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REPORT 354

Annual Report 1996-97

November 1997



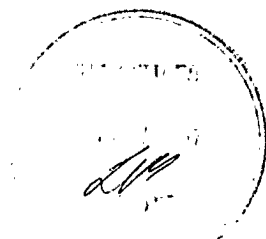
The Parliament of the
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Joint Committee of Public Accounts

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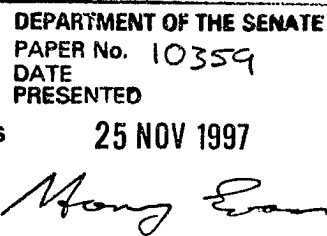
Annual Report
1996-97

November 1997



Parliament of the Commonwealth of Australia

Joint Committee of Public Accounts



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Chairman's Review

On behalf of the members of the Joint Committee of Public Accounts (JCPA), I am pleased to present this report on the activities of the JCPA during 1996-97.

The year has been particularly busy for the committee - it has presented seven reports to Parliament on a wide range of issues. The Committee's work has focussed on scrutinising the performance of Commonwealth agencies, on examining matters of public policy and, increasingly, on reviewing legislation which impacts on the collection and management of public resources.



The year has seen the JCPA:

- establish new and more effective procedures for holding Commonwealth agencies to account for their responses to recommendations from the Auditor-General;
- play a central role in determining a new legislative framework for the Auditor-General - a framework which secures the Auditor-General's independence from the Executive and establishes a new role for Parliament in overseeing the operations of the Audit Office, and indeed an historic role in approving recommendations for appointment to the positions of Auditor-General and Independent Auditor;
- provide continuing parliamentary input into the process of rewriting the *Income Tax Assessment Act 1936*;
- being asked to provide advice to Government on issues to be considered in the implementation of an accrual based financial management and budgeting system for the Commonwealth; and
- being asked to advise the Parliament on the Government's proposed new public service employment and management framework.

This is an impressive record of achievement.

As the very new Chairman of the Committee, I would like to pay particular tribute to the work of my predecessor as Chairman, Alex Somlyay MP. Mr Somlyay played a significant role in guiding the work of the Committee over the last twelve months and the success of the Committee is due in no small way to the quality of his leadership. I would also like to thank the members and staff of the Committee for their commitment to the work of the JCPA in the last twelve months.

The Committee has a full program of inquiries to see it into 1997-98 and I look forward to another productive and successful year.

Bob Charles, MP
Chairman

Membership of the Committee - 38th Parliament



Alex Somlyay, MP
(Chairman to 22 Oct 97)



Alan Griffin, MP
(Vice Chairman)



Larry Anthony, MP



Hon Peter Baldwin, MP



Hon David Beddall, MP



Russell Broadbent, MP



Laurie Ferguson MP



Joel Fitzgibbon, MP



Petro Georgiou, MP



Sharman Stone, MP



Mark Vaile, MP



Senator Helen Coonan



Senator the Hon
Rosemary Crowley



Senator the Hon John Faulkner



Senator the Hon Brian
Gibson, AM



Senator John Hogg



Senator Jim Short



Senator John Watson

Highlights of the Year

22 August 1996 - tabling of *Report 345, An Advisory Report on the Income Tax Assessment Bill 1996, the Income Tax (Transitional Provisions) Bill 1996 and the Income Tax (Consequential Amendments) Bill 1996*

23 September 1996 - Mr Somlyay gave an address to open a Tax Law Improvement Project seminar in Brisbane

10 October 1996 - tabling of *Report 346, Guarding the Independence of the Auditor-General*

14 November 1996 - Mr Somlyay gave a keynote address to the 1996 Public Sector Accounting Convention on the 'Objectives of Change' and participated as a judge for the annual Australian Society of Certified Practising Accountants Public Sector Accounting Awards

21 November 1996 - tabling of *Report 347, Annual Report of Activities 1995-96*

26 November 1996 - Mr Somlyay gave an address at a meeting of the Aboriginal Co-ordinating Council (QLD) in Brisbane

10 February 1997 - Mr Somlyay gave an address to the 1997 Australian Council of Public Accounts Committee conference in Sydney

