



THIRTY-NINTH PARLIAMENT

REPORT 5
JOINT STANDING COMMITTEE ON AUDIT
BUDGET OF THE AUDITOR GENERAL – BUDGET
FOR 2016-17

Presented by Hon Ken Travers MLC (Chair)

and

Mr Sean L'Estrange MLA (Deputy Chair)

March 2016

JOINT STANDING COMMITTEE ON AUDIT

Date first appointed:

13 June 2013

Terms of Reference:

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

“7. Joint Audit Committee

- 7.1 A *Joint Standing Committee on Audit* is established.
- 7.2 The Committee consists of Members of the Legislative Council Standing Committee on Estimates and Financial Operations and the Members of the Legislative Assembly Public Accounts Committee.
- 7.3 The Chair of the Standing Committee on Estimates and Financial Operations will be the Chair of the Joint Standing Committee.
- 7.4 The Standing Orders of the Legislative Council relating to Standing Committees will be followed as far as they can be applied.”

Members as at the time of this inquiry:

Hon Ken Travers MLC (Chair)

Hon Peter Katsambanis MLC

Hon Alanna Clohesy MLC

Mr Ben Wyatt MLA

Mr Matt Taylor MLA

Mr Sean L'Estrange MLA (Deputy Chair)

Hon Liz Behjat MLC

Hon Rick Mazza MLC

Mr Bill Johnston MLA

Mrs Glenys Godfrey MLA

Staff as at the time of this inquiry:

Andrew Hawkes (Advisory Officer)

Tracey Sharpe (Committee Clerk)

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REPORT OF THE JOINT STANDING COMMITTEE ON AUDIT

REPORT 5: INQUIRY INTO THE BUDGET OF THE AUDITOR GENERAL – BUDGET FOR 2016-17

1 BACKGROUND

1.1 On 3 July 2013, the Joint Standing Committee on Audit (the Committee) resolved to commence an ongoing inquiry into ‘the budget, organisational structure and resourcing needs of the Office of the Auditor General and any matters incidental thereto’. The Committee advised the Parliament of this inquiry on 8 August 2013.

1.2 The Committee held its most recent hearing with the Auditor General on 16 December 2015.

2 OFFICE OF THE AUDITOR GENERAL BUDGET FOR 2016-17

2.1 The Office of the Auditor General (the OAG) has advised that its expected resourcing over the forward estimates is as follows:

Expected resourcing for the OAG (as at 14 December 2015)

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Total expenses	23,986	25,009	25,386	25,764	26,359
Audit fee income	17,260	17,691	18,133	18,586	19,050
Appropriation funding	7,044	6,887	6,818	6,741	6,872
Other	467	467	467	467	467
Surplus	785	36	32	30	30

2.2 The OAG undertakes financial audits of public sector agencies on a fee-for-service basis. Appropriations effectively fund the performance audit function of the OAG, which relates to the effective management and operation of agency programs and activities.

2.3 The Committee is comfortable with the level of funding in 2016-17. However, the Committee is concerned the relatively unchanged level of funding over the following three years may affect the OAG's ability to conduct performance audits over that period.



Hon Ken Travers MLC

Chair

17 March 2016