Partnerships in Accountability - The Relationship between the AGs and the PACs

- **way forward**
  - new models for public sector governance
  - horizontal and vertical accountability
  - last bastion of independence
    - attempts to restrict and constrain
  - Private sector governance principles
    - independent directors
    - always follow-up audit issues
    - Australian Stock Exchange
      - Lay solid foundations for management & oversight
      - Structure the board to add value
      - Promote ethical and responsible decision-making
      - Safeguard integrity in financial reporting
      - Make timely and balanced disclosure
      - Respect the rights of shareholders
      - Recognise and manage risk
      - Encourