

PUBLIC HOSPITALS, TRUST ACCOUNT AUDITING

419. Mr QUIGLEY to the Minister for Health:

My question follows a report that I read in *The West Australian* last week. What progress has been made in auditing the trust accounts at public hospitals?

Mr KUCERA replied:

I thank the member for his question and note that the member raised this issue during the estimates committee hearings. About 1 000 special-purpose trust accounts are held in the four teaching hospitals in Western Australia; and I thank the member for giving me the opportunity to clarify some of the issues with regard to hospital trust accounts generally. Those trust accounts are valued at about \$70 million. Auditors from Ernst and Young have been reviewing these accounts, and the Government has yet to see the final report. However, a preliminary report highlights a lack of due process, transparency and an accountability framework with regard to the administration of these trusts. The report indicates that this lack of accountability brings with it the potential, as I said during the estimates committee hearings, for misuse of the moneys held in these accounts. These preliminary findings, and the findings of previous reports into hospital trust accounts, indicate a need to improve the trust account system to ensure proper accountability mechanisms are in place. There can be no risk of abuse if this is done, and as a Government we are absolutely committed to ensuring that there can be and will be no abuse of this system. I am also confident, having spoken to the doctors, that the vast majority of doctors want the trust system to be improved so that they will be protected and public money will be protected. As a Government, we guarantee that if any evidence comes forward of misuse of these funds, we will act accordingly.