



PARLIAMENT OF WESTERN AUSTRALIA

FOURTEENTH REPORT

OF THE

**STANDING COMMITTEE ON ESTIMATES
AND FINANCIAL OPERATIONS**

IN RELATION TO

**THE CONSOLIDATED FUND ESTIMATES
1995/96**

Presented by the Hon Murray Montgomery (Chairman)

14
December 1995

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

The Standing Committee was established on December 21 1989 with the following terms of reference:

1. There is hereby appointed a Standing Committee to be known as the *Estimates and Financial Operations Committee*.
2. The committee consists of 5 members.
3. The functions of the Committee are to consider and report on:
 - (a) the estimates of expenditure laid before the Council each year; and
 - (b) any matter relating to the financial administration of the State.
4. The Committee shall report on the estimates referred under clause 3 by or within one sitting day of the day on which the second reading of the *Appropriation (Consolidated Fund) Bill* is moved.
5. For the purposes of clause 3(a), the House may appoint not more than 6 members at any stage of its examination.
6. A reference in clause 3 to "estimates of expenditure" includes continuing appropriations, however expressed, that do not require annual appropriations.
7. The Committee may initiate investigations under clause 3(b) without prejudice to the right of the Council to refer any such matter.

Members of the Committee:

Hon Murray Montgomery (Chairman)
Hon Bob Thomas
Hon Muriel Patterson
Hon Mark Nevill
Hon Iain MacLean

Staff of the Committee:

Ms Karen Schmidt (Advisory/Research Officer)
Mr Christopher Richards (Clerk)

Previous Reports of the Committee:

See Appendix II

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1. OVERVIEW

The 1995/96 Legislative Council Estimates hearings are the sixth such hearings conducted by the Standing Committee on Estimates and Financial Operations. The hearings provide Members of the Legislative Council with the opportunity to question representatives of public sector agencies regarding agency operations and expenditure for the incoming and outgoing financial years. The hearings are usually conducted over the course of a week and provide the main input for the Committee's annual report on the Estimates of Expenditure.

A number of procedural issues are raised in this, the Committee's report in relation to the 1995/96 Estimates of Expenditure. These deal with the approach to "generic" questions, the manner of responses to questions put during the hearings, the order of questions, the timing of the hearings in relation to the financial year, and public participation in the hearings. In particular, the Committee notes the difficulty of conducting the hearings prior to the formal submission date for agency financial statements, and recommends that future hearings be conducted no earlier than two weeks after the submission date for departmental annual reports to the relevant Minister. The Committee also notes the limited opportunities for the public to directly participate in the hearings, and intends to include in its consideration of the 1996/97 Estimates of Expenditure a visit to a large, regional capital works project and conduct hearings relevant to the project either on-site or at a venue in the local community.

General issues discussed in the report include the hearings included competitive tendering and contracting out, performance indicators, and accrual accounting. In relation to competitive tendering and contracting out, the Committee observes a need to review the procedures adopted by agencies to monitor contract performance. The Committee also notes that thirteen of the twenty one agencies reviewed during the 1995/96 Estimates hearings presented their 1994/95 financial statements to the Committee on an accrual basis.

Agency specific matters are discussed in section three.

2. THE CONSOLIDATED FUND ESTIMATES 1995/96

2.1 PROCEDURE

The Committee noted in the Twelfth Report that the Committee's approach to the Estimates hearings has been refined since the Committee's inception in 1989. These changes have included limiting the number of agencies examined each year, development of the Estimates Hearings Procedure Policy, and tabling of written responses to questions that are put to all agencies. A number of additional procedural issues were raised during the course of the hearings, both by Members during formal questioning and informally by agency and ministerial staff. These issues are addressed below.

2.2.1 Generic Questions

In 1994, the Committee adopted the practice of inviting Members of the Legislative Council to submit questions intended for all agencies to the Committee for on-forwarding to agencies. The responses to these "generic" questions on notice were tabled at the commencement of each hearing. The practice, which was repeated for the 1995/96 hearings, is intended to enable the Committee to deal with a greater number of questions during the course of the hearing and provides agency representatives with an indication of the interests of non-Committee Members of the House.

Further to the distribution of the generic questions for the 1995/96 hearings, the Committee received a large number of inquiries from agency and Ministerial staff seeking clarification of the intent of the questions and the scope of the responses required. As the generic questions are merely forwarded by the Committee on behalf of non-Committee Members, the Committee was unable to speak for the relevant Member in relation to such inquiries.

The Committee notes that, in relation to questions asked in the House, Ministerial staff may contact the relevant Member for clarification. It is more often the practice, however, that the meaning of a question is assumed and the response provided on that basis. Consistent with this practice, the Committee intends, in future, to direct agencies to the relevant Member for clarification of the meaning or scope of questions forwarded through the Committee. Committee staff will no longer be available to advise agencies in this regard. Also consistent with House procedure, the Committee will forward generic questions to agencies only through the appropriate Ministerial office.

2.2.2 Responses to Questions

During the course of the hearings, a number of Members expressed frustration at the length of responses given by Chief Executive Officers and Ministers. In addition, the Committee is concerned by the tendency of Chief Executive Officers attending this year's hearings to offer personal observations regarding agency operations and, in particular, government policy.

The Committee is mindful that the Estimates hearings provide an opportunity not only for Members to question agency representatives regarding agency operations, but for agency representatives to volunteer information regarding agency achievements. To this end, the Committee generally provides representatives with the opportunity to make a brief statement at the commencement of each hearing. The hearings are, however, conducted primarily for the benefit of all Members of the Legislative Council and, to this end, during future hearings the Committee will be reminding agency representatives, particularly Chief Executive Officers, to respond to questions in a succinct manner and

limit the extent of personal observation. In particular, the opening statements by the Minister and CEO will be collectively limited to no more than five minutes, and responses to questions limited to one agency representative. Further, the Committee reminds agency representatives that matters of policy are not appropriately addressed by public servants, and should be referred to the attending Minister.

2.2.3 Order of Questions

Toward the end of the hearings, the Leader of the Opposition in the Legislative Council relayed his concerns to the Committee regarding the Committee's practice of giving preference to Committee Members in the order of questioning. The Committee's "Procedure Policy for the 1995/96 Estimates Hearings" continues this practice from its formal adoption in 1994/95. Questions are required to be directed through, and be acknowledged by, the Chair appointed for each particular hearing. The Leader of the Opposition expressed concern that the practice was abused during one of the hearings with the effect of limiting the time available for other Members' questions. The Leader of the Opposition expressed his support for the practice in so far as it extends to one question plus supplementaries for each Committee Member, and requested that the Chairman of the Committee advise of the authority that permits the practice.

