. The committee investigated seven AO reports referred to it between May 2022 and March last year. It considered the Auditor's findings and recommendations and responses from government departments and entities. It also investigated whether any, and how comprehensively, recommendations were implemented. The reports were about state entities, appointing and renewing government boards, improving grants management, managing Queensland's COVID-19 economic response and recovery, the status of Auditor-General's recommendations and managing workforce agility in the Queensland public sector.

Report No. 4 of 2022-23, status of Auditor-General's recommendations, checked whether departments and entities had effectively done their homework. It checked the progress of 56 public sector entities in implementing 454 recommendations contained in 34 reports covering a broad range of responsibilities. The AO found some common and recurring issues were systemic across government. Areas for concern were strengthening governance and oversight, better use of information technology and data, managing contracts and projects effectively, and understanding the impact of government restructuring. The Auditor referred to Professor Coaldrake's 2022 review of culture and accountability in the Queensland public sector, which identified that effective leadership is vital to ensuring a culture focused on integrity, accountability and achieving excellent service delivery. Professor Coaldrake found—

... an integrity system under stress trying to keep check on a culture that, from the top down, is not meeting ... expectations.

In a range of issues which hindered meeting expectations Professor Coaldrake included—

... the erosion of functions designed to hold government to account, such as the Auditor-General ...

Good governance can foster improvement, but it requires transparency, accountability and integrity. Unfortunately, the government views integrity, accountability and transparency as a political and media nuisance and an image problem. Transparency requires providing timely information, clarity about what is done and why, learning from mistakes and improving processes. Otherwise, decisions are being made in a vacuum. More concerning is that problems are not being addressed, not found or just covered up. If you really want to fix the problem, you must be open about what it is. Crisis after crisis has been exacerbated because of the government's culture of secrecy and lack of integrity. It is defining it.

The Auditor found that, while 74 per cent of its 229 recommendations were implemented, only some departments detailed comments explaining their actions and their outcomes. The committee noted the Auditor's concerns that other departments lacked sufficient detail and did not explain why a recommendation was not implemented and that few entities clearly explained the outcome of their

actions despite being asked to provide such an explanation. The primary goal of departments should be about service to the public. The Auditor warned that improved delivery of public services was to manage risk by providing effective leadership, accepting change and learning from past experiences. The Auditor warned that to meet expectations of accountability, transparency and integrity requires the public sector upholding high standards of governance and that it must not see governance as mere compliance. He said—

... entities are either unwilling to learn from the past or each other, or lack the ... corporate knowledge to understand the reasons for past failings. In some instances, the fear of repeating past failures is resulting in ... missing opportunities to implement new systems and technologies.

He also found that the lack of data sharing prevented learning from the mistakes of others and recurrence. He also found the independence of audit committees was questionable. He said—

Too often, I find audit committees of departments with large numbers of internal members ... This, in effect, renders them merely a management committee, and makes it difficult for them to independently challenge management's actions and hold management to account.

He found timely and accurate reporting was absent and a failure to develop specific performance targets that are relevant, achievable and measurable. The Auditor-General found repeated gaps in how information was monitored and performance recorded with the focus on outputs rather than outcomes. He said—

They do not shine light on the effectiveness of their performance. Too often, entities only report success stories and fail to report areas of underperformance.

Report after report and still nothing has changed. The government still refuses to release data, sits on reports, muddies messages, changes the parameters of the data so there can be no comparison and tweaks definitions. It is done to hide the reality of the crime crisis, a health crisis, a cost-of-living crisis and a housing crisis. This is what Queenslanders get when, from the top down, this government is focused on how things look and not how they are.