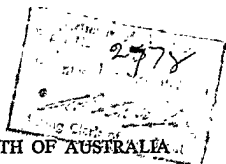


1971

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA



---

JOINT COMMITTEE OF PUBLIC ACCOUNTS

---

ONE HUNDRED AND  
THIRTY-SECOND REPORT

---

TREASURY MINUTE ON THE  
ONE HUNDRED AND  
FIFTEENTH REPORT

TOGETHER WITH A

SUMMARY OF THAT REPORT

JOINT COMMITTEE OF PUBLIC ACCOUNTS

EIGHTH COMMITTEE

J.D.M. DOBIE, Esquire, M.P.(Chairman) (5)

B.W. GRAHAM, Esquire, M.P.(Chairman) (4)

C.J. HURFORD, Esquire, M.P.(Vice-Chairman)

Senator J.F. FITZGERALD

F.W. COLLARD, Esquire, M.P.

Senator M.G.C. GUILFOYLE (3)

J.F. COPE, Esquire, M.P.

Senator A.G.E. LAWRIE (3)

L.H. IRWIN, Esquire, M.B.E., M.P. (6)

Senator J.J. WEBSTER (2)

A.W. JARMAN, Esquire, M.P.

Senator Dame Ivy WEDGWOOD(1)

J.A. PETTIT, Esquire, H.P. (6)

I.L. ROBINSON, Esquire, M.P. (5)

The Senate and the House of Representatives appointed their Members on 25 November, 1969.

- (1) Term of service as a Senator expired on 1 July, 1971
- (2) Discharged 19 August, 1971
- (3) Appointed 19 August, 1971
- (4) Elected 24 August, 1971
- (5) Discharged 8 September, 1971
- (6) Appointed 8 September, 1971

DUTIES OF THE COMMITTEE

Section 8 of the Public Accounts Committee Act 1951-1966 reads as follows :-

8. The duties of the Committee are -
- (a) to examine the accounts of the receipts and expenditure of the Commonwealth and each statement and report transmitted to the Houses of Parliament by the Auditor-General in pursuance of sub-section (1.) of section fifty-three of the Audit Act 1901-1950;
  - (b) to report to both Houses of the Parliament, with such comment as it thinks fit; any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
  - (c) to report to both Houses of the Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
  - (d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

Contents

<u>Chapter</u>		<u>Page</u>
1	Introduction	5
2	Treasury Minute on the One Hundred and Fifteenth Report relating to Expenditure from the Advance to the Treasurer (Appropriation Acts 1968-69)	7
3	Observations of Your Committee	25

JOINT COMMITTEE OF PUBLIC ACCOUNTS

ONE HUNDRED AND THIRTY-SECOND REPORT

Treasury Minute on the One Hundred  
and Fifteenth Report relating to  
Expenditure from the Advance to the  
Treasurer (Appropriation Acts 1968-69)

CHAPTER 1 -- INTRODUCTION

In its Seventy-ninth Report dated 10th March, 1966, P.P.No.275  
Your Committee set out in detail the basis of the Treasury of 1964-65-66  
Minute arrangements which have been made to ensure that appropriate  
action ensues from comments contained in our Reports.

As they now stand, the arrangements concerned are:-

- (1) The Report of Your Committee is tabled by the Chairman in the House of Representatives and by a Member of the Committee in the Senate. Motions are moved in both Houses of the Parliament that the Report be printed as a Parliamentary Paper.
- (2) The Chairman of Your Committee thereafter forwards a copy of the Report to the Departments affected and to the Treasurer with a request that he give the Report his consideration and inform the Chairman of the action taken to deal with Your Committee's comments.
- (3) The reply received, which is in the form of a Treasury Minute, is then examined by Your Committee and, together with the conclusions of the Report to which it relates, is submitted as soon as possible to the Parliament as a Report.
- (4) Where during its examination of a Treasury Minute Your Committee finds that there are recommendations not fully dealt with or which are subject to a further Minute, it holds an exploratory discussion with officers of the Department of the Treasury prior to the submission of the Minute to the Parliament.

- (5) In reporting a Treasury Minute to the Parliament, Your Committee does not usually make any comment on the Minute other than to note recommendations not fully dealt with or subject to a further Minute. In special cases where comment is thought to be necessary, Your Committee makes it.
- (6) Your Committee reviews a Treasury Minute, if necessary, when it again examines the department concerned.
- (7) The Department of the Treasury furnishes Your Committee with a half-yearly report on outstanding Treasury Minutes, indicating the progress made in dealing with Your Committee's comments.