At the commencement of the final day of the hearings, the Chairman of the Committee provided the following ruling:

The Standing Orders do not specifically address the order in which questions may be put to witnesses appearing before Standing Committees. Standing Order 354 permits any Member of the Legislative Council to participate in the Committee's proceedings. However, such participation is subject to the procedural control of the Chairman, as is the normal course of proceedings of a Standing Committee. Furthermore, s4.10 of the Legislative Council Standing Committees Procedure Manual states:

The Chairperson is the Committee's arbiter on procedural matters. It is the Chairperson's responsibility to ensure that the Standing Orders are observed by the Committee, that order is maintained during meetings, and that the Committee's inquiry remains within its terms of reference or resolution of the House.

For the purpose of the remainder of the 1995/96 Estimates hearings, I rule, therefore, that the Committee's current practice with respect to the order of questions will remain as it stands. I acknowledge, however, the Honourable Member's concerns and direct Members and witnesses to be mindful of the time afforded to each agency and to limit their questions and responses accordingly. I also intend to raise this matter in Committee deliberations regarding the conduct of future hearings.

The Committee has since considered this concern and has resolved that, for future hearings, the Committee will give precedence to questions relating to reports or on-going areas of investigation of the Committee.

2.2.4 Timing of Hearings within the Financial Year

The 1995/96 Legislative Council Estimates hearings were conducted during the week of 21 August 1995, concluding seven days prior to the required submission date of departmental annual reports to the relevant Minister (Statutory authorities are required to submit financial statements and performance indicators by 15 August). The information implications of such early timing of the hearings in relation to the financial year was noted by at least one Member during the course of the hearings. The Committee empathises with such frustration. The Committee was contacted by a number of agencies indicating their difficulty in supplying the Committee with copies of the unaudited financial statements and performance indicators before the commencement of the hearings. Almost half of the agencies appearing before the Committee were unable to supply the required information seven working days prior to the hearings.

Certainly the usefulness of the Estimates hearings, a central component of the Council's scrutiny of the State budget, must be questioned if the Committee is not able to obtain adequate information regarding the previous year's expenditure. The Committee advises the House, therefore, that as of next year, the Estimates hearings will be conducted no earlier than two weeks after the submission date for departmental annual reports to the relevant Minister.

2.2.5 Location of Hearings

During 1994/95, the Legislative Council Committee Office was renovated to upgrade and expand the meeting rooms available for Committees of the Legislative Council. The Committee was subsequently requested to consider conducting the 1995/96 Estimates hearings at the Committee Office. The Committee considers that the use of the Committee Office facilities in favour of the Council chamber would certainly be advantageous to the hearings procedure. It is apparent to the Committee that some confusion exists as to the application of rules of debate in the House to a meeting of a Standing Committee. Members have subsequently expressed their frustration at rulings by the presiding Chair disallowing, for example, points of order. The conduct of the hearings in the Council chamber serves to perpetuate this confusion. Conduct of the hearings at the Committee Office would serve to reinforce the status of the hearings as a meeting of the Standing Committee.

This procedural issue aside, however, the Committee considers the use of the Committee Office to be inappropriate for two reasons. First, many of the support services for Parliamentary proceedings, for example, Hansard and the resources held by the Procedure Office, are presently located in Parliament House and are more convenient to the Council chamber. Second, many non-Committee Members of the House follow the hearings by intercom in their Parliamentary offices, and only attend the hearings in order to hear specific issues of interest as they arise or to put questions to agency representatives. The Committee believes that the conduct of the hearings away from Parliament House would only serve to reduce the number of non-Committee Members attending the hearings. The Committee intends, therefore, to continue to request permission from the President to conduct the annual Estimates hearings in the Council chamber.

2.2.6 Public Participation

Immediately prior to the hearings, the Committee received a verbal request from a government accountability action group to attend and participate in the hearings. While the Committee was unable to incorporate this request within the 1995/96 Estimates hearings, the Committee has since given consideration to means by which the public may have direct involvement in future hearings.

The attendance and participation of the public in the Estimates hearings is provided for in two ways. First, members of the public may view any proceedings in the chamber from the public gallery. It is the Committee's practice to specifically invite members of the public, by way of advertisement in local newspapers, to similarly view the Estimates hearings. Second, members of the public can indirectly participate in the hearings by bringing matters of concern to their local MLC and requesting that such matters be raised during the course of the hearings. In addition, in 1993, the Committee invited public submissions regarding public expenditure. Seventeen submissions were received. The subject of all submissions were investigated by the Committee and a small number became matters of more in-depth inquiry for the Committee. The Committee regrets, however, that many people who forwarded submissions failed to respond to further correspondence from the Committee. Where such a lack of ongoing interest was evident to the Committee, the Committee took no further action with respect to a submission.

The above experience notwithstanding, the Committee has resolved to provide alternative means for members of the public, particularly those in regional areas, to participate in the annual consideration of the Estimates. In 1996, the Committee intends to incorporate in its consideration of the Estimates of Expenditure, a visit to a large, regional capital works project and conduct hearings relevant to the project either on-site or at a venue in the local community.

2.2 GENERAL ISSUES

2.2.1 Competitive Tendering and Contracting Out

Competitive tendering and the contracting out of government services has become a major platform in the government's public sector reform agenda. Exposing government services to market forces is intended to encourage efficiencies in service provision and improve service and product quality through competition and the introduction of new technology. In 1994, 11 of the 25 agencies reviewed by the Committee indicated that they would contract out some agency functions in 1994/95. These largely included non-core or support activities such as fleet management, maintenance of plant and equipment, communications and information technology services, courier services, cleaning, and gardening. This year, at least 12 of the agencies appearing before the Committee indicated that they were intending to contract out services in 1995/96.

During the Committee's recent tour of various jurisdictions in Australia and New Zealand, the Committee noted observations by a number of public officials to the effect that government agencies appear to believe that their responsibilities toward a service end when the service contract has been let. It was observed that audit of the contract management process would reinforce the responsibility of government agencies to ensure that services are performed as agreed. In 1994, the Committee noted that those agencies reviewed by the Committee that were undertaking outsourcing arrangements in 1994/95 intended to monitor those arrangements through a range of methods, including spot checks by technical officers, reporting to an oversight committee, bi-annual audit, client feedback, and payment-linked progress reports. The Committee is not aware of any review to date of the effectiveness of the monitoring processes adopted by agencies. Given that outsourcing arrangements have now been in place for up to twelve months, the Committee considers it timely that such arrangements be reviewed with a view to assessing the efficacy of contract monitoring procedures currently in place.