6 March 1997 - tabling of *Report 348, An Advisory Report on the Tax Law, Improvement Bill 1996*

19 March 1997 - tabling of *Report 349, Review of Auditor-General's Reports 1995-96 and Report 350, Review of Auditor-General's Reports 1996-97 First Quarter*

20 March 1997 - tabling of *Report 351, An Advisory Report on the Charter of Budget Honesty Bill 1996*

26 March 1997 - Mr Somlyay gave an address to the annual general meeting of the Institute of Public Administration on 'Trends and issues in Parliamentary Scrutiny of Public Expenditure'

15 April 1997 - Mr Georgio addressed the Australian Society of Certified Practising Accountants seminar on a whole of government approach to financial reporting

26 June 1997 - the House of Representatives referred the Public Service Bill 1997 and the Public Employment (Consequential and Transitional) Amendment Bill 1997 to the JCPA for consideration and an advisory report

Chapter 1 Summary of Reports Tabled and Other Activities

The Committee tabled seven reports in the financial year 1996-97. This section contains a summary of each report and briefly describes other Committee activities during the year.

Report 345, An Advisory Report on the Income Tax Assessment Bill 1996, the Income Tax Assessment Bill 1996, the Income Tax (Transitional Provisions) Bill 1996 and the Income Tax (Consequential Amendments) Bill 1996

Report 345 contains the results of the JCPA's consideration of a package of three Bills which represent the first instalment of legislation to replace the *Income Tax Assessment Act 1936* (the Tax Act). The Bills were prepared as part of the Government's Tax Law Improvement Project (TLIP).

The task of rewriting the Tax Act is a very significant endeavour which was commenced after JCPA's *Report 326, An Assessment of Tax* (tabled in 1993). The JCPA continued its interest in the state of Australia's tax system with *Report 343, Tax Law Improvement, A Watching Brief* (November 1995).

In *Report 345* the JCPA found that the Bills comprising the first instalment of the rewritten tax law are widely regarded as being far easier to read and understand than the legislation they will replace.

The JCPA's review, however, revealed a number of concerns about the Bills and *Report 345* contained 11 recommendations aimed at amending particular provisions in the Bill and improving the process by which the underlying complexity in tax policy is identified and considered.

The Government's response to the recommendations dealing with provisions in the Bills was very positive - all of the these recommendations were accepted within 24 hours of the report being tabled. As at the end of the year the JCPA was still awaiting a response to its recommendations for taking the tax simplification process further.

Report 346, Guarding the Independence of the Auditor-General

Report 346 was prepared in response to a reference from the Minister for Finance, the Hon John Fahey MP, which called for advice on how best to support the 'functional independence of the Auditor-General'.

The report contains 16 recommendations which combine to produce a new legislative framework for the Auditor-General. The key elements of this framework are that:

- the Auditor-General be appointed as an 'independent officer of the Parliament';

- the Auditor-General have complete discretion in the discharge of his or her audit functions, to put beyond doubt that neither the Parliament nor the Executive has the right to direct the Auditor-General in the performance of audit functions;
- the Auditor-General be the auditor for all Commonwealth entities and have a mandate to initiate financial and performance audits in relation to all entities, including government business enterprises; and
- an Audit Committee of Parliament be established with the powers to approve the Government's nomination for appointment to the position of Auditor-General, make recommendations on the level of the Audit Office's annual appropriations; and approve the appointment of the Independent Auditor of the Audit Office.

The JCPA also recommended that, in the event that the Auditor-General Bill allows the Executive any power to direct the Auditor-General (for example, in relation to the suppression of 'sensitive information') then the substance of and reasons for the direction should be report to the Audit Committee of Parliament.

The Government accepted almost all of the recommendations in *Report 345*, and a new Auditor-General Bill, which proposes to secure the independence of the Auditor-General in the way proposed by the JCPA, was before the Senate at the end of 1996-97.

Report 347, Annual Report of Activities 1995-96

Report 347 is a report on the Committee's activities in 1995-96. It contains information on reports tabled in 1995-96 and comments on inquiries current in that period.

