

# **PUBLIC ACCOUNTS COMMITTEES IN AUSTRALASIA: THE STATE OF PLAY**

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Public Accounts Committees (PACs) are typically one of the most important committees in Parliament, due to the key role such committees play in promoting public sector accountability and effective governance. This paper reports on the results of a survey of structures, responsibilities, processes and working practices adopted by PACs in ten jurisdictions across Australia and New Zealand. In examining the results of this survey, the paper devotes particular attention to key issues relating to Australasian PACs such as establishment and authority of PACs, powers and responsibilities of PACs, membership and leadership, staffing, relationships with other committees, and the evaluation of PAC performance.

## **INTRODUCTION**

This paper reports on a survey of practices in Public Accounts Committees (PACs) in the ten Australasian jurisdictions (the eight Australian states and territories, plus the Federal Governments of Australia and New Zealand) by KPMG in conjunction with the Public Sector Governance and Accountability Research Centre (PSGARC) at La Trobe University (KPMG, 2006). PACs have a key role to play in public sector accountability, with such committees ensuring the appropriate use by government of public moneys, and as such, have been described as one of the most important of all parliamentary committees. McGee (2002, p. 55) described them in the following terms:

The PAC helps Parliament hold the government to account for its use of public funds and resources by examining the public accounts. Its terms of reference can be expressed narrowly by concentrating on financial probity and regularity or its terms of reference can be expressed more widely by being conceived in performance audit terms, with the PAC being charged with examining the effectiveness of programmes in achieving their objectives.

Other committees exercise oversight functions, but the PAC in most cases is the only one that has a government-wide responsibility. Yet, despite this importance, little has been reported in the research literature about the workings of Australasian PACs. This is a preliminary study, descriptive in nature, the aim of which is to ascertain at a basic level the nature of practices across the ten PACs. This paper does not set out to theorise as to reasons underpinning jurisdictional differences; rather, it merely seeks to highlight some key differences between PACs as a stepping stone to further analysis in future work in this area. With respect to terminology, it should be noted that not all of the ten jurisdictions have a committee called a PAC; however, in each jurisdiction there is at least one, and sometimes two committees that carry out the functions broadly representative of a PAC. For example, South Australia has two committees, the Economic and Finance Committee (EFC) and the Statutory Authorities Review Committee (SARC), both of which undertake some functions typically associated with a PAC. For the purpose of the following discussion, when

the relevant committees in each jurisdiction are referred to collectively, the term PAC is used.

In reporting on the ‘state of play’ in the ten Australasian jurisdictions, particular attention has been paid to the following areas: establishment and legislative authority of PACs, powers and responsibilities of PACs, membership and leadership of PACs, staffing of PACs, relationships between PACs and other committees, and performance evaluation of PACs. These particular areas of interest have been chosen for further examination in this study because they have been identified in prior work as being critical elements of PAC operations (see for example, McGee, 2002; Stapenhurst et al., 2005).

## **METHOD**

The data for this study were collected by KPMG in 2005 via a survey that was completed by staff at all ten Australasian PACs. Follow-up interviews were then undertaken in several jurisdictions with PAC Chairs, members, and committee staff.

## **ESTABLISHMENT AND AUTHORITY**

As a starting point, it is helpful to consider the manner in which the PACs in the relevant jurisdictions were established. The United Kingdom PAC was established by Standing Order in 1861 and parliaments established on the Westminster model almost invariably have PACs. Three of the Australasian PACs, New Zealand, Tasmania and Victoria, were established during colonial times. Today, Australasian PACs are divided according to whether they are established by Standing Order (four jurisdictions), or by an Act of Parliament (six jurisdictions), as can be seen from Table 1.