2.2.2 Performance Indicators

The Committee's report on the 1994/95 Estimates of Expenditure noted, first, a lack of correspondence between the programme structure and performance indicators of some agencies, and, second, that some agencies have yet to develop performance indicators at the programme and sub-programme level. The Committee subsequently conducted a review of agencies' performance indicators, noting that, while agencies have made substantial advances since the performance reporting requirement was introduced in 1985, systemic issues have contributed to a marked lack of progress in some agencies. Further, a report of the Office of the Auditor General issued at the time of the Committee's Report on Performance Indicators observed that only 18% of public sector agencies reported satisfactory performance indicators for all programmes.

Among other things, the Committee observed that central government responsibility for driving the implementation of performance indicators across public sector agencies did not appear to be clearly conferred. Accordingly, the Committee recommended that "the Minister for Public Sector Management assume a leadership role in the development and reporting of performance information by clearly defining central agency responsibility for policy development, training, and progress monitoring, and appropriately resourcing these activities". The Committee has not yet received a response from the Minister regarding this recommendation. Further, the Committee notes that the 1994/95 unaudited performance indicators for the two central government agencies responsible for public sector management and accountability do not appear to meet the requirements of Treasurer's Instruction 904.

2.2.3 Accrual Accounting.

As anticipated, during the Committee's recent tour of various jurisdictions in Australia and New Zealand, the Committee found that the implementation of accrual accounting was perceived to be the central financial reform initiative implemented by those jurisdictions during the past decade. Most jurisdictions now operate on an accrual basis, with statutory authorities having introduced accrual systems in the mid-eighties and departments following suit in the late eighties and early nineties. Implementation has tended to be slower in major government departments such as the health and education sectors, and some valuation issues, such as heritage buildings and works of art, remain outstanding.

While s67(1) of the *FAAA* requires statutory authorities to prepare financial statements on an accrual accounting basis, the financial statements of departments are required to be prepared in the manner and form required by the Treasurer's Instructions. TI(1101A) applies to Accountable Officers for financial statements prepared on an accrual basis, but does not, however, require that accrual statements be prepared by departments. This framework notwithstanding, agencies have been encouraged to move toward accrual based accounting and reporting in anticipation that this will become a requirement in the near future. Thirteen of the 21 agencies under review during the Estimates hearings presented accrual based financial statements for 1994/95 to the Committee. In addition, the Education Department indicated that accrual statements were expected to become available later in the year and the Department of Family and Childrens' Services provided accrual information to supplement the cash statements.

2.3 SPECIFIC AGENCIES

Significant agency-specific issues raised by Members during the hearings are discussed below. A comprehensive list of matters addressed during agency questioning is attached at Appendix I.

2.3.1 PARLIAMENT (Div 2)

The Parliamentary vote (Division 2) incorporates the five administrative departments of the Parliament: the Legislative Assembly, the Legislative Council, the Joint House Committee, the Joint Printing Committee, and the Joint Library Committee. It is the practice of each of the two Houses of Parliament, however, to exclude the other House in the annual consideration of the Parliamentary vote. The Legislative Council's examination of Division 2, therefore, incorporates only four of the five administrative departments of the Parliament.

The administration of the Legislative Council, Legislative Assembly, Joint House Committee, Joint Printing Committee and Joint Library Committee is, in each case, deemed to be a department for the purposes of the *Financial Administration and Audit Act 1985* (*Financial Administration Amendment Regulations 1987*). Accordingly, each department is required to prepare annual financial statements in accordance with the *FAAA*. As the Parliament is not a reporting entity under the terms of the *FAAA*, no consolidated financial statements are prepared for the Parliamentary vote as such. Further, the five departments of the Parliament do not prepare performance indicators or annual reports. This has its origins in the directions of the Presiding Officers which state:

...we are not completely satisfied that the [*Financial Administration and Audit Act 1985*] together with its regulations and Treasurer's Instructions can be complied with in their entirety whilst still maintaining Parliament's proper independence from Executive control.

(Hon Clive Griffiths, President of the Legislative Council,
Parliamentary Debates, v272, 31 August 1988, p2355)

A number of matters relevant to these arrangements bear consideration. First, the Estimates of Expenditure are, in the main, structured on the basis of divisions which reflect discrete reporting entities recognised as such by the *FAAA*. This is not the case for the Parliamentary vote, which represents expenditure for five different reporting entities (and five different accountable officers) presented in the same manner as programmes within departments. This presentation not only confuses the accountability framework for the funds appropriated for the five departments, but ostensibly appropriates funds for an entity which does not, under the state's financial administration legislative framework, exist.

Second, the Committee understands that the matter of the production of annual reports and performance indicators has received sporadic consideration since the President's 1988 ruling, as part of a number of issues relating to parliamentary funding. The Committee notes the President's advice that he intends to discuss the matter with the Speaker in the Legislative Assembly and provide a further response to the Committee in due course. The Committee intends to pursue the matters raised above during 1996.

2.3.2 PREMIER AND CABINET (Div 5)

A feature of the Premier and Cabinet hearing was concern regarding the placement of public sector Chief Executive Officers. At the time of the hearings, 27 public sector CEO positions were unresolved. Eight of these positions have been vacant for greater than six months. Other issues addressed during the hearing were expenditure related to opinion polling and expenditure related to the office of the Agent General in Europe.

The Committee also noted the performance indicators presented by the Ministry. The Committee is concerned by the quality of the indicators, given the Ministry's position as a central government agency responsible, among other things, for public sector management and performance. The performance indicators for Premier and Cabinet do not meet the requirements of Treasurer's Instruction 904. While the performance indicators have been structured to reflect the programme and sub-programme structure, these are incomplete, and, in the case of Programme Three, are presented against a programme objective that differs from that presented in the 1994/95 Programme Statements. Efficiency indicators are provided for programmes two and five, and effectiveness indicators are provided for programme five. The Committee does not consider the broad statement regarding the Premier's expressed satisfaction with a programme to be an adequate indication of the efficiency or effectiveness of the operations of the Office.

The Committee is advised by the Ministry that the Ministry is continuing to undertake work on the development of performance indicators generally, including those programmes currently not reporting performance indicators. In this regard, the Committee recommends that the Ministry continue to allocate resources to the development of performance indicators and that the Ministry aim to produce performance indicators for 1995/96 that are consistent with the requirements of Treasurer's Instruction 904.

2.3.3 TREASURY (Div 10)

The Committee is similarly concerned by the performance indicators presented by the Treasury Department. Similar to the caveats which preface the performance indicators of many agencies, the introduction to the Treasury Department's performance indicators states "...it is difficult to produce measures of Treasury's performance that are appropriate to user's needs, verifiable, quantifiable, and free from bias". Certainly, the 1994/95 performance indicators for the Department fall short of these requirements as detailed in Treasurer's Instruction 904. While the efficiency indicators for each programme include input:output ratios over time, the effectiveness indicators, in the main, amount to textual descriptions of workload. It is of some concern to the Committee that the Treasury Department as a central government agency with responsibility for developing and coordinating public sector performance reporting requirements, is not complying with its own instructions. The Committee recommends that the Treasury Department continue to allocate resources to the development of performance indicators and that the Department aim to produce performance indicators for 1995/96 that are consistent with the requirements of Treasurer's Instruction 904.