CHAPTER 2

- TREASURY MINUTE ON THE ONE HUNDRED AND FIFTEENTH REPORT RELATING TO EXPENDITURE FROM THE ADVANCE TO THE TREASURER (APPROPRIATION ACTS 1968-69)

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

The Treasury has examined the Report and has discussed with the departments concerned the observations and conclusions of the Committee which have, where necessary, been brought to the notice of the officers concerned.

THE DEPARTMENT OF THE INTERIOR

War Graves - Construction, care and Maintenance

12. Your Committee believes that insufficient care was exercised by the Department in connection with the War Graves Commission's estimate for 1969-70. Had proper attention been paid to this matter, the amount of 34,359 would have been sought in the Additional Estimates for 1968-69. Although the amount involved in this case is small, Your Committee is disturbed by the fact that it was overlooked when the Additional Estimates were formulated.

The Department has advised that steps have been taken to ensure that any additional funds required for the first quarter of the War Graves Commission's financial year (April to June) are considered in time for inclusion in the Additional Estimates.

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April, 1970)

Treasury Minute  
(9 July 1971)

13. Your Committee is also disturbed by the fact that the Department's written submission did not disclose that the advice of the War Graves Commission's estimate for 1969-70 came into the Department's possession in time for an appropriate adjustment to be made in the Additional Estimates. Had Your Committee decided not to proceed to a public examination of this item, this situation would not have been disclosed.

The Department wishes to assure the Committee that there was no deliberate attempt to withhold the information that advice of the War Graves Commission's estimate for 1969-70 came into the Department's possession in time to include an adjusting amount in the Additional Estimates for 1968-69.

Real Estate Management, Administrative Expenses  
Postage, Telegrams and Telephone Services

28. Your Committee's examination of this Item emphasises the validity of the conclusions drawn in our One Hundred and Seventh Report which related to Subscriber Trunk Dialling Telephone Facilities (S.T.D.) In that Report we stated that the evidence taken in relation to telephone expenditure highlighted the cost control problems that arise in buildings where multi-occupancy occurs. Allied to that was the problem that arises for any Department which is the registered subscriber



Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April, 1970)

Treasury Minute  
(9 July 1971)

of a multi-occupancy building. In that regard it was noted that the problems of estimating and cost control confronting such departments had increased following the introduction of subscriber trunk dialling facilities.

29. In the present case the Department of the Interior is the registered subscriber of several buildings involving multi-occupancy and the evidence shows clearly the problems that have arisen for that Department in the formulation of accurate expenditure estimates. Indeed having regard to these problems, Your Committee would pay a tribute to the Department of the Interior for the results it has achieved on this Item in recent years.

30. We believe that the evidence taken on this Item justifies further the action taken by the Department of the Treasury in October 1968 in requesting departments to analyse their telephone accounts with a view to isolating the factors that have contributed to increased allocations for telephone purposes.

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April, 1970)

Treasury Minute  
(9 July 1971)

Real Estate Management-Administrative Expenses-Office Services

45. Your Committee notes with concern that, in the formulation of the Original Estimates for this Item, an amount of \$39,800 had been omitted due to an oversight that occurred in the Departments' Victorian Regional Office. We trust that the development of a pro-forma for use in connection with routine expenditure will obviate repetitions of this type of error.

The Department has advised that the extreme staff shortage which existed when the estimates for 1968-69 were formulated has to some extent been overcome and that systems have been introduced which should as far as possible prevent omissions from estimates for this type of expenditure.

46. It is also clear from the evidence that in formulating its Original Estimates for the Australian Capital Territory for 1968/69 the Department failed to provide for unpaid accounts relating to the previous financial year and failed to make a provision for expenditure for a full year in respect of buildings that had been occupied for the first time during the previous financial year. Your Committee regards these errors as symptomatic of a poor standard of estimating.

The Department has supplied copies of the Committee's One Hundred and Fifteenth Report to its Chief Property Officers who will ensure that all possible relevant information to assist with the formulation of estimates is sought in the future.