**Table 1. Characteristics of Australasian PACs (adapted from Jones and Jacobs, 2006b, p.11)**

<b>Jurisdiction</b>	<b>Committee Name</b>	<b>Year of original establishment</b>	<b>Current legislative or other basis</b>	<b>Membership</b>
<b><i>1. Established by Standing Order:</i></b>				
Australian Capital Territory	Standing Committee on Public Accounts	1989	Standing Orders 215 and 217	Three members, uni-cameral parliament
Northern Territory	Public Accounts Committee	1986	Standing Order 21A	Five members, uni-cameral parliament
Western Australia (a)	Public Accounts Committee	1971	Standing Orders 284-286	Legislative Assembly standing committee, five members
New Zealand	Finance and Expenditure Committee	1870	Standing Orders 184-189	12 members, uni-cameral parliament.
<b><i>2. Established by legislation:</i></b>				
Australia (b)	Joint Committee of Public Accounts and Audit	1913	Public Accounts and Audit Committee Act 1951	Joint committee, ten members from the House of Representatives, six from the Senate
New South Wales	Public Accounts Committee	1902	Public Finance and Audit Act 1983	Legislative Assembly committee, six members
Queensland (c)	Public Accounts Committee	1988	Parliament of Queensland Act 2001	Seven members, uni-cameral parliament
South Australia (d)	Economic and Finance Committee	1972	Parliament Committees Act 1991	Legislative Assembly standing committee, seven members
Tasmania	Public Accounts Committee	1862 (e)	Public Accounts Committee Act 1970	Joint committee, three members from each House
Victoria (f)	Public	1895	Parliamentary	Joint

	Accounts and Estimates Committee		Committees Act 2003	committee, five members from the Legislative Assembly, and four from the Legislative Council
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- (a) In Western Australia, a second committee, the Estimates and Financial Operations Committee (EFOC), also undertakes some responsibilities typically associated with a PAC (KPMG, 2006).
- (b) The committee did not operate between 1931 and 1952.
- (c) Since 1994, Estimates Committees have also been established under Sessional Orders of the Queensland Legislative Assembly.
- (d) In South Australia, the Economic and Finance Committee (EFC) replaced the PAC, and undertakes some functions associated with a PAC. The EFC is expressly prohibited from inquiring into statutory authorities, with a second committee, the Statutory Authority Review Committee, undertaking this role.
- (e) Prior research has often suggested that the Victorian PAC was Australia's first (see for example, Trumble, 1994; Parliament of Victoria, 2005). However, more recently, it has emerged that a Tasmanian PAC commenced operations in 1862, and continued to operate throughout the nineteenth century (Jones and Jacobs, 2006a).
- (f) The committee did not operate between 1931 and 1955.

As can be seen from Table 1, the three Australian PACs now operating under Standing Order have all been established in relatively recent times, with those established the earliest now having a legislative basis. This is particularly interesting in the case of Victoria and Tasmania, given that, as noted earlier, the PACs of both states were originally established via Standing Order. This change in these states implies at least some perceived benefit in having a PAC with full legislative backing, as opposed to a Standing Order. In the case of New Zealand, the Finance and Expenditure Committee was created in 1985 (Cosgrove, 2003). The New Zealand Public Accounts Committee was itself replaced in 1962 by the Public Expenditure Committee. Martin (2004, p.261) wrote "The previous Public Accounts Committee had been an inactive and powerless body, constrained in its work by the limited time available to scrutinise the estimates. Its primary use had been as a launching pad for Opposition attacks in the Committee of Supply. From 1932 it could only consider issues that were referred to it by the Government or the House."

## **POWERS, RESPONSIBILITIES AND PRACTICES**

This section considers differences in responsibilities and practices across jurisdictions. The following dimensions are identified for comparison: powers to investigate/ex post and ex ante financial scrutiny, the formal relationship between a PAC and the

Auditor-General, membership and leadership of the PAC, and the requirement for Government to respond to PAC recommendations. These dimensions have been chosen as they reflect key areas of PAC responsibility. Each of these issues is now discussed in turn.