The Committee notes that the Treasury has established a working party to review the Department's progress in this area and to formulate relevant performance indicators for future reporting years. Given the large number of agencies which appear to be experiencing difficulty in reconciling the performance indicators model with their particular activities and objectives, the Committee recommends that the working party

also give consideration to the appropriateness of the model to all public sector agencies. In this sense, the Committee refers the Department to its Ninth Report regarding Performance Indicators.

Some discussion took place during the Treasury hearing regarding the source of funds for public sector pay rises during 1995/96. While it was noted that \$60m had been allocated for this purpose within Miscellaneous Services and that individual agencies also budget for anticipated pay rises, it was unclear whether these funds would be sufficient to incorporate the pay rises expected to be incurred by all sectors during the financial year. The Committee has since been advised by the department that the above allocation is based on the following estimated costs of budget agency productivity based wage agreements:

- Police Department: Estimated impact of enterprise bargaining agreement currently being negotiated \$20m
 - Education Department: Estimated impact of pay offer to teachers. \$15m
 - All Other Employees: This allocation provides for cost supplementation for wage and salary agreements entered into by all other Consolidated Fund agencies. \$25m
- \$60m

Another feature of the Treasury hearing related to the operation of the Schools Rationalisation Trust Account. The Committee has been advised that funds credited to the trust account can be applied to maintenance, equipment upgrades, renovations, capital works, and additions to existing schools. This excludes expenditure for the construction of new schools. The account had a closing balance of \$3.6m for 1994/95. It was noted during the hearing that the Education Department had committed \$6m expenditure from the account in relation to the City Beach Senior High School. Concern was expressed that, first, the account did not contain sufficient funds to meet such a commitment, and, second, the proposed expenditure was not detailed in the Capital Works budget.

The Committee notes subsequent advice from the Treasury Department that all future capital works approved against the trust account will be listed in the Capital Works Programme, with the source of funds being shown as the Schools Rationalisation Trust Account.

The Committee also noted that the Treasury Department will conduct a review of net appropriations or revenue retention arrangements in 1995/96. The review, which will incorporate all existing appropriation agreements, will focus on the potential for extending the initiative to other agencies.

2.3.4 OFFICE OF ENERGY

The Office of Energy was created out of the Energy Policy and Planning Bureau on 1 January 1995. The office adopted the former agency's programmes and sub-programmes as well as a technical and safety function transferred from SECWA. To accommodate the additional responsibility, the office's mission was expanded to read "to pursue the efficient and safe future supply and use of energy in Western Australia". The office administers one programme, Energy Coordination, with four sub-programmes relating to policy and agreements, industry development, innovation and efficiency, and technical standards and safety. The office is largely funded by annual appropriation. Other revenue for 1994/95 included funds totalling \$2,155,000 from contributions by senior

executive officers to the Executive Motor Vehicle Scheme, SECWA, Energy Conservation Unit Recoup, Western Power, Alinta Gas, Mine Inspections, Fees and Licences, and miscellaneous revenue.

2.3.5 TRANSPORT

It is noted above that the transport portfolio has been one of the more active sectors of government in pursuing structural reforms. For the Department of Transport, this has included the contracting out of metropolitan bus services, the metropolitan passenger information system, management of the metropolitan common user infrastructure, and operation of ferry services. Department representatives indicated to the Committee that savings realised from the outsourcing of Metrobus operations have amounted to \$24.2m. The Committee noted that the outsourcing arrangements do not extend to asset ownership. The Department of Transport retains ownership of vessels and vehicles and retains overall responsibility for the condition of assets. Day to day maintenance is the responsibility of the contractor and in accordance with the operating contract.

The Committee also noted that police licensing services will be transferred to the Department of Transport as part of the department's vehicle licensing operations. The move is intended to consolidate licence renewals into one location.

Points of note regarding 1994/95 expenditure for the Department of Transport are detailed below:

- Establishment of the Air Freight Export Council.
- A 28% increase in Transport Trust Fund revenue over budgeted figures was largely due to the 4c/litre fuel tax increase introduced in February 1995.
- Funding for unbudgeted expenditure of \$133,000 was requested and received from the Treasurer's Advance Account to support the continuation of the Australia Fix The Roads Campaign.

2.3.6 MAIN ROADS

Similar to the Department of Transport, Main Roads of Western Australia has undertaken substantial administrative reforms during recent years. This includes a competitive tendering and contracting programme which has placed 73% of the agency's contestable budget (excluding loans and local government funding) out to tender. The programme incorporates 79% of road construction by value and will amount to \$80m in the 1995/96 financial year. The Committee noted that the reform programme is supported by attention to the agency's project and contract management skills.

The receipt, identification, and expenditure of Commonwealth and State funds within the Main Roads budget was again raised during the 1995/96 hearing. First, the Committee noted that the Programme Statements included a projected increase in Commonwealth funding from \$55.4m to \$116.8m. Departmental representatives advised the Committee, however, that this projection is an unlikely outcome. The Minister for Transport advised the Committee that the anticipated funding is \$58m. Second, the Programme Statements indicate an allocation of State funds to a number of large metropolitan projects. Concern was raised that the funding is, in effect, sourced from the Commonwealth and that the Programme Statements, therefore, incorrectly represent Commonwealth and State commitments to road funding. The Committee has noted previously that the representation and allocation of Commonwealth and State funds is a matter of some debate that is further confused by changes in tied and untied Commonwealth funds.

The Committee is currently pursuing this matter with Main Roads.

Concerns were also raised during the hearing regarding the state of the road stock in Western Australia. Performance indicators for 1994/95 show unsatisfactory standards for sealed pavement width, shoulder width, and operating speed. The Department has advised the Committee that the average age of a rural road in Western Australia is estimated to be 40 years. The age distribution is such that only 5% of the rural road network is over 40 years old. Under current levels of investment, however, it is anticipated that one third of these roads will be over 40 years old by 2003. The replacement cost of the network at 30 June 1995 was \$10,365m.

2.3.7 COASTAL SHIPPING COMMISSION

Until June 1995, the Commission's mission was to provide efficient shipping and related services for the purpose of facilitating and developing Western Australian trade with overseas and interstate destinations and maintaining seaborne services to the North West and in so doing providing Western Australia with a demonstrable net economic benefit. The Commission trades as Stateships. On 3 June 1995, the Premier announced the Government's decision to close Stateships, citing protracted industrial dispute arising from the letting of the agency's stevedoring contract in the port of Fremantle in May 1995.