Report 348, An Advisory Report on the Tax Law Improvement Bill 1996

Report 348 presents the findings of the JCPA's review of the second tranche of legislation designed to simplify and restructure the *Income Tax Assessment Act 1936*. The first tranche of legislation was reviewed by the JCPA in 1996 and was the subject of the *Report 345*.

Report 348 found that, for the most part, the Bill had been well drafted and that complaints have been few. Nevertheless, some issues of concern were raised. The issues fell into two broad categories: concerns that some of the provisions in the Tax Law Improvement Bill do not faithfully reflect the old 1936 Act; and concerns that TLIP's narrow policy mandate precluded it from simplifying the policy complexities that underpin the 1936 Act, and that as a result, real simplification of the tax law is not being achieved.

Concerns about the faithfulness of the rewrite lead to recommendations in the provisions dealing with plant depreciation and with trading stock. Significant concerns about the limited scope of TLIP's mandate and the capacity of the project to produce simplified tax law were expressed during the JCPA's inquiry. In *Report 348* the JCPA recommended that TLIP's mandate be widened to allow it to review a broader range of policy simplification issues. In the Committee's view TLIP, with an expanded mandate and a Revenue Committee of Parliament (the establishment of which was recommended in *Report 345*) could complement each other and facilitate a more substantial review of tax.

The recommendations on specific provisions in the legislation were accepted by the Government but, as at the end of the financial year, the Government had not responded to the recommendations on strategies for tackling greater tax simplification.

Report 349, Review of Auditor-General's Reports 1995-96

Report 349 reviews 14 of the 33 reports presented by the Auditor-General in 1995-96. It is the first report arising from the public hearing based review procedures adopted by the JCPA at the beginning of the 38th Parliament.

While the main purpose of the new review procedures is to hold agencies to account for their performance at public hearings conducted by the JCPA, *Report 349* does contain six recommendations. The recommendations are directed toward:

- the Department of the Prime Minister and Cabinet, the Department of Finance and all Commonwealth agencies (in relation to an audit report on the management of indemnities issued by the Commonwealth in relation to the sale of CSL Ltd);
- the Department of Foreign Affairs and Trade (in relation to an audit report on the costs of maintaining Australian-based representatives at overseas posts);
- the Government, with advice from the Department of Finance, (in relation to an audit report on the asset management performance of Commonwealth agencies);
- the Department of Employment, Education, Training and Youth Affairs (in relation to an audit report on performance information in contracts with private sector employment placement agencies).

A Finance Minute response to this report had not been received as at 30 June 1997.

Report 350, Review of Auditor-General's Reports 1996-97 First Quarter

Report 350 reviews two of the seven audit reports presented by the Auditor-General in the first quarter of 1996-97:

- an audit report on the management, by AusAID, of funding to non-government organisations; and

- an audit report on the management of Commonwealth guarantees, indemnities and letters of comfort.

The JCPA's report does not analyse in detail all of the findings and recommendations contained in these audit reports, but simply draws attention to the key evidence taken at the JCPA's hearings, highlighting any commitments given by witnesses and, where appropriate, presenting the Committee's observations on the evidence received.

Report 350 contains two recommendations, both in relation to the management of Commonwealth guarantees and indemnities.

A Finance Minute response to this report had not been received as at 30 June 1997

Report 351, An Advisory Report on the Charter of Budget Honesty Bill 1996

Report 351 is a report on the findings of the JCPA review of the Charter of Budget Honesty Bill 1996.

The JCPA welcomed the introduction of the Charter of Budget Honesty Bill as the Bill draws heavily on the findings of the JCPA's *Report 431, Financial Reporting for the Commonwealth* (1995). During its review of the Bill the JCPA found universal support for the Bill's intent to improve the fiscal accountability framework through better and more frequent disclosure of relevant financial information

The JCPA concluded that the financial reports proposed in the Bill will provide valuable sources of data for assessing the Government's fiscal performance. The reports will add to the accrual based accountability and budgeting framework being developed by the Commonwealth, and will help promote confidence and trust in public sector operations.