### ***Powers to investigate/ex post and ex ante financial scrutiny***

*Ex post* scrutiny of the budget is a key role played by PACs. The *ex post* scrutiny role is typical of Westminster-style parliaments (Wehner, 2003). KPMG (2006, p.11) reviewed the powers of the PACs in the ten Australasian jurisdictions, and found that all ten PACs surveyed “...have the mandate to review public accounts and Auditor-General reports and the power to investigate any items or matters in connection with those accounts or reports. In addition, all of the PACs except that of the Northern Territory have the capacity to initiate their own inquiries, and to a large extent, determine their own work priorities.” The Northern Territory committee can only act on a direct reference from parliament or minister, or on issues in the Auditor's report to parliament.<sup>1</sup> Furthermore, all PACs are required to undertake inquiries referred by Parliament or a Minister (KPMG, 2006). So while all jurisdictions are involved in *ex post* scrutiny<sup>2</sup>, involvement in *ex ante* scrutiny differs. Interestingly, only five jurisdictions have involvement in examining budget estimates (*ex ante* scrutiny). It is worth pointing out, however, that apart from the case of Victoria, some caveats apply with respect to this distinction. In the Australian Capital Territory, the PAC plays a role in reviewing some Bills for estimates, but budget estimates do not form part of the PAC's chief responsibility. In the Northern Territory, it is a separate committee, the Estimates Committee, that is responsible for *ex ante* scrutiny, but the membership of this Committee includes the PAC. In the case of Western Australia, it is the Estimates and Financial Operations Committee that reviews budget estimates. In New Zealand, while the FEC has primary responsibility for estimates, it reserves the right to allocate this role to other select committees if particular technical expertise

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<sup>1</sup> Personal correspondence with NT Committee staff, September, 2006.

<sup>2</sup> Despite this power, by convention, PACs tend to steer away from *explicit* examination of government policy. In the case of New South Wales, the PAC are prohibited under the Public Finance and Audit Act from investigating or reporting on a matter of Government policy unless the matter has been expressly referred to the PAC by the State's Legislative Assembly, or by a Minister. Obviously, in practice, it is difficult for PACs to avoid at least implicitly examining government policy (KPMG, 2006).

held by a particular select committee is required, and this allocation process would be normal practice (KPMG, 2006).

### *Relationship with the Auditor-General*

The relationship between a PAC and the Auditor-General is a critical part of public sector accountability (McGee, 2002; Stapenhurst et al., 2005; Jones and Jacobs, 2006a). Part of a PAC's role is to bolster the effectiveness of the Auditor-General (McGee, 2002). However, relationships between PAC's and their Auditor-General vary significantly by jurisdiction. Table 2 summarises some of the key elements of a PAC's relationship with the Auditor-General, enabling a comparison between jurisdictions.

**Table 2: Relationship with the Auditor-General by jurisdiction (Source: KPMG, 2006, p.14)\***

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUS	NZ
Auditor-General inquiries and reporting:										
The Committee has formal responsibility for the examination of Auditor-General reports (a)	Yes	Yes	Yes	Yes	(b)	Yes	Yes	Yes	Yes	(c)
The Committee has the formal power to refer matters to the Auditor-General for consideration		Yes		Yes	(b)		Yes		Yes	(c)
Appointment and removal of Auditor-General:										
The Committee must be formally consulted in the appointment of the Auditor-General				Yes						(d)
The Committee has the power	Yes	Yes							Yes	

to veto the appointment of the Auditor-General										
The Committee undertakes the selection process and recommends appointment of the Auditor-General							Yes			
The Committee must be formally consulted in the removal of the Auditor-General		Yes					Yes			(d)
The Committee must approve the removal of the Auditor-General				Yes						
Independent review of Audit Office:										
The Committee is responsible, or must be formally consulted, in the appointment and removal of the independent auditor of the Audit Office		Yes					Yes		Yes	
The Committee is formally involved in the strategic review of Audit Office performance	Yes	Yes (every three years)	Yes (every three years)	Yes (every five years)			Yes (every three years)		Yes	

\* This table reflects practices as set out in either the relevant legislation or Standing Orders. Actual practice may differ depending on convention in the relevant jurisdiction.