Estimated expenditure for 1995/96 is \$16,495,000. This represents, however, the original 1995/96 budget formulated prior to the closure decision. During the hearing, the Minister for Transport advised the Committee that the original budgeted funding will incorporate operating costs for part of the year, the continuation of the *Sina's* voyages, winding down costs, and a \$5m subsidy to assist the continuation of northwest shipping services. The Minister indicated, however, that he did not anticipate that the budgeted amount would be sufficient to meet expenses, and that a supplementary appropriation from the Consolidated Fund would be made later in the financial year. The Committee has since requested that the Minister provide the Committee with a revised 1995/96 budget for Stateships.

On 3 November 1995, the Minister advised of a revised estimate of \$22,536,000. This does not include a payment to Westpac to terminate the charter agreements for the M.V. *Robert Hull*, *Frank Konecny*, and *Gordon Reid*, which were made by way of a loan advanced through the WA Treasury Corporation, but includes the current interest on that loan. Also included in the estimate are the current subsidy to Union Bulkships for the interim North West shipping service up to March 1995, employee severance costs, and workers' compensation insurance termination costs. The estimate is predicated on present expectations that the *Western Australian Coastal Shipping Commission Act 1965* will be repealed by the end of 1995. The Minister has emphasised, however, that the estimate is likely to be subject to considerable variation due to the unresolved nature of many of the budgeted items.

2.3.8 GOVERNMENT RAILWAYS COMMISSION

The Government Railways Commission, which trades as Westrail, is currently undergoing a period of organisational reform. This includes the identification of discrete operations within the organisation and the outsourcing of non-core activities. Non-core activities have, in essence, been identified as maintenance functions. Core activities that will continue to be conducted in-house are those that are involved with the actual running of the trains, including crewing, controlling, and scheduling.

Commission representatives have advised the Committee that the organisational reforms are expected to realise a saving of \$50m/year.

During the course of the Westrail hearing, an increase in debt servicing costs of the past two years was noted. The increase is principally due to principal reduction and additional borrowings required to fund the voluntary severance programme. Both sources are included in expenditure recurrent services and debt servicing costs. The point was made to the Committee that expenditure related to principal reduction would be more appropriately identified under the capital works programme. The Committee has since noted, on advice from Westrail, that current government policy for the treatment of capital repayments by statutory authorities is for the expenses to form part of Recurrent Services appropriations.

2.3.9 EDUCATION

Similar to other public sector agencies, the Education Department has examined its activities with a view to identifying core activities and those which may be appropriately outsourced. These include cleaning of schools, head office administrative functions, and building maintenance. To date, the outsourcing of cleaning functions has realised savings of \$10m/year. While the Committee has been advised by the Department that these savings will be allocated to sub-programme 1.1, Comprehensive General Education, the Committee notes and expresses its concern that the allocation is not made clear in the budget papers.

2.3.10 RECREATIONAL CAMPS AND RESERVES BOARD

The Recreation Camps and Reserves Board hearing was dominated by questioning regarding the contracting out of camp management. In 1995/96, the Board will commence the implementation of a strategic marketing plan. This will involve the contracting out of the management of the Lewana, Wellington Mills, Myalup, and Woodman Point camps. Management of the Ern Halliday, Point Walter, Bickley, Tone River, and Noalimba camps will be retained by the Board. Members expressed some concern that the outsourcing programme will jeopardise the objective of the recreation camps and reserves programme to provide low cost accommodation for specific groups. The Committee noted that control over operating objectives can effectively be maintained through the operating leases for the various camps, and has already been demonstrated through monitoring of the lease of the Quaranup camp in Albany.

The Committee also noted that the Point Peron camp will be closed at the end of 1995. It is anticipated that the site will become part of a reserve.

2.3.11 SPORT AND RECREATION

The Committee noted a four-fold increase in the 1995/96 budgeted allocation to the Community Sporting and Recreation Facilities Trust Fund over 1994/95 actuals. Various community sporting and recreational facilities projects are funded out of the trust on an annual and triennial basis. The Ministry's 1994/95 Annual Report, expected to be tabled in November 1995, lists 262 projects approved for funding to a total of \$9,782,264. The Minister for Education advised the Committee that actual expenditure from this allocation is dependent on the fulfilment of recipient organisations' grant obligations.

2.3.12 SPORTS CENTRE TRUST

The West Australian Sports Centre Trust manages the Superdrome, the main sporting facility at Claremont. In 1998, the trust will host and manage the World Swimming Championships. A \$2m increase in the capital works budget for 1995/96 will assist the trust to refurbish the facility for the championships and for preparation for the Sydney Olympics. Capital works will include seating for 10,000 people and an additional swimming pool. During the course of the hearing, the Committee noted that the West Australian Institute of Sport, a body established under cabinet minute, is partly funded through the Trust.

2.3.13 JUSTICE

The Committee noted that a prison reform package was introduced on 1 July 1995. The reforms, which will apply until December 1997, will realise a 10%, or \$8m, reduction in recurrent expenditure by the end of 1996/97. The Committee is advised that this compares favourably with privatised prison systems. The prison reform package precludes the outsourcing of any current prison services during the term of the agreement.

The Committee was also advised that a steering committee, consisting of representatives from the Ministry of Justice, the Public Sector Management Office, and the Treasury Department, is currently conducting a review of public trust administration. The review, which is anticipated to be completed by the end of September 1995, incorporates examination of the feasibility of corporatisation and privatisation of public trust services, and the subsequent treatment of community service obligations. The Committee notes that the Auditor General reported on the operations of the Public Trustee in June 1994. Observing inadequacies in the accounting system and in the reporting of the Public Trustee's financial operations, the Auditor General recommended:

1. The Public Trustee take prompt action to address the limitations inherent in the computerised accounting system currently in use in order that essential financial management and reporting objectives are achieved.
2. The financial transactions of the Public Trustee Common Fund and the Public Trust Office be consolidated.
3. All trust assets and liabilities should be appropriately reported in the financial statements of the Public Trustee.

The Committee has written to the Attorney-General expressing its interest in the review, and intends to meet with Ministry representatives early in the new year to discuss the outcomes of the review and the financial benefits that are anticipated to arise from any subsequent reforms to public trust administration.