Report 351 does not contain any recommendations. Instead, it raises a number of issues for Members and Senators to consider as they debate the legislation in the Chamber.

At 30 June 1997, The Charter of Budget Honesty Bill was still being debated in the Senate chamber.

Government Responses to Earlier Reports

During 1996-97 the JCPA received written responses, coordinated by the Department of Finance, to five earlier reports.

Report 338, Accrual Accounting: A Cultural Change (August 1995);

Report 341, Financial Reporting for the Commonwealth: Toward Greater Transparency and Accountability (November 1995);

Report 342, The Administration of Specific Purpose Payments: A Focus on Outcomes (November 1995);

Report 344, A Continuing Focus on Accountability: Review of Auditor-General's reports 1993-94 and 1994-95 (June 1996); and

Report 345, An Advisory Report on the Income Tax Assessment Bill 1996, the Income Tax (Transitional Provisions) Bill 1996 and the Income Tax (Consequential Amendments) Bill 1996 (August 1996).

All of these responses were tabled in the House on 3 June 1997 and in the Senate on 16 June 1997.

Other Activities

The JCPA Chairman is traditionally an active participant in public debates on issues in public sector management. During the course of 1996-97 the Chairman spoke at a number of conferences and seminars on topics such as tax law improvement, the changing nature of the public sector, trends in parliamentary scrutiny of the Executive, and the work of the JCPA.

The JCPA Chairman also participated in the judging of the annual Australian Society of Certified Practising Accountants public sector accounting awards.

Introduction

This section provides a brief description of the inquiries and other activities being conducted by the Committee as at 30 June 1997.

Review of Auditor-General's reports

As at 30 June 1997 the JCPA had:

- finalised its review of audit reports presented in the first quarter of 1996-97 (see the description of JCPA *Report 350* in Chapter 1 of this report);
- almost finalised a draft report on its review of audit reports presented in the second quarter of 1996-97;
- completed public hearings as part of its review of third quarter audit reports; and
- begun preparations for hearings on some of the audit reports presented in the fourth quarter.

This process has involved detailed consideration of 11 of the 40 audit reports presented by the Auditor-General in 1996-97.

Inquiry into the Jindalee Operational Radar Network (JORN) Project

The JCPA began its examination of the JORN Project in July 1996 by considering the findings an audit report on the Department of Defence's management of the project at a public hearing on 23 July 1996.

The hearing revealed significant ongoing shortcomings in the management of the JORN Project which, in the Committee's view, required further investigation. After inspecting the long range over-the-horizon radar facility at Alice Springs and the JORN sites in Longreach on 24 & 25 October, the Committee advertised its inquiry on 1 & 2 November 1996.

Public hearings were held in Canberra in November and December 1996, and again in March 1997.

A feature of this inquiry was the extent to which evidence was taken *in camera*. The Committee recognised the sensitivities which attached to both national security and commercial elements of aspects of this inquiry. Accordingly, the Committee took particular care not to hinder or complicate the progress of Telstra's negotiations with Lockheed Martin Corporation and the Transfield Defence Systems to novate the JORN contract.

The negotiations have been protracted and, as at 30 June 1997, were not concluded. The Committee expects to be in a position to report to Parliament on its review by December 1997.

Review of financial reporting requirements for Aboriginal and Torres Strait island local government councils (in Queensland)

This inquiry is being conducted jointly by the JCPA and the Public Accounts Committee of the Queensland Legislative Assembly (QPAC).

The inquiry arose out of concerns expressed by QPAC and the Queensland Auditor-General over a number of years about the difficulties experienced by many aboriginal councils in meeting their accountability obligations. It was thought that differences between State and Federal funding and accountability requirements were contributing to these difficulties.

A joint inquiry involving parliamentary committees of two jurisdictions is unprecedented. The two Committees held meetings in late 1996 to discuss possible terms of reference and to identify and resolve procedural matters. As a result, both Committees sought and received advice from their respective parliaments. On 26 March 1997 the Commonwealth Parliament passed a resolution authorising the JCPA to conduct a joint inquiry with the QPAC and setting out procedures to be followed by the JCPA. A similar resolution authorising the QPAC to jointly inquire was also passed by the Queensland Parliament.