- (a) Usually, the PAC is the only committee with the mandate to examine Auditor-General's reports; however, this is not always the case – in some jurisdictions, other committees can examine Auditor-General reports if the subject of the report is in the Committee's portfolio area.
- (b) While the South Australian Economic and Finance Committee has a working relationship with the State's Auditor-General, the Committee's terms of reference does not require the review of Auditor-General reports.
- (c) The FEC rarely examines Auditor-General's reports, despite it being within their mandate to do so.
- (d) The appointment and removal of the New Zealand Auditor-General is the responsibility of a separate committee (KPMG, 2006).

Table 2 is very interesting in so far as it indicates that relationships between PACs and their Auditor-General vary significantly by jurisdiction. For example, while almost

all PACs have formal responsibility for the review of Auditor-General reports, fewer have the ability to refer matters to the Auditor-General for investigation, which must serve to limit the effectiveness of the PACs in these jurisdictions. Australasian PACs in general have little say in appointment or removal of an Auditor-General. Furthermore, the Australian PACs established by Standing Order appear to have less power in their relationship with the Auditor-General than in jurisdictions established by legislation. In particular, the PACs of the Northern Territory and Western Australia have limited powers in this regard. As can be seen from Table 2, these PACs have no powers in relation to the appointment of an Auditor-General.

In general, Australasian PACs have more power with respect to evaluation of the Audit Office than with respect to appointment or removal of an Auditor-General, with the majority of jurisdictions (six out of ten) having a formal involvement in the strategic review of Audit Office performance.

Further, although not included in Table 2, it is interesting to note that in three jurisdictions (Victoria, Australia (Federal), and New Zealand), there is a formal requirement for the PAC to be consulted in the determination of Audit Office priorities and planning. Yet, despite this, there is no requirement for the Auditor-General to adopt the recommendations put forward by the PAC as part of this process.

## **MEMBERSHIP AND LEADERSHIP**

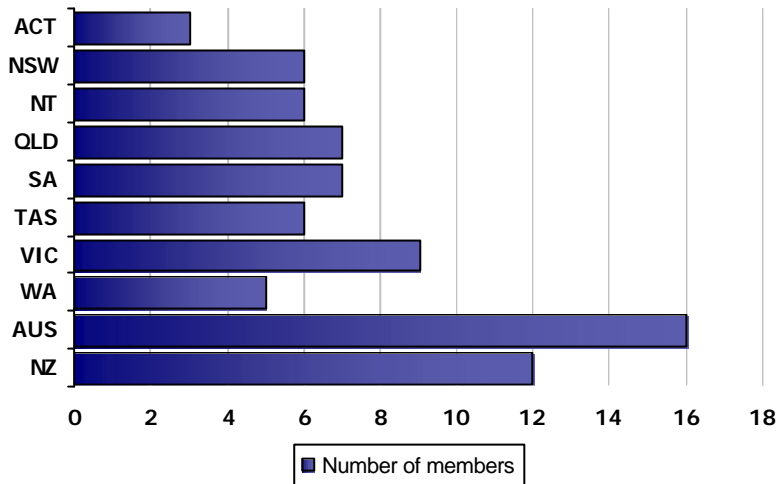
### **Size**

The number of members of each PAC is shown for each jurisdiction in Figure 1. The average membership of a PAC in the ten jurisdictions examined is 7.7 members, and the most common number of members in a PAC is 6.