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

47. Regarding electricity costs at the Commonwealth Centre Melbourne and the World Meteorological Centre, the evidence shows that, when the Additional Estimates were formulated, three accounts for substantial amounts were on hand, but, due to inexperience of the officer concerned, were not taken into account. Your Committee notes with approval that steps have been taken to strengthen the Department's accounting function in this area.

48. A further matter to which we would invite attention concerns the overprovision of \$6,471 from the Advance to the Treasurer. In this regard we note the claim made in evidence that the Department is not specifically aware of the times when accounts for electricity charges will be received. Your Committee believes that the Department should ascertain from the electricity authorities concerned the cyclical arrangements that are applied in the issuing of electricity accounts to assist it with its reviews of expenditure and formulation of estimates.

Committee's Conclusions  
One Hundred and Fiftieth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

49. Your Committee also notes with surprise that the consumption of electricity had evidently not been included in the relevant feasibility studies relating to the computer installations for the Department of Social Services and the Bureau of Meteorology.

The Department of Social Services has explained that discussions on Social Services computer proposals took place at several meetings attended by representatives of the Public Service Board, the Treasury, the Bureau of Census and Statistics, the Auditor-General's Office and the Department of Social Services. In the course of these meetings various costing comparisons were considered and an agreed basis was arrived at which was presented to the Interdepartmental Committee on A.D.P.

Electricity charges were not separately identified in the agreed costing statement, the view being taken that since the Department of Social Services would, in fact, be replacing a large installation of punched card equipment, the difference in power usage for computer equipment, if it could be measured by all, was not likely to be a significant cost factor.

The Chairman of the Interdepartmental Committee on A.D.P. observed that the A.D.P. feasibility studies in the Department of Social Services and the Bureau of Meteorology were undertaken in 1963 at a stage when there was little relevant information available to enable an estimate of any accuracy to be made regarding the additional electricity costs likely to

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April, 1970)

Treasury Minute  
(9 July 1971)

be involved in the operation of computer-based data processing in these two organisations. Electricity consumption was recognised as a cost factor in the operation of an A.D.P. installation, but was not separately identified in the relevant cost/benefit statements because:

- (i) the cost likely to be involved was difficult to estimate at a time when rapid technological changes were taking place ;
- (ii) the likely cost was recognised as being small, relative to the total annual costs including equipment amortisation and maintenance, system development, etc., probably in the order of 2% - 4% of total A.D.P. costs;
- (iii) there would be off-setting electricity savings due to the displacement of large installations of punched card equipment;
- (iv) various recognisable benefits that were impracticable to quantify could not be taken into account numerically; and
- (v) the inclusion of additional electricity costs did not constitute a factor of such significance that it would influence a decision as to whether or not to recommend the introduction of A.D.P.

In the light of experience since the earlier studies referred to above, estimates of electricity charges have for several years been included as a separately identified item in A.D.P. cost/benefit assessments.

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April, 1970)

Treasury Minute  
(9 July 1971)

Surveys-Administrative Expenses-Postage, Telegrams and Telephone Services

54. Your Committee accepts the Department's explanation on the basis of the evidence tendered.

55. Your Committee is concerned, however, by the remark made in evidence that it is difficult for the Department to assess the dates on which telephone accounts will be received. In this regard Your Committee would invite attention to paragraph 113 of its Eighty-fourth Report. In that paragraph Your Committee stated that any department which charges other departments for services it renders has a clear responsibility to ensure that it submits accounts for payment to debtor departments as soon as possible after the provision of the service concerned. Where the service provided is of a continuous nature, the department rendering the service should arrange for the submission of accounts at such intervals as will ensure that debtor departments are given the opportunity to effect regular payments.

The Department has arranged with the Postmaster-General's Department for appropriate telephone accounts to be rendered on a monthly basis, which will enable the Department to detect undesirable trends at an earlier date.

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

56. In the circumstances we believe that the Department of the Interior should discuss its problem with the Postmaster-General's Department with a view to obtaining accounts on a regular basis acceptable to both departments.

Australian Capital Territory, Flats-Caretaking and Maintenance

66. Your Committee accepts the explanations tendered by the Department except for that relating to the award operative from 31 July, 1967 for watchmen, caretakers, cleaners and lift drivers. It is clear that a new provision included in that award had been overlooked in the formulation of both the Original and Additional Estimates for 1968-69 and had not come to the notice of the Department until April, 1969 when attention was drawn to it by an employee acting through the Miscellaneous Workers Union. Your Committee regards this state of affairs as most unsatisfactory.