The terms of reference for the inquiry agreed by both Committees involve examination of the differences between the Commonwealth and State financial accountability requirements and reporting on the scope for rationalising and harmonising these requirements.

The Committees released an issues paper in January 1997 to stimulate interest in the inquiry. Over thirty submissions have been received to date. The Committees have held three public hearings—in Brisbane, Cairns, and Canberra—and have commenced a series of inspection visits to the Aboriginal and Island Councils on the Queensland mainland and in the Torres Strait.

The Committees intend to table the report of the inquiry in their respective parliaments before the end of 1997.

Review of the Public Service Bill 1997 and the Public Employment (Consequential and Transitional) Bill 1997.

On 26 June 1997 the Public Service Bill 1997 and the Public Employment (Consequential and Transitional) Bill 1997 were referred to the JCPA for review and an advisory report to be presented to the Parliament by 4 September 1997 (subsequently amended to 29 September).

These Bills are very significant pieces of legislation. They propose to replace the Public Service Act 1992, which for 75 years has provided the foundation for the Australian Public Service. The Bills redefine the nature of public service legislation and embody a new conceptual framework for public sector management.

Inquiry into Internet commerce.

On 25 June 1997 the JCPA resolved that it would conduct a broad ranging inquiry to examine the implications of the expected growth in Internet commerce. The JCPA has received representations from a number of industry associations about the revenue, business, employment and trade implications of the dramatic increase in the volume of commercial transactions now occurring via the Internet.

The inquiry will focus on the international competitiveness of Australia's small and medium enterprises, administration of the taxation system, and the implications for Australia's tax base relating to the dramatic increase in Internet commerce.

The scope for tax evasion in Internet transactions, especially evasion of sales tax and customs duty, will be examined. This has an impact both on the Commonwealth's revenue base, and also on the trading environment for locally based companies trying to compete against international traders able to avoid sales tax liabilities.

The terms of reference for the inquiry were finalised in July 1997 after a period of consultation with government and industry representatives.

A handwritten signature in black ink, appearing to read 'Bob Charles', with a stylized, cursive script.

Bob Charles MP
Chairman

November 1997

JCPA Purpose, Objectives and Methods of Operation

Introduction

The Joint Committee of Public Accounts (JCPA) is a committee of the Commonwealth Parliament. The Committee is established pursuant to *the Public Accounts Committee Act 1951* (the PAC Act) and is empowered to scrutinise the moneys spent by Commonwealth agencies from funds appropriated to them

To guide its work and provide a framework for the selection of inquiry topics the Committee has developed the following statements of its purpose and objectives

Purpose

The purpose of the Joint Committee of Public Accounts has remained unchanged since it was first established in 1913: the JCPA exists to hold Commonwealth agencies to account for the probity, efficiency and effectiveness with which they use public monies.

Objectives

The duties of the JCPA are described in detail in section 8 of the PAC Act. These duties can be interpreted as setting the following objectives for the Committee:

- to help the Parliament hold the Executive and its agencies to account for the probity, efficiency and effectiveness with which government policy is implemented; and
- to help increase parliamentary and public awareness of the financial and related operations of government.

How the Committee Operates

Although the Committee has the capacity to determine its own work program and priorities, it is required under sections 8(1)(ab) and 8(1)(d) of the PAC Act to examine reports of the Auditor-General and to inquire into any question referred to it by the Parliament. The Committee generally conducts its inquiries in public, although it does hold regular private meetings to plan its activities and discuss the progress of inquiries.

The Committee is assisted by a full time secretariat, observers from the Department of Finance, and observers and secondees from the Australian National Audit Office. The Committee also occasionally employs consultants to provide advice on particular issues.

Conduct of Inquiries

The Committee usually advertises its inquiries in the national media and invites interested individuals and organisations to make written submissions. Almost all the Committee's evidence gathering hearings are open to the public and interested parties can receive transcripts of those public hearings free of charge.

