

#### THIRTY-NINTH PARLIAMENT

### REPORT 48

# STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

## INQUIRY INTO THE PROVISION OF INFORMATION TO PARLIAMENT – AMENDED TERMS OF REFERENCE

Presented by Hon Ken Travers MLC (Chair)

June 2014

#### STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

#### Date first appointed:

30 June 2005

#### Terms of Reference:

The following is an extract from Schedule 1 of the Legislative Council Standing Orders:

- "3. Standing Committee on Estimates and Financial Operations
- 3.1 An Estimates and Financial Operations Committee is established.
- 3.2 The Committee consists of 5 Members, 3 of whom shall be non-government Members.
- 3.3 The functions of the Committee are to
  - (a) consider and report on -
    - (i) the estimates of expenditure laid before the Council each year;
    - (ii) any matter relating to the financial administration of the State; and
    - (iii) any bill or other matter relating to the foregoing functions referred by the Council;

and

(b) consult regularly with the Auditor General."

#### Members as at the time of this inquiry:

Hon Ken Travers MLC (Chair)

Hon Peter Katsambanis MLC (Deputy Chair)

Hon Martin Aldridge MLC

Hon Alanna Clohesy MLC

Hon Rick Mazza MLC

#### Staff as at the time of this inquiry:

Andrew Hawkes (Advisory Officer)

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#### REPORT OF THE STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

# REPORT 48: INQUIRY INTO THE PROVISION OF INFORMATION TO PARLIAMENT – AMENDED TERMS OF REFERENCE

#### 1 BACKGROUND

#### Report 44

- 1.1 On 10 April 2014, the Standing Committee on Estimates and Financial Operations (the Committee) advised the Legislative Council of an "Inquiry into the Provision of Information to Parliament Terms of Reference", under Standing Order 179, by means of Report 44 of the Committee.
- 1.2 In the course of its deliberations, the Committee has determined to clarify the Terms of Reference previously advised for this Inquiry.

#### 2 REFERENCE AND PROCEDURE

#### **Inquiry pursuant to Standing Order 179**

- 2.1 At a regularly constituted meeting of the Committee held on 26 June 2014, it was resolved that the Terms of Reference reported to the Legislative Council in Report 44 of the Committee tabled on 10 April 2014 be amended.
- 2.2 The Committee was appointed by the Legislative Council with the following functions as provided under the Standing Terms of Reference:
  - 3.3 The functions of the Committee are to -
    - (a) consider and report on -
      - (i) the estimates of expenditure laid before the Council each year;
      - (ii) any matter relating to the financial administration of the State; and
      - (iii) any bill or other matter relating to the foregoing functions referred by the Council;

and

- (b) consult regularly with the Auditor General."
- 2.3 The Committee notes that section 82 of the Financial Management Act 2006 provides as follows:
  - 82. Ministerial decisions not to give Parliament certain information about agency to be reported to Parliament etc.
    - (1) If the Minister decides that it is reasonable and appropriate not to provide to Parliament certain information concerning any conduct or operation of an agency, then within 14 days after making the decision the Minister is to cause written notice of the decision—
      - (a) to be laid before each House of Parliament or dealt with under section 83; and
      - (b) to be given to the Auditor General.

- (2) A notice under subsection (1)(a) is to include the Minister's reasons for making the decision that is the subject of the notice.
- 2.4 The Committee notes that there is a clear link between the Committee's function at 3.3(a)(ii) above in relation to "the financial administration of the State" and technical compliance with section 82 of the *Financial Management Act 2006*.
- 2.5 For the avoidance of any doubt, the Committee has resolved to reaffirm that its intention in pursuing the Inquiry previously notified in Report 44 is that it be conducted in a manner that is consistent with the function delegated to it by the Legislative Council.
- 2.6 Accordingly, the Committee has resolved to amend the Terms of Reference of the Inquiry previously notified in Report 44 pursuant to Standing Order 179 to better reflect its original intention as follows:
- 2.7 The Committee, exercising its Standing function to consider and report on certain matters "relating to the financial administration of the State" will conduct an inquiry in relation to technical compliance with section 82 of the *Financial Management Act 2006* and related matters. The Committee will specifically consider the following:
  - (a) the requirements of section 82 of the *Financial Management Act 2006*, and consequent implications for Ministers and public sector staff;
  - (b) the considerations that are taken into account where a decision is made to not disclose the requested information to the Committee in circumstances that would invoke section 82 of the Financial Management Act 2006;
  - (c) the reasons provided for the non-provision of requested material relating to the financial administration of the State made under section 82 of the Financial Management Act 2006;
  - (d) the considerations that give rise to a decision to provide information that is sought by the Committee concerning the financial administration of the State, where a contrary decision may otherwise have been made;
  - (e) the adequacy and efficacy of the current statutory provisions and administrative practices by which the non-disclosure of requested material relating to the financial administration of the State is assessed;
  - (f) the manner in which similar considerations are addressed in other jurisdictions; and
  - (g) any other relevant matters.
- 2.8 The Committee hereby acquaints the Legislative Council accordingly.

Hon Ken Travers MLC

Chair

26 June 2014