

DERBARL YERRIGAN HEALTH SERVICE

**495. Hon DERRICK TOMLINSON to the minister representing the Treasurer:**

- (1) Is the Treasurer aware that a report by Bentleys MRI Perth Pty Ltd of a financial and organisational review of Derbarl Yerrigan Health Service, completed in April 2001, found, among other things, that cash deficits of over \$3.6 million are anticipated in the 2000-01 financial year and similar losses are forecast for 2001-02; the organisation's financial management processes, reporting frameworks and internal controls are considered inadequate; productivity and recorded volumes are generally very low in most areas, making the unit costs very high; a large proportion of funding for each program is spent on infrastructure and expensive overheads; and the effectiveness of primary health programs being delivered is not readily measurable?
- (2) Is the Treasurer aware that, in addition to purchases from Derbarl Yerrigan Health Service, the Department of Health, through the Office of Aboriginal Health, paid to DYHS an amount of \$526 419 to enable DYHS to meet payroll commitments?
- (3) Will the Treasurer use his power under section 78(3) of the Financial Administration and Audit Act 1985 to require the Auditor General to audit the accounts of DYHS to ascertain whether moneys granted or advanced have been expended in accordance with the purposes of the grant?

**Hon N.D. GRIFFITHS replied:**

I thank the member for some notice of this question.

- (1)-(2) These questions should be referred to the Minister for Health.
- (3) The Treasurer would consider exercise of his power, if appropriate, under section 78(3) of the Financial Administration and Audit Act 1985 on the basis of any advice received from the Minister for Health.