The Committee presents the results of its inquiries in reports which are tabled in both houses of Parliament. Copies are distributed to all Ministers and Commonwealth agencies with an interest in individual reports. The reports are also available to the public through the Commonwealth Bookshop.

Government Responses to Reports

Government responses to reports of the Committee can be transmitted in two ways: either by means of a Finance Minute (in those cases where the Committee's recommendations address administrative matters) or by means of a Government response (where the Committee has made policy recommendations).

A Finance Minute is usually received by the committee within six months of the tabling of a report. Ultimately, if the Committee is dissatisfied with the contents of a particular Finance Minute, it may decide to re-open its inquiry.

When the Committee makes recommendations of a policy nature, a separate Government response is prepared by the responsible Minister. Such Government responses are usually tabled in Parliament by the Minister.

Reviewing Reports of the Auditor-General

As mentioned above, a key element of the JCPA's accountability work is its statutory responsibility to examine and report on audit reports tabled in Parliament by the Auditor-General.

At one of its earliest meetings in the 38th Parliament, the new Committee decided to change the focus of its audit report review process: from seeking written submissions on all audit reports, to examining selected audit reports at regular public hearings.

The Committee has embarked on a program of public hearings to be held every three months at which it will examine the findings of significant audit reports tabled in the preceding quarter. Witnesses from the ANAO and officials from each audited agency will be invited to comment on the nature and appropriateness of the audit findings and of the responses from audited agencies.

As soon as possible after the completion of each hearing, the Committee will provide Parliament with a brief report on the issues and themes which have emerged from the hearings and a synopsis of any undertakings given by either the ANAO or the audited agency.

The reason for adopting these new procedures is to ensure more timely and effective parliamentary scrutiny of audit reports. The JCPA hopes that these new procedures will revitalise, and focus agency attention on, what is an integral part of the process by which Parliament holds the Executive to account for its stewardship of public monies.

Improving Public Awareness of Committee Activities

Information about the JCPA is also available on the Internet. The Committee's web site contains background information on the Committee and its members, details of the current inquiries; advice on how to make submissions to the Committee, and tips for witnesses appearing at the public hearings. Copies of recent JCPA reports are also being published on the Internet. The Committee's web site address is:

<http://www.aph.gov.au/house/committees/jcpa>

In addition, members of the public can now direct submissions and requests for information through electronic mail. The committee's e-mail address is:

JCPA@aph.gov.au

Committee Meetings and Hearings in 1996-97

General Business of the Full Committee

Membership (as at 30 June 1997)

Alex Somlyay, MP (Chairman)
 Alan Griffin, MP (Vice-Chairman)
 Larry Anthony, MP
 Hon Peter Baldwin, MP
 Hon David Beddall, MP
 Russell Broadbent, MP
 Senator Helen Coonan
 Joel Fitzgibbon, MP
 Senator the Hon John Faulkner
 Petro Georgiou, MP
 Senator the Hon Brian Gibson, AM
 Senator John Hogg
 Sharman Stone, MP
 Mark Vaile, MP
 Senator John Watson

Public Hearings in 1996-97: nil
 Private Meetings in 1996-97: 22

Sectional Committee on Review of Auditor-General's Reports

Membership

Alex Somlyay, MP (Chairman)
 Alan Griffin, MP (Vice-Chairman)
 Hon David Beddall, MP
 Russell Broadbent, MP
 Senator Helen Coonan
 Petro Georgiou, MP
 Senator the Hon Brian Gibson AM
 Sharman Stone, MP
 Mark Vaile, MP

Public Hearings in 1996-97: 6
 Private Meetings in 1996-97: 9

Sectional Committee on Income Tax Assessment Legislation

Membership

Alex Somlyay, MP (Chairman)
 Alan Griffin, MP (Vice-Chairman)
 Hon David Beddall, MP
 Laurie Ferguson, MP

Joel Fitzgibbon, MP
 Sharman Stone, MP

Public Hearings in 1996-97: 2
 Private Meetings in 1996-97: 3

Sectional Committee on the Independence of the Auditor-General

Membership

Alex Somlyay, MP (Chairman)
 Alan Griffin, MP (Vice-Chairman)
 Hon David Beddall, MP
 Laurie Ferguson, MP
 Petro Georgiou, MP
 Mark Vaile, MP