2.3.14 LEGAL AID

In April 1995, the Auditor General reported on the operations of the Legal Aid Commission, recommending, among other things, that a business planning framework be developed for use throughout the Commission, including activity, quality, and outcome targets for sections and units. The Commission has since developed a strategic plan at corporate level and business plans for two of the three divisions of the Commission. The Committee also noted that the Commission has addressed other recommendations

contained in the April 1995 report, including taking steps to improve the reliability of initial assessments, increased control over the assignment of cases to in-house or private solicitors, and reduction in the number of private legal firms involved in legal aid work. The Committee was advised that administrative reforms undertaken in 1994/95 in the assignments and assessments areas of the Commission have addressed administrative inefficiencies and realised benefits in the form of cost savings and the transfer of resources and staff to direct service delivery areas.

The security of records and other documentation held by the Commission, both in the present and future hypothetical context, was also raised during the hearing. While hypothetical questions are not permitted under the Committee's Procedure Policy, the Committee acknowledges the validity of the question as it relates to the current situation. Further, the Committee is mindful that the Auditor General has also recently addressed records security in relation to minicomputer-based systems. Commission representatives indicated that, further to the comments made during the hearings, the issue would be reviewed.

2.3.15 DIRECTOR OF PUBLIC PROSECUTIONS

The Committee noted that the introduction to the performance indicators presented for 1994/95 acknowledges the difficulty the office is experiencing in developing measures of performance. In particular, it is noted that automatic generation of comprehensive and meaningful statistical reports would rely on the enhancement of the court-based database or development of independent systems within the DPP. The Committee understands that further work in developing performance indicators will be undertaken in 1995/96, and intends pursue this matter with the Office later in the financial year.

2.3.16 CONSERVATION AND LAND MANAGEMENT

Approximately 20% of CALM's total budget of \$170m is sourced from the Consolidated Fund. This funding is allocated to community service obligations. The remaining 80% is revenue generated by departmental activities and is utilised by the department under a net appropriation agreement with the Treasurer. The Committee notes that the projected draw on the Consolidated Fund until the end of the decade is approximately \$35m per year.

Similar to previous years, departmental representatives were questioned on a number of issues relating to timber royalties. The Committee noted that during the past two financial years, royalties have increased by 144% for jarrah (to a current average of \$31/m³), 239% for karri (\$39/m³), 55% for pine (\$61/m³), and 435% for hardwood chip logs.

2.3.17 HEALTH

Microeconomic reforms implemented by the Health Department include the contracting out of metropolitan and country services. The Committee noted that the majority of the services placed under contract to date have been internal contract arrangements. Contracts with external providers will, in the main, be implemented during the first half of the 1995/96 financial year. Tenders will be assessed by an evaluation panel on the basis of price, quality, and experience. The costs of internal service provision are established prior to the tender process for use as evaluation benchmarks. The panel's recommendation is referred for approval to either of the Health Supply Branch or the Supply Council, depending on the amount involved. The Committee notes, on advice from the Health Department, that information regarding the name of the successful tenderer, the price accepted, and the make or model of goods is required under State

Supply Commission Policy 1.3 - Quotations and Public Tenders to be made available on request. The department also advises that internal benchmarks will normally be made available after the awarding of the contract.

In October 1994, the Auditor General reported on the quality of public information regarding public hospital waiting lists. During the hearing, the Committee was advised that the department now produces a monthly waiting list bulletin. The circulation of the bulletin is currently being reviewed by a committee comprised of the health consumers council, the AMA, and others.

2.3.18 COMMISSIONER FOR WORKPLACE AGREEMENTS

The Commissioner for Workplace Agreements was established in January 1995 with the mission to facilitate the introduction of workplace agreements. The agency administers one programme, Workplace Agreements, which provides for the registration of valid workplace agreements and an assessment of the parties' understanding of and wish to establish and register an agreement. The agency also prepares statistical and other information about workplace agreements.

Some discussion took place during the hearing regarding the structure and validity of statistical information. The Committee was advised that the Commission expects to publish, in the near future, information regarding the expiry of workplace agreement; their terms; the use of the provision of section 19 of the enabling Act; the use of bargaining agents; the use of the Western Australian Industrial Relations Commission for unfair dismissal hearings; the replacement of awards with workplace agreements; and trends in wages, hours, and penalty rates.

2.3.19 FAMILY AND CHILDREN'S SERVICES

The Department for Family and Children's Services was created out of the Department for Community Development during 1994/95. In 1994/95 the Department administered two programmes, Family and Community Support, and Protection and Care of Children. Internal reforms undertaken by the department include a major reassessment of the corporate services area; outsourcing of services, including training and some youth activities; the establishment of a Customer Service Council; and rationalisation of metropolitan and regional directorates. The extent to which departmental outcomes, outputs, and efficiency and effectiveness indicators were used to guide the reform process was also discussed. It was noted that the Committee would pursue this issue with the department in future hearings.

2.3.20 DISABILITY SERVICES

The Disability Services Commission has outsourced a number of services, including the building management maintenance programme; fleet management; catering; cleaning; maintenance engineering; and clinical engineering. The Commission has also recently considered a report on the cost of the Commission's accommodation services and the availability of alternative services. In addition, the Commission has undertaken an enterprise bargaining process that has realised savings of \$1.03m in 1994/95 and is expected to realise savings of \$350,000 in 1995/96.

2.3.21 POLICE

In May 1995, the Auditor General reported on the outcomes of a performance examination of the police operations centre. Observing delays in connecting callers on the 000 emergency number, the Auditor General made a number of recommendations regarding the development and monitoring of clear and measurable service targets; estimation and monitoring of workload patterns and subsequent staff reallocation; individual performance monitoring and training; and the development of performance indicators. The Committee notes that the Police Department has implemented a substantial number of initiatives which address the recommendations contained in the May 1995 report. Among other things, these include

- utilisation of improved telecommunications technology
- various human resource initiatives including roster changes, additional personnel, civilianisation, and training;
- appointment of a permanent head officer;
- upgrading the physical working environment;
- consideration of alternative emergency management methods;
- internal and external promotion and awareness campaigns; and
- individual performance targets.

APPENDIX I**AGENCY-SPECIFIC ISSUES ADDRESSED DURING AGENCY QUESTIONING****PARLIAMENT**

- Library staffing resources.
- Availability of library information technology to Members of Parliament.
- Hale School site.
- Legal counsel costs.
- Legislative Council Advisory/Research Officer salaries.
- Communications technology.
- Impact of Commission on Government recommendations on parliamentary expenditure.
- Increased capital expenditure.
- Library resources.
- Computing resources for Members of Parliament.
- Hansard digital audio system.
- Televising of Parliament.
- Seating.
- Easton Commission legal counsel for the Legislative Council.
- Capacity of parliamentary support services to administer Members' allowances.
- 1994/95 Legislative Council financial statements.