67. As in the case of Item 350/2/06 Your Committee is also disturbed by the fact that the Department's submission did not disclose that retrospect-

The Department has advised that as a general rule amendments to industrial awards are advised to all branches of the Department by the Industrial Officer. The new provision covering caretakers in the award was a relatively obscure adjustment and the fact that it was brought to notice by an employee was considered to be of no significance when explaining why additional funds were requested from the Advance to the Treasurer.

The Department has given an assurance that there was no deliberate intention to conceal the fact that the retrospective adjustment had arisen from an oversight in the Department.

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

ive adjustments arising from the award made in July 1967 had arisen from an oversight in the Department. Had Your Committee decided not to proceed to a public examination of this item, this situation would not have been disclosed.

Australian Capital Territory Police-Office Requisites and Equipment, Stationery and Printing

73. It appears to Your Committee that the principle cause of expenditure from the Advance to the Treasurer on this item arose from an interim order placed on the Government Printer in March 1968 for the printing of a law manual and Police General Orders. In connection with this matter Your Committee believes that, as requested by the Department, the Government Printer should have provided an estimate of the cost of this work and that the Department should have ensured that it obtained such an estimate. Your Committee is also concerned that, based on an interim order of \$500, the final cost for this work should have reached a figure of no less than \$6,743 without a

The Department and the Australian Government Publishing Service have provided the following additional information concerning the printing of the A.C.T. Police Law Reference Book and Police General Orders and Instructions.

The purchase order referred to by the Department was not an interim order and was for the printing of the Police Law Reference Book only. The figure of 500 mentioned in the Department's evidence to the Committee was the quantity required, 500 copies, not an estimate of cost. The basis of cost on this order was given as "Variable".

Printing of the Police General Orders and Instructions was carried out on the authority of a Government Printing Office specification form signed by an officer of the A.C.T. Police Force. A covering purchase order for \$2,173.89



Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

final order having been placed. We can only express the view that the circumstances surrounding this matter are unsatisfactory in respect to both of the parties concerned.

Treasury Minute  
(9 July 1971)

was subsequently raised by the Department to cover the final cost of this printing.

Because of staff shortages, the current practice of the Commonwealth Government Printer is not to provide firm quotations or cost estimates to departments unless a specific request is received and the circumstances of the job warrant it. A similar practice existed in 1968 and for the printing in question there was no formal application in writing from the Department for a final cost estimate for either publication.

To ensure that proper procedures are observed in the future the Department has circulated, within the Department, instructions issued by the Australian Government Publishing Service.

Northern Territory Services - Forestry Branch - Operational Expenses

80. Your Committee accepts that most of the expenditure charged to the Advance to the Treasurer in 1968-69 arose from circumstances that occurred in March and April 1969 following a fire that occurred at Maningrida late in 1968 and cyclone "Audrey" that occurred in March 1969.

81. In connection with \$11,500 of the amount charged to the Advance

The Department has advised that every effort, consistent with economies

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

to the Treasurer, Your Committee believes, on evidence tendered by the witness, that the upward trend that occurred in costs connected with the output of logs at Maningrida should have been foreseen when the Additional Estimates were prepared.

in staffing, will be made in future to recognise upward trends in costs at an earlier stage.

Capital Works and Services, Acquisition of Sites and Buildings  
Department of the Interior

90. Your Committee accepts the Department's explanation.

91. In connection with the evidence tendered in relation to Cronwell Building in Melbourne, Your Committee would observe that the problem of office accommodation in Australia has been a matter for concern in recent years. For this reason we note with satisfaction that in May 1968 the Government appointed an inter-departmental committee comprising representatives of the Department of the Interior, the Department of the Treasury and the Department of Works with terms of reference that embrace the practicability of purchasing buildings and the practicability of reducing the time required in the construction of Commonwealth buildings and the means of reducing the cost of office accommodation.

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

Capital Works and Services-Acquisition of Sites and Buildings

Department of National Development

96. The evidence shows that the amount of \$3,636 charged to the Advance to the Treasurer should have been included in the Additional Estimates for 1968-69. The necessary action, however, was not taken due to a misunderstanding that evidently occurred between the Central Office of the Department and its Queensland Regional Office. Your Committee trusts that appropriate action will be taken by the Department to ensure that misunderstandings of this nature do not recur.