Public Hearings in 1996-97: 1
 Private Meetings in 1996-97: 6

Sectional Committee on the Tax Law Improvement Bill

Membership

Alex Somlyay, MP (Chairman)
 Alan Griffin, MP (Vice-Chairman)
 Hon David Beddall, MP
 Senator the Hon Brian Gibson, AM
 Senator the Hon Jim Short
 Senator John Watson

Public Hearings in 1996-97: 2
 Private Meetings in 1996-97: 5

Sectional Committee on the Charter of Budget Honesty Bill

Membership

Alex Somlyay, MP (Chairman)
 Alan Griffin, MP (Vice-Chairman)
 Hon David Beddall, MP
 Russell Broadbent, MP
 Senator the Hon Rosemary Crowley
 Petro Georgiou, MP
 Senator the Hon Brian Gibson, AM
 Sharman Stone, MP
 Mark Vaile, MP

Public Hearings in 1996-97	1
Private Meetings in 1996-97.	3

Sectional Committee on the Jindalee Operational Radar Network (JORN) Project

Membership

Alex Somlyay, MP (Chairman)
 Alan Griffin, MP (Vice-Chairman)
 Hon David Beddall, MP
 Russell Broadbent, MP
 Senator Helen Coonan
 Petro Georgiou, MP
 Senator the Hon Brian Gibson AM
 Sharman Stone, MP
 Mark Vaile, MP

Public Hearings in 1996-97:	3
Private Meetings in 1996-97:	18

Sectional Committee on the Review of Financial Reporting Requirements for Aboriginal Local Government Councils

Membership

Alex Somlyay MP (Chairman)
 Alan Griffin MP (Vice Chairman)
 Hon David Beddall MP
 Senator Helen Coonan
 Senator the Hon Brian Gibson AM
 Senator John Hogg
 Sharman Stone MP

Members of the Queensland Public Accounts Committee are:

Luke Woolmer MLA (Chairman);
 Ken Hayward MLA (Deputy Chairman)
 Allan Grice MLA
 Ted Malone MLA
 Timothy Mulherin MLA
 Jim Pearce

Public Hearings in 1996-97:	2
Private Meetings in 1996-97:	11

Sectional Committee on the Review of the Public Service Bill 1997

Membership

Alex Somlyay MP (Chairman)
 Alan Griffin MP (Vice Chairman)
 David Beddall MP
 Russell Broadbent MP
 Senator Helen Coonan
 Senator John Faulkner
 Joel Fitzgibbon MP
 Petro Georgiou MP
 Senator the Hon Brian Gibson AM
 Senator John Hogg

Public Hearings in 1996-97:	nil
Private Meetings in 1996-97:	1

Sectional Committee on Internet Commerce

Membership

Alex Somlyay, MP (Chairman)
 Alan Griffin, MP (Vice-Chairman)
 Larry Anthony, MP
 Hon David Beddall, MP
 Senator Helen Coonan
 Joel Fitzgibbon, MP
 Senator the Hon Brian Gibson, AM
 Senator John Hogg
 Senator John Watson

Public Hearings in 1996-97:	nil
Private Meetings in 1996-97:	nil

Committee Expenses during 1996-97

Although the Committee is a statutory body, it does not receive a separate appropriation. The Committee is funded from the appropriation made to the Department of the House of Representatives. The Committee's annual budget for administrative and staff salary costs is a component of Program 2 (Committee Support) in the Department of the House of Representatives.

The Committee's administrative expenses for 1996-97 were \$83,775. This included expenditure on: advertising, catering, consultants, conference fees for committee members and staff; publishing, travel and accommodation costs for staff; and miscellaneous expenditure.

In addition, the secretariat's salaries expenditure for 1996-97 amounted to \$350,300.

The Chairman of the Committee received an allowance of \$13,074 in recognition of the responsibilities of the position. The amount of the allowance is set by the Remuneration Tribunal and paid by the Department of the House of Representatives pursuant to the *Remuneration and Allowances Act 1990*.