PREMIER AND CABINET

- Numbers of Chief Executive Officer positions currently vacant.
- CEO placement process.
- Advertisement of CEO vacancies.
- 1994/95 major achievements regarding the Indian Ocean region.
- African trade offices.
- Appointment of DOPLAR CEO.
- Overseas representation: staffing; capital works; vehicle expenditure.
- Increased salary expenses.
- Attitude surveys.
- Eastern states polling.
- Opinion polling regarding the Mabo decision.
- European office vehicle expenditure.
- Ministerial air travel contract arrangements.
- Electorate office staffing.
- Availability of information regarding alcohol expenditure.
- Mabo coordination budget.
- High Court challenge expenditure.
- Government Media Office: staff numbers; new initiatives.
- Communications unit.
- Government property.
- Administration of electorate offices.
- Responsibility for expenditure decisions.
- Repair and maintenance of offices of Members of Parliament.
- Cost of parliamentary questions.

●TREASURY

- Electronic transfer of funds.
- State revenue sources.
- State tax system.

- Provision for public sector pay rises.
- Source of payrise expenses for 1995/96.
- Revenue estimates.
- Reduced debt repayments.
- Net appropriations.
- Cost of review of net appropriations.
- Assumed interest rate.
- School rationalisation trust account.
- Identification of government trading enterprise community service obligations.
- General government debt.
- Land tax increases.

OFFICE OF ENERGY

- Competition within the energy industry.
- Public sector energy expenditure.
- Outsourcing.
- Innovation and efficiency sub-programme.
- Utilisation of office space.
- Lease of spectator box at Subiaco Oval by Western Power.
- Alternative Energy Development Board.
- Alternative energy proposals and development.
- Funding of community service obligations.
- Commercial confidentiality regarding Western Power charges to industry.
- Policy advice role of the Office of Energy.
- Technical standards and safety.
- Costs of supply to remote communities.
- Policy development role with regard to growing population centres.
- Gas pipeline planning.

TRANSPORT

- Impact of police licensing transfer on staff in regional centres.
- Australia Post collection of licences and fees.
- Use of motor vehicle dealers to record transfers and collect fees.
- Increase in services and contracts costs, programme one.
- Increase in gross operating costs, programme one.
- Purpose of grants in relation to bicycle policy.
- Transport Trust Fund variations.
- Road funding campaign.
- State aviation strategy.
- Metrobus expenditure variations.
- Net benefit of Metrobus competitive tendering and contracting.
- Asset ownership.
- Taxi industry reform.

MAIN ROADS

- Microeconomic reform.
- Accrual accounting.
- Transport Trust Fund and Commonwealth funding variations.
- Passing lanes.
- State of non-metropolitan roads.
- Roadside trees.
- Roll over of borrowings from previous year.
- Treatment of untied commonwealth funds.

COASTAL SHIPPING COMMISSION

- Clarification of 1994/95 expenditure.
- Allocation of wind-up costs.
- Source of windup costs.
- MV Sina charter arrangements.
- Owners' rights in relation to sub-chartering.
- Treasurer's Advance Account.
- Leasing arrangements for Westpac-owned vessels.
- Contracts written in United States Dollars.
- Workshop maintenance.

GOVERNMENT RAILWAYS COMMISSION

- Application of savings.
- Forrestfield locomotive depot.
- Financial impact of National Rail use.
- Debt servicing costs.
- Presentation of capital payments in the accounts.
- Accrual accounting.
- Impact of privatisation on urban rail security and salaries.
- Tender specifications for the privatisation of urban rail services.
- Debt repayments presented in the forward estimates.
- Treatment of sleeper replacement and chemical treatment as a capital expense.
- Timing of privatisation announcement.

EDUCATION

- Microeconomic reform.
- Accrual accounting.
- School rationalisation trust account.
- Allocation of maintenance priorities across schools.
- Decline in capital services indicated in the forward estimates.
- Staff decreases, programme one.
- Review of school discipline and bullying programme.
- Increase in budget due to contract cleaning.
- Voluntary severance payments.
- Cost of changes to the Good Start programme.
- Savings to the school bus system.
- Impact of public services bans in corporate services.
- Provision of resources to the Principal's Association.
- Teaching of languages other than English and Australian history.
- Accommodation of new capital works within budgeted expenditure.
- School amalgamations and the construction of new primary schools.
- Opinion polling.
- Percentage of teachers in total staff numbers.
- Budgetary and administrative impact of docked pay in relation to stop work meeting.
- Chaplaincy.
- Completion rate of secondary students and associated cost to the state.
- Cost of professional and curriculum development in relation to the Good Start programme.
- Isolated students' allowance.
- Cost of industrial relations court matters.
- Cost of advertising and direct mail in relation to industrial relations matters.

RECREATIONAL CAMPS AND RESERVES BOARD

- Strategic Plan.
- Return of camps to CALM and availability to the public for sport and recreation.
- Lease of Woodman Point to commercial operators.
- Camps to be retained by the Board.
- Point Peron closure and future of site.
- Impact of contracting out on programme objectives.
- Fate of existing managers under lease arrangements.

SPORT AND RECREATION

- Gymnastics.
- Capital requirements and management structure for world swimming championships.
- Inclusion of West Australian Institute of Sport in the Major Achievements.
- Sponsorship of the Claremont Football Club.
- Non-sporting use of the Superdrome.
- Second basketball team.
- Development of swimming in WA.
- WASA location.
- Swimming facilities for world swimming championships.

SPORTS CENTRE TRUST

- Gymnastics.
- Accommodation facilities.
- Capital requirements and management structure for world swimming championships.
- Inclusion of West Australian Institute of Sport in the Major Achievements.
- Sponsorship of the Claremont Football Club.
- Non-sporting use of the Superdrome.
- Swimming coaches.
- WASI location.
- Swimming facilities for world swimming championships.

JUSTICE

- Contract irregularities.
- Efficiency and effectiveness indicators.
- Savings realised from microeconomic reform.
- Staffing numbers and costs: assessor of criminal injuries compensation.
- Impact of non-payment of fines and penalties in country areas.
- Temporary detention of juveniles.
- Effectiveness reviews of sex offender programmes.
- Post-release treatment for country-based sex offenders.
- Daily muster of sex offenders in Bunbury.
- Sex offences.
- Boot camps.
- Air charter services.
- Cost of establishing work camps.
- Accrual accounting.
- Impact of the review of the Crown Solicitor's office.
- Contracting out in relation to the Crown Solicitor's office.
- Completion of new centre under the juvenile justice programme.
- Daily muster of juveniles in remand.

- Review of the office of the Public Trustee.
- Staff allocated to victim support services.
- Juvenile justice teams.
- Contracting out of prison management.
- Workplace reform agreement.
- Services for people with non-english speaking backgrounds.
- Victim support service.
- Report of the Serious Offender Taskforce.
- Accountability structure for court administration.
- Cost of trial programme for drug control in prisons.
- Aboriginal mediators.
- Trial programme involving lockups.
- Civilianisation of court security functions.
- Regional law libraries.