KPMG (2006) notes that in evaluating committee size, it is important to consider the range of each PAC's responsibilities when comparing between jurisdictions, making reference to the example of Victoria, whose larger than average committee reflects the fact that the Victorian PAEC has extra responsibilities in the form of an estimates function. In most cases, the size of a PAC's membership is proportional to the size of

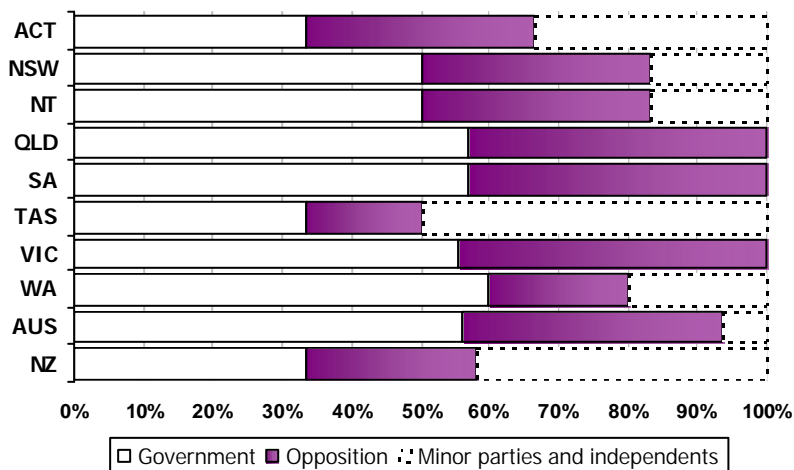
its jurisdiction. The New South Wales PAC is an exception to this, having a relatively small PAC (6 members) compared to the size of the jurisdiction (KPMG, 2006).

**Figure 1: Size of PACs by jurisdiction (Source: KPMG, 2006, p.18)**



### Party representation

**Figure 2: Party representation (Source: KPMG, 2006, p.18).**



As can be seen from Figure 2, in seven out of ten Australasian jurisdictions, Government members comprise at least half of the membership of a PAC. Typically, Standing Orders or legislation do not prescribe the number of members that should be

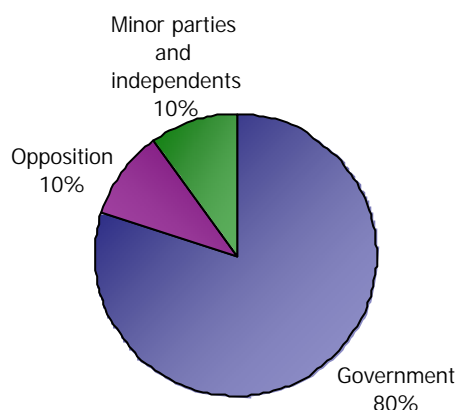
drawn from Government or Opposition. Exceptions to this are Queensland, where the composition of the Committee is covered in the enabling legislation, and New Zealand, whose Standing Orders provide that PAC membership must be proportional to House membership (KPMG, 2006).

### **PAC Chair**

In the UK, and indeed in most Commonwealth countries, PACs are chaired by non-Government members, a feature that has the advantage of promoting the independence of the PAC (KPMG, 2006). However, in Australia, the position is reversed, with seven out of the nine Australian jurisdictions having a Chair from the Government, the exceptions being Tasmania and the Australian Capital Territory. Similarly, the New Zealand PAC also has a Government chair (KPMG, 2006). This is shown graphically in Figure 3.

Typically, the political affiliation of the Chair of the PAC is determined by convention. However, the Standing Orders to establish the Northern Territory PAC require that a Government member be appointed Chair. It could be argued that having a Government member as chair compromises the independence of the PAC somewhat, and may serve to limit the scope of PAC inquiries. Of course, there is also the counter-argument that a Government chair has greater access to Government ministers to ensure that PAC recommendations are adopted (KPMG, 2006).

