

Seminar for ANAO staff on Working
with Parliamentary Committees.
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**Relating to the Parliament and
Its Committees**

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RELATING TO PARLIAMENT AND

ITS COMMITTEES

First, thanks to Harry Evans, Clerk of the Senate, for making the time available to address the group this morning. Your participation in this seminar is very much appreciated. Harry has been raising questions about the Westminster system in general and the responsibilities of Ministers and public servants in particular. As well, he has raised the question about just how far can Parliamentary Committees go in practice to hold those two groups accountable for program performance. As Senator Coates, for one, has noted, there is a real problem of available time to get across issues in a busy Parliamentary schedule.

Second, I would also like to thank the Parliamentary Education Office (through John Carter and Brian McNamara) for their assistance in planning the seminar and arranging the venue.

As you are aware, our vision statement specifically refers to Parliament as a stakeholder, perhaps the most important one in the eyes of most. I would agree, provided that it is well understood that Parliament includes all the elected representatives of the people, not just the Government nor just the Opposition. Parliament is a vehicle that facilitates public accountability. In that sense it is a means to an end from the community's viewpoint.

We are not responsible to Parliamentary Committees nor to individual Parliamentarians but we have important obligations to them. I am answerable to the Parliament. The Office is enjoined in that responsibility. We certainly have a close relationship with the JCPA which reviews all our reports other than those referred to another Committee. As well, we work closely with the Senate Committee on Finance and Public Administration and the House of Representatives Committee on Banking, Finance and Public Administration. Indeed we endeavour to be helpful to all Parliamentarians but there are practical limits to our capacity to provide individual assistance. That is why we need to work through the various Parliamentary organisations, including the Parliamentary Committees.

The Audit Bill envisages an Audit Committee. There is support for the JCPA to have that role. In essence, we have been working with that Committee in a similar role. The Committee recognises the independence of the Auditor-General and endeavours to work in a consultative/co-operative manner rather than endeavouring to dictate what we do and how we do it. There is always a danger that a benefactor might assume a directing role as the quid pro quo for its support or, at the very least, an expectation of compliant behaviour. As in most power relationships, there is a real issue of balance and recognition involved in understanding the respective roles of each party and the benefits of mutual co-operation. In practical terms, Parliament supports its Committees but does not always agree with them. The Committees have to be credible and persuasive. That is why they need strong professional support both from their own staff, including seconded staff, and from the bureaucracy even if they do not necessarily agree with the latter and are demonstrably critical of it on many occasions.

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We have recently received a letter from Grant Harrison, Secretary to the JCPA, seeking discussion of possible alternative review processes. Grant drew attention to the two types of reports prepared by the Committee, that is, focused and compendium reports. In brief, these result, respectively, from a public inquiry into audit reports of particular interest to the Committee (such as *Report 332, The Australian Government Credit Card*, *Report 333, the Sale of Aussat*, *Report 338, Accrual Accounting - A Cultural Change*, and *Report 340, Cash Matters - Cash Management in the Commonwealth*); and from a desk review of the balance of the audit reports tabled in any given financial year (such as *Report 330, Review of Auditor-General's Reports, May 1991 - September 1992*, and *Report 337, A Focus on Accountability, Review of Auditor-General's Reports, 1992-93*).

Grant went on to identify the following issues being considered:

- the relationship between the JCPA's review process, the ANAO's follow-up audit process and the Minister for Finances quarterly return process;
- the value, significance and timeliness of the JCPA's compendium reports vis-a-vis the JCPA's focused reports; and
- the merits of the audit review processes in other jurisdictions, especially the public hearing review procedures used by the UK Committee of Public Accounts.

He also noted that the Committee has expressed interest in a review process which combines elements of our current procedures with elements of the UK process. As he has explained to me, the latter is mainly to do with the public hearings of the Committee. I support the notion of public hearings as they reflect the transparency required in being accountable for performance.

I stress the need for ANAO's assistance to Parliamentary Committees to be professional based on our experience and skills. The role is advisory not advocacy. Unfortunately, the latter has all been too readily assumed on both sides on occasions in the past, creating the impression - if not the fact - of capture of views and recommendations. I hasten to add that such capture can be in both directions and can be seen to be detrimental to real accountability to the public generally and even to the credibility (and objectiveness) of Committee reports. The nature of Committees inquiries often tends to be inquisitive and invites a defensive response. Particular criticisms can be divisive and not conducive to identifying the real issues on which attention should be focused. Balance and perspective are at a premium, particularly when the media gets involved. The ANAO needs to participate without fear or favour and be respected - if not loved - for so doing. In particular, it is not in natural alliance with opposition parties against the Government in order to keep them honest. However, the ANAO has an important duty to the Parliament to ensure that government, in its broad definition, is accountable.

I have assured the various Chairs and Committees of the ANAO's full support within our limited resource capability. I have been particularly pleased by the positive and supportive comments made of individual ANAO officers in their various roles on these

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Committees. I regard this involvement as an important element of personal development (PD) for ANAO staff. Participation in the work of Parliamentary Committees will, therefore, remain an integral part of our PD program.

I for one do not have unreal expectations of Parliamentary Committees. They are subject to real constraints in terms of time and resources. The public service has a clear duty and obligation to support their inquiries to the best of its ability. It is hoped that members of those Committees will listen. That will only happen when there is confidence in the professionalism and objectivity of those providing advice. The ANAO will continue to earn that confidence by the performance of the individual officers who directly assist and appear before the Committees. That is what seminars of this kind are aimed to achieve - better performance through better understanding. I know you will add significantly to the latter this morning.

Once again, thanks to Harry Evans and to the Parliamentary Education Office team through John Carter and Brian McNamara.