LEGAL AID

- Microeconomic reform.
- Business plan.
- Re: K decision.
- Department of Immigration and Ethnic Affairs contract.
- Legal aid for defence of adverse possession under the Transfer of Land Act.
- Expenditure relating to the domestic violence legal unit.
- Cost savings realised by the mediation service.
- Security of records.
- Alternative services for those denied aid.
- Custody cases.
- Recommendations of the Auditor General.
- Mental health patients.
- Restructure of aid assessment area.
- Country network.
- Multi-lingual services.

DIRECTOR OF PUBLIC PROSECUTIONS

- Microeconomic reform.
- Annual report.
- Court of Petty Sessions pilot project.
- Legal practitioners.
- DPP based investigative function.
- Prosecution of employers under the criminal code.
- Increasing workload.
- DPP involvement in witness protection programmes.
- Charging policy.
- Difference between dangerous driving causing death and manslaughter.
- Success rate for committal proceedings.
- Appropriateness of the adversarial system.
- Victims of crime.
- Impact of High Court ruling with respect to undercover police.

CONSERVATION AND LAND MANAGEMENT

- Control of cats.
- Impact on birdlife of cat control.
- Microeconomic reform.
- Accrual accounting.
- Camps returned from the Recreation Camps and Reserves Board.

- Ecotourism.
- Development of effectiveness indicators.
- Financial impact of changes in forest utilisation.
- Decrease in draw on the Consolidated Fund.
- Current CALM debt.
- Assets to be utilised in the retirement of debt.
- Prices of local vs imported plantation and native forest timber.
- Sale of assets in the Blackwood region.
- Importation of forest products.
- Royalties.
- Timber harvested from regrowth.
- Yearly harvest and plantation figures.
- Grants to community organisations.
- McCarrey recommendations with respect to CALM staffing.
- Decreased spending in relation to nature conservation.
- Controlled burning in the Swan region.
- Forecast firefighting needs for summer 1995/96.

HEALTH

- Microeconomic reform.
- Accrual accounting.
- Realised and anticipated savings from outsourcing.
- Australian Medical Association position with regard to the policy-provider split.
- Compensation payment in relation to St John's Hospital in Bunbury.
- Followup of the Auditor General's report regarding hospital waiting lists.
- Changes anticipated to the patient assisted travel scheme and associated costs.
- Vaccination levels and associated public relations funding.
- Workplace agreements.
- Staff costs.
- Deaths in hospital.
- Enterprise bargaining.
- Murray District Hospital.
- Decrease in staff allocated to health promotion.
- Variations in Home and Community Care funding.
- Unit costing in relation to Home and Community Care.
- Outsourcing: process for identification of services; public scrutiny; quality control, probity.
- Conflict of interest in relation to the outsourcing process.
- Mammography services.
- Health status of Aboriginal men.
- Employment arrangements for psychiatrists.

COMMISSIONER FOR WORKPLACE AGREEMENTS

- Number of workplace agreements refused.
- Statistical information.
- Impact of workplace agreements on wage rates.
- Workplace agreements relating to the Commissioner for Police.
- Total number of employees on workplace agreements.
- Site visits in relation to agreements signed under duress.
- Targeting of strategic groups.
- Workplace agreements compared with enterprise level bargaining.
- Casualisation trend.

- Prosecutions.

FAMILY AND CHILDREN'S SERVICES

- Microeconomic reform.
- Accrual accounting.
- Performance information and its use.
- Special needs health programme.
- Review and change to programmes.
- Funding for non-government organisations.
- Specific case.
- Management training.
- Staffing increases and associated expenditure.
- Increased operating costs.
- Grants, subsidies, and transfer payments.
- Capital increases.
- Family centres and the Good Start programme.
- Homeless youth.
- Ministerial office increased expenditure.
- Impact of computerised adoption records on search times.
- Costs of advertising programme.
- Costs of departmental name change.
- Impact of misuse of name change.
- Cutbacks in funding to non-government organisations.
- Recommendations of report of the taskforce on the family.
- Breakdown of costs for the Parenting Plus programme.

DISABILITY SERVICES

- Microeconomic reform.
- Accrual accounting.
- Savings realised from outsourcing.
- Community needs identification.
- Staff increases.
- Access to education and training.
- Support for family respite care.
- Future of Moora, Brighton, and Cremayne Hostels.
- Capital cost of residential respite facility.
- Cost of country assistance.
- Support for carers and families.
- Decrease in hostel residential funding.
- Grants to individuals and non-government organisations.
- Estimated therapy needs for children.
- Community hostels.
- Committee review of the provision of aids and appliances.
- Regional inequities in relation to children's services.
- Staff decreases in relation to recreation, work, and community access.
- Accommodation and community home support.

POLICE

- Resources to deal with violent crime.
- Implementation of the Auditor General's recommendations regarding the Police Operations Centre.

- Use of performance indicators as a management tool.
- Cross-fertilisation of personnel.
- Accrual accounting.
- Services and contracts.
- Payment to Arthur Anderson.
- Number of sworn officers as a percentage of total staff.
- Number of staff accepting workplace agreements.
- Savings in relation to workplace agreements.
- Financial benefits of workplace agreements compared with enterprise bargaining.
- Consultation with Minister in relation to workplace agreements.
- Cost and productivity gains associated with current pay offer to existing workforce.
- \$20 in relation to pay offer.
- Authority to undertake organisational changes.
- Payment intentions for incoming officers.
- Matters raised in Parliament.
- Multicultural recruitment.
- Counter offers to workplace agreements.
- Mobile facility response to domestic violence.
- Additional resources in relation to school base police officers.
- Budget allocation for mounted police.
- Juvenile justice teams.

APPENDIX II**STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS****Previous Reports**

First Report: 1990/91 Budget Estimates.

Second Report: 1991/92 Budget Estimates.

Third Report: Leasing of Computer Equipment for the Legislative Council.

Fourth Report: 1992/93 Budget Estimates.

Fifth Report: Programme Undertaken During 1992.

Sixth Report: 1993/94 Budget Estimates.

Seventh Report: Public Submissions 1993/94.

Eighth Report: Review of the Consolidated Fund Estimates 1994/95.

Ninth Report: The Consolidated Fund Estimates 1994/95.

Tenth Report: Performance Indicators.

Eleventh Report: Scrutiny of Financial Administration Legislation in Various Jurisdictions.

Twelfth Report: Review of the Consolidated Fund Estimates 1995/96.

Thirteenth Report: Financial Administration and Audit Legislation in Australia and New Zealand