**Figure 3: Chairs of PACs (Source: KPMG, 2006, p. 22)**



### **FOLLOW-UP: GOVERNMENT RESPONSE TO PAC RECOMMENDATIONS**

In eight of the ten Australasian jurisdictions, there is a formal requirement for the Government to respond to PAC recommendations, and the time frame for response varies between three and six months in these jurisdictions (KPMG, 2006). This requirement is important in enabling the PAC to achieve its aim of ensuring accountability, and also to preserve the legitimacy of the PAC. The jurisdictions of Tasmania and the Northern Territory are those PACs which have no formal requirement for the Government to respond to PAC recommendations. The limited scope of powers of the Northern Territory's PAC have already been noted with respect to the PAC's relationship with the Auditor-General. Table 4 summarizes the time frames for the respective Governments to respond to PAC recommendations in each jurisdiction.

**Table 3. Government requirement to respond to PAC recommendations (Source: KPMG, 2006, p.35).**

<b>Jurisdiction</b>	<b>Formal requirement to respond to PAC recommendations</b>	<b>Time frame</b>	<b>Authority</b>
Australian Capital Territory	Yes	3 months	Government policy

Northern Territory	No	-	-
Western Australia	Yes	3 months	Standing order
New South Wales	Yes	6 months	Government policy
Queensland	Yes	3 months (a)	Statutory
South Australia	Yes	4 months	Statutory
Tasmania	No	-	-
Victoria	Yes	6 months	Statutory
Australia	Yes	3 months	Government policy
New Zealand	Yes	3 months	Standing order

(a) In the event of a Minister being unable to respond within this timeframe, an interim response setting out the reason for non-compliance must be tabled, and a full response is required within six months.

## RESOURCES

**Table 4: Staffing (Source: KPMG)**

	2004/05 Full Time Equivalent Staff		Auditor-General Secondees	Other	Total
	Dedicated PAC staff	Staff shared with other committees			
<b>ACT</b>	1.0	0.2			1.2
<b>NSW</b>	3.8		0.75		4.55
<b>NT</b>		2.0			2.0
<b>QLD</b>	2.0	0.5			2.5
<b>SA</b>	2.0				2.0
<b>TAS</b>	1.0		0.25	0.25	1.5
<b>VIC</b>	5.8		0.83		6.63
<b>WA</b>	2.0				2.0
<b>AUS</b>	3.0	2.0		0.25	5.25
<b>NZ</b>	3.0				3.0
<b>Average FTE</b>	<b>2.4</b>	<b>0.5</b>	<b>0.2</b>	<b>0.1</b>	<b>3.1</b>

Table 4 indicates the number of full-time equivalent (FTE) staff comprising each PAC for the 2004/5 year. Again, the relative level of staffing provided to a PAC is roughly proportional to the size of the jurisdiction, with an overall range of 1.2 FTE staff in the Australian Capital Territory to 6.63 in Victoria. Given the size of a PAC's mandate, and the general importance of PACs in ensuring public sector

accountability, the average number of FTE staff per jurisdiction is quite staggering compared to the amount of work these committees are required to undertake, and especially so when compared to the amount of staff resources provided in private sector audit committees. Obviously, an increase in the level of staff resources afforded to Australasian PACs is, in our view, desirable. The obvious limitation created by such a fundamental lack of resources is the ability of the PAC to initiate inquiries, which is dealt with in the next section.

## TYPES OF REPORTS

**Table 5: Types of reports produced by PACs – 1 July 2001 to 30 June 2005  
(Source: KPMG)**

	QLD	WA	NSW	TAS	NT	VIC	ACT	SA	AUS	NZ	Total
Annual reports	4	3	4	0	4	3	0	4	4	0	26
Review or follow-up inquiry of Auditor-General reports	5	0	10	0	1	4	10	1	13	0	44
Audit-office review	1	1	1	0	0	3	0	0	0	2	8
Inquiries – self-initiated	2	6	2	6	0	4	4	8	4	0	36
Inquiries – referred	0	0	2	2	2	1	0	0	0	0	7
Estimates	0	0	0	0	0	4	0	0	0	33	37
Financial reviews	0	0	0	0	0	3	2	0	0	27	32
Bills or statutory determinations referred to the Committee	0	0	1	0	0	0	4	5	1	19	30
Other matters (eg, discussion papers, study tours, ASPAC)	2	1	4	0	0	1	1	0	0	14	23
Petitions	0	0	0	0	0	0	0	0	0	8	8
<b>Total</b>	14	11	24	8	7	23	21	18	22	103	251