97. In connection with this matter Your Committee also notes the observations made by the Treasury Observer, Mr. Hunter, in relation to the responsibility of the Department of the Interior for seeking funds in the Additional Estimates following Treasury approval for the inclusion of projects in the acquisition programme. On the basis of the evidence tendered in this case Your Committee rejects the argument that if the Department of the Treasury does not receive a request for additional funds in the

The Department of the Interior has advised that procedures and checks on acquisitions have been refined to the extent that a recurrence of misunderstandings of this nature should not occur.

The suggestion that the Treasury should, when framing Additional Estimates, obtain a report from the Department of the Interior on the status of each project added to an acquisition programme during the year, has been considered. The Treasury has concluded that it would be a task of some magnitude, which would be ineffectual to a degree as the Treasury would still be dependent on the Department for the accuracy of the basic material. While the reports would guard against the omission of amounts from Additional Estimates, there would still be no safeguard against a misunderstanding such as occurred with the Atherton

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Additional Estimates it is normally safe to assume that the proposition has not reached the stage at which expenditure is likely to be incurred during the year. Your Committee believes that in each case where the Department of the Treasury has approved the inclusion of a project in the acquisition programme pending Additional Estimates, it should obtain from the Department of the Interior a report on the status of the project for consideration when the Additional Estimates are being framed.

Advances and Loans, Australian Capital Territory, Loans to co-operative Building Societies

104. In considering the evidence submitted in relation to this Item Your Committee has noted that, as a matter of policy, the Government has been prepared to provide such funds as Co-operative Building Societies in the A.C.T. are able to use for the purpose of constructing homes in the Territory.

105. The evidence shows that the Department formulated its Original Estimate for 1968-69 and reviewed its financial position on the Item in anticipation of the

Treasury Minute  
(9 July 1971)

acquisition. Moreover, the Committee's suggestion would impose on the Treasury a responsibility that is traditionally and properly a function of the Department of the Interior, which is the department best qualified and placed to assess the most likely date of settlement of an acquisition.

The Treasury, therefore, reaffirms the view given during the enquiry that the initiative and responsibility for seeking sufficient funds in Additional Estimates to cover those acquisition proposals which have been added to approved programmes during the year must rest with the Department of the Interior—the Department which controls appropriations for the acquisition of sites and buildings.

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

Additional Estimates in close consultation with the Building Societies concerned. The evidence also shows, however, that the Societies have experienced difficulty in predicting the quantity of loan application that might be submitted each year.

106. In view of that uncertainty and the nature of the policy underlying the purpose of the Item, Your Committee believes that the Department had no alternative but to obtain additional funds from the Advance to the Treasurer in 1968-69 to meet an unexpected increase in claims from Building Societies during May 1969. Your Committee trusts that as greater experience of the needs of Building Societies in the A.C.T. is obtained, the Department will be able to formulate and review its estimates for this Item with greater certainty.

CONCLUSIONS

107. In its One Hundredth Report, which relates to expenditure from the Advance to the Treasurer for 1967-68, Your Committee stated that its preliminary examination of departmental submissions connected with that inquiry showed a marked improvement in the quality of the

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

material furnished and in the use made by departments of the Advance. Your Seventh Committee's preliminary examination of departmental submissions connected with expenditure from the Advance to the Treasurer for 1968-69 showed that those improvements had been sustained and as a result Your Committee confined its inquiry to ten items of expenditure.

108. Notwithstanding the improvements to which we have referred some of the evidence taken during the present inquiry revealed instances of inadequate submissions having been tendered. Attention has been drawn to these inadequacies where they have arisen.

109. The evidence taken relating to teletype and telephone services, particularly in connection with multi-occupancy buildings, justifies further the action taken by the Department of the Treasury in 1968 in requesting departments to analyse their telephone accounts with a view to isolating the factors that have contributed to increased allocations for telephone purposes.

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

110. Your Committee is also concerned by evidence tendered to the effect that the Department of the Interior is unable to assess the dates on which telephone accounts will be received. In this regard we would invite attention to paragraph 114 of our Eighty-fourth Report. We believe that any department which is confronted with that difficulty should discuss its problems with the Postmaster-General's Department with a view to obtaining accounts on a regular basis acceptable to both departments.

111. The evidence also reflects a need for departments that are required to pay electricity accounts to ascertain from the electricity authority concerned, the cyclical arrangements that are applied in the issuing of electricity accounts to assist them with their reviews of expenditure and the formulation of their estimates.

112. Arising from the evidence relating to the acquisition of a site in North Queensland for the Department of National Development, Your Committee has expressed the view that where the Department of the Treasury has approved the inclusion of a project in the acquisition programme pending

Committee's Conclusions  
One Hundred and Fifteenth Report  
(9 April 1970)

Treasury Minute  
(9 July 1971)

Additional Estimates, it should obtain from the Department of the Interior a report on the status of the project for consideration when the Additional Estimates are being framed. We believe, however, that the principle involved in this case has a wider application. There are many circumstances that arise during a financial year in which the Department of the Treasury, will, at the request of a Department, accept liability for expenditure pending Additional Estimates but actual expenditure will not be required until the Additional Estimates have been settled. We believe that in such cases the Department of the Treasury should obtain from the Department concerned a report on the status of such matters when the Additional Estimates are being settled.

113. As in previous inquiries of this type the evidence has shown continued misunderstandings that arise in administrative operations. We believe that departments must at all time be vigilant to ensure that human errors of this type and the consequences that arise from them are kept to a minimum.



CHAPTER 3 - OBSERVATIONS OF YOUR COMMITTEE

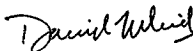
Concerning Item 363/2/02, which related to stationery and Printing for the Australian Capital Territory Police, Your Committee expressed the view that, as requested by the Department of the Interior, the Government Printer should have provided an estimate of the cost of printing a law manual and Police General Orders. Your Committee also expressed concern that, based on an interim order of \$500, the final cost for this work should have reached a figure of no less than \$6,743 without a final order having been placed.

On this matter the Treasury Minute states that the purchase order referred to by the Department was not an interim order and was for the printing of the Police Law Reference Book only. The figure of 500 mentioned in the Department's evidence to the Committee was the quantity required, 500 copies, not an estimate of cost. The basis of cost on this order was given as "variable". The Treasury Minute added that the printing of the Police General Orders and Instructions was carried out on the authority of a Government Printing Office specification form signed by an officer of the A.C.T. Police Force. A covering purchase order for \$2,173.89 was subsequently raised by the Department to cover the final cost of this printing.

In view of these comments in the Treasury Minute we sought advice from the Department of the Interior regarding the factual accuracy of the evidence that it had tendered during the Inquiry. We were informed that the reference in the Department's Exhibit and later in oral evidence given at the Inquiry to an interim order for \$500 was correct. In accordance with the procedures operating at that time it was not the Department's practice to show any amount on the supplier's copy of the order where a quotation had not been obtained. The estimated cost was, however, shown on all copies of the order retained by the Department. Copies of the Stores Purchase Request and the relevant Order were tendered by the Department. These showed that 500 copies of the A.C.T. Police Law Reference Book were required at an estimated cost of \$500. The Department added that the order was regarded as an interim one as it was expected that the final cost may vary from \$500, as indeed it did.

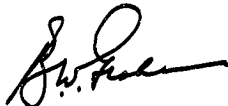
On the basis of our re-examination of the evidence tendered it appears that the fact that the interim order related only to the Police Law Reference Book was not made clear in evidence. On the basis of the recent advice received from the Department of the Interior, however, Your Committee is satisfied as to the evidence tendered concerning the interim order for \$500.

For and on behalf of the Committee,



DAVID N. REID  
Secretary,  
Joint Committee of Public Accounts,  
Parliament House,  
Canberra. A.C.T.

5 August 1971



DON DOBIE  
Chairman.

MR. PRESIDENT,

ON BEHALF OF THE PUBLIC ACCOUNTS COMMITTEE I PRESENT THE ONE HUNDRED AND THIRTY-FIRST REPORT AND THE ONE HUNDRED AND THIRTY-SECOND REPORT OF THE PUBLIC ACCOUNTS COMMITTEE.

MR. PRESIDENT I HAVE A STATEMENT AND I SEEK LEAVE TO HAVE IT INCORPORATED IN HANSARD.

(WHEN LEAVE HAS BEEN GRANTED)

I COMMEND THE REPORTS TO HONOURABLE SENATORS AND MOVE THAT THEY BE PRINTED.

JOINT COMMITTEE OF PUBLIC ACCOUNTS  
ONE HUNDRED AND THIRTY-FIRST REPORT AND  
ONE HUNDRED AND THIRTY-SECOND REPORT

THE ONE HUNDRED AND THIRTY-FIRST REPORT RELATES TO THE TREASURY MINUTE ON YOUR COMMITTEE'S ONE HUNDRED AND TWELFTH REPORT, WHICH CONCERNS COMMONWEALTH ADVERTISING. THE ONE HUNDRED AND THIRTY-SECOND REPORT REFERS TO THE TREASURY MINUTE ON THE ONE HUNDRED AND FIFTEENTH REPORT CONCERNING EXPENDITURE FROM THE ADVANCE TO THE TREASURER, 1968-69.

HONOURABLE SENATORS WILL BE AWARE THAT ON SEVERAL OCCASIONS THE FORMER CHAIRMAN OF THE COMMITTEE, THE HONOURABLE MEMBER FOR COOK, REFERRED TO THE TREASURY MINUTES ARRANGEMENT AS AN IMPORTANT ELEMENT IN ENSURING THAT, THROUGH YOUR COMMITTEE, THE PARLIAMENT MAINTAINS A SIGNIFICANT ROLE IN THE FINANCIAL ADMINISTRATION OF THE COMMONWEALTH. I ENDORSE THAT VIEW COMPLETELY.

WHILE, UNDER THAT ARRANGEMENT, IT IS OPEN TO YOUR COMMITTEE TO MAKE SUCH COMMENT AS MAY BE NECESSARY ON ANY TREASURY MINUTE ARISING FROM ITS REPORTS, YOUR COMMITTEE HAS NOT FOUND IT NECESSARY TO MAKE ANY COMMENT ON THE TREASURY MINUTE RELATING TO THE ONE HUNDRED AND TWELFTH REPORT. IT HAS FOUND IT NECESSARY, HOWEVER, TO COMMENT ON THE TREASURY MINUTE RELATING TO THE ONE HUNDRED AND FIFTEENTH REPORT. THIS COMMENT TAKES THE FORM OF AN OBSERVATION SET OUT IN CHAPTER THREE, OF THE ONE HUNDRED AND THIRTY-SECOND REPORT.

AS HONOURABLE SENATORS WILL BE AWARE, YOUR COMMITTEE HAS BEEN CONCERNED ON MANY OCCASIONS OVER THE YEARS WITH THE QUALITY OF THE EVIDENCE TENDERED BY THE WITNESSES. IN THIS REGARD THE TREASURY MINUTE ON THE ONE HUNDRED AND FIFTEENTH REPORT SUGGESTS THAT FACTUALLY INACCURATE EVIDENCE MAY HAVE BEEN SUBMITTED BY THE DEPARTMENT OF THE INTERIOR IN CONNECTION WITH ITEM 363/2/02

RELATING TO STATIONERY AND PRINTING FOR THE AUSTRALIAN CAPITAL TERRITORY POLICE.

IN VIEW OF THE COMMENTS MADE IN THE TREASURY MINUTE, YOUR COMMITTEE RE-EXAMINED THE RELEVANT EVIDENCE AND ALSO SOUGHT ADVICE FROM THE DEPARTMENT OF THE INTERIOR REGARDING THE ACCURACY OF THE EVIDENCE THAT IT HAD TENDERED DURING THE INQUIRY IN RELATION TO MATTERS OF FACT. ON THE BASIS OF THIS RE-EXAMINATION AND THE ADVICE OBTAINED, YOUR COMMITTEE BELIEVES THAT THE EVIDENCE TENDERED CONCERNING AN ORDER THAT HAD BEEN PLACED FOR A LAW MANUAL AND A POLICE LAW REFERENCE BOOK LACKED CLARITY. YOUR COMMITTEE ALSO BELIEVES, HOWEVER, THAT EVIDENCE, GIVEN IN RELATION TO AN AMOUNT OF \$500 FOR THE POLICE LAW REFERENCE BOOK, WAS CORRECT ON THE BASIS OF INFORMATION AVAILABLE TO THE DEPARTMENT AT THE TIME WHEN THE EVIDENCE WAS TENDERED TO THE COMMITTEE.