

PUBLIC SECTOR — AUDITOR GENERAL'S REPORT

828. Ms M.J. DAVIES to the Premier:

I have a supplementary question. I thank the Premier for his answer. The Auditor General commented that there are —

Too many qualifications related to significant deficiencies in payroll and procurement controls, and information system security. This is an indicator of significant shortcomings in these critical areas of financial management and business continuity, and a concerning trend.

What does the Premier say to this comment, given that some of these problems are a repeat from last year and have not been addressed?

Mr M. McGOWAN replied:

A couple of things. I do not think the Leader of the Opposition listened to my answer. In the 2021–22 budget, we have funded a \$500 million investment in the digital capability fund to deal with some of these things. Secondly, we also funded the agency capability reviews to examine agencies and to ensure performance and accountability and drive improvement. Thirdly, we provided additional funding to the Auditor General to uncover these things via targeted forensic audits, and we made a number of reviews to the public sector following the Paul Whyte corruption scandal. All those things have happened. I do not know whether the Leader of the Opposition was listening before, but some of the internal governance and audit arrangement changes were very wise in light of the Paul Whyte affair, and that included the segregation of duties between the officer paying and the officer issuing invoices, which I think is entirely sensible; the rotation of accounting firms; and for audit committees to be independently chaired by a person external to the agency. All those things have been put in place to make sure we improve the situation.