As can be seen from Table 5, the types of reports generated by Australasian PACs varies widely by jurisdiction, with the New Zealand Finance and Expenditure Committee producing by far the largest number of reports. In some circumstances, the wide disparity in the number of reports produced is due to the difference in responsibilities between jurisdictions. For example, of course, the New Zealand and Victorian numbers of reports are inflated by the fact that these jurisdictions have an estimates function. However, while the Victorian PAEC combines estimates reviews of all departments into a single report, the New Zealand FEC tables a separate estimates report for each department. New Zealand is also unusual in the sense that although it has the ability to examine Auditor-General's reports, it rarely does so. It is also rare for the New Zealand FEC to refer a matter to the New Zealand Auditor-General for investigation (KPMG, 2006). The high number of financial reviews for New Zealand is explained by the requirement for the FEC to conduct, or allocate to another select committee, a financial review of "...each individual Department, Office of Parliament, Crown entity, public organisation, and State enterprise" (KPMG, 2006, p.16).

As noted previously in the paper, the relationship between a PAC and the Auditor-General is a critical part of public sector accountability (McGee, 2002; Stapenhurst et al., 2005; Jones and Jacobs, 2006a). Part of a PAC's role is to bolster the effectiveness of the Auditor-General (McGee, 2002). McGee (2002, p.31) noted that "historically PACs were created to ensure parliamentary follow-up on Auditor-General's reports, and because the jurisdiction of PACs has more in common with Auditor-General's remits than does that of other committees." However, an examination of Table 5 indicates that this varies significantly by jurisdiction. Given that a 'good' relationship with the Auditor-General is a cornerstone of public sector accountability, it might be reasonable to expect that this source of inquiry be the most common for each PAC. Instead, it is possible to group PACs into two categories according to this activity: those with an average of at least one review or follow-up of Auditor-General reports per year investigated (denoted as 'high' for the purposes of this discussion), and those with an average of less than one per year, giving the following classification:

High: Queensland, New South Wales, Victoria, ACT, Australia

Low: Western Australia, Northern Territory, South Australia, Tasmania, New Zealand.

It is tempting perhaps to categorise those in the ‘high’ category as good performers relative to those in the low category, although this is overly simplistic. As noted above, although the examination of Auditor-General’s reports is within the New Zealand FEC’s mandate, it is rare for them to examine Auditor-General’s reports, and also rare for them to refer work back to the Auditor-General. There is a need to ‘delve deeper’ into analysing the sources of PAC inquiry, and this analysis is currently the subject of further research (Jacobs and Jones, 2006).

### **RELATIONSHIPS WITH OTHER COMMITTEES**

The relationship between PACs in each jurisdiction and other committees in that same jurisdiction, and between PACs in separate jurisdictions is summarised in Table 6.

**Table 6: Relationships with other committees (Source: KPMG)**

	Are other parliamentary committees in scrutinising audit reports?	Do PAC members sit as PAC members on other committees?	Does the PAC have protocols in place for communicating with other PACs where identified concerns / developments have cross-jurisdictional relevance?
<b>QLD</b>	No	No	No
<b>WA</b>	Yes	No	No
<b>NSW</b>	No	No	No
<b>TAS</b>	Yes	No	No protocols. Informal communication through ACPAC.
<b>NT</b>	No	No	Only by way of formal communication between the Chairs.
<b>VIC</b>	No	Rarely	No
<b>ACT</b>	No	No	No protocols. Informal

			exchanges with similar jurisdictions.
<b>SA</b>	No	No	No
<b>AUS</b>	Yes	No	No formal protocols (other than ACPAC conferences), but the Committee consults its State counterparts on certain issues.
<b>NZ</b>	Yes	No	No

Table 6 suggests that the level of communication between Australasian PAC's and other bodies in their jurisdiction, and even between PACs across jurisdictions is quite low. In almost all cases, PAC members do not sit on other Parliamentary Committees in their role as PAC members, the exception being Victoria (another exception, arguably, is New South Wales, whereby PAC members do sit on other Committees, but not in their formal role as PAC members). What is perhaps most surprising is the lack of consultation between PACs in different jurisdictions. Formal consultation between jurisdictions on matters of cross-jurisdictional relevance appears very low, with consultation between PACs appearing to be largely restricted to biennial Australasian Council of Public Accounts Committees (ACPAC) conferences.

## **PERFORMANCE REPORTING**

Stapenhurst et al. (2005), in a review of Commonwealth PACs, found that very few PACs publish reports relating to their own performance, and argued that this was surprising, given that performance reporting is a critical feature of effective oversight. Stapenhurst et al. (2005, p.23) also argue that "in part, the reluctance to assess performance is a result of the difficulty of the questions that must be addressed, such as who should agree to the measures, who should see the results, and how they will be used." KPMG's analysis of which Australasian jurisdictions have a formal performance measurement mechanism is interesting when considered in this light. Each PAC was asked to respond to the following question: "Does the committee adopt a formal mechanism for measuring its performance?" Only three out of the ten PACs surveyed answered in the affirmative.

Stapenhurst et al. (2005, p.23) argue that “in part, the reluctance [of Commonwealth PACs] to assess performance is a result of the difficulty of the questions that must be addressed, such as who should agree to the measures, who should see the results, and how they will be used.”

The performance evaluation regime of the Victorian Public Accounts and Estimates Committee (PAEC) is particularly noteworthy in this regard, being recognised as a world leader in PAC performance reporting (Stapenhurst et al., 2005), and publishing both actual performance data and performance targets. Measures used include number of submissions received, number of reports completed on time, and percentage of recommendations accepted (KPMG, 2006).

**Table 7: Performance Reporting (Source: KPMG)**

<b>Jurisdiction</b>	<b>Formal performance measurement mechanism</b>	<b>If yes, how are the performance results reported?</b>
Australian Capital Territory	No	-
Northern Territory	No	-
Western Australia	No	-
New South Wales	Yes	Performance reported and evaluated in the PAC’s Annual Review
Queensland	Yes	Performance results included in the Parliamentary Service Annual Report
South Australia	No	
Tasmania	No	
Victoria	Yes	Yearly – in annual report to Parliament
Australia	No (a)	
New Zealand	No	

- (a) No formal performance measurement mechanisms, but the Committee actively monitors the speed and supportiveness of government responsiveness of Committee reports.

## **CONCLUSION**

This paper has reported on a 2005 survey of practices in Australasian Public Accounts Committees (PACs), and in doing so, has sought to provide a basic description of key practices and responsibilities across the ten Australasian jurisdictions (eight Australian states and territories, and the two Federal jurisdictions).

This paper has identified the basic 'state of play' in the ten Australasian PACs. This was done by examining the origins and practices of PACS across the following areas: establishment and authority of PACs, powers and responsibilities of PACs, membership and leadership, staffing, relationships with other committees, and the evaluation of PAC performance. Perhaps not surprisingly, rather than there existing a 'template' by which Australasian PACs operate, the PACs differ substantially with respect to their basis of establishment, roles and responsibilities, size, staffing, the types of reports each jurisdiction most commonly produces, and performance evaluation practices. This appears to represent a rich vein for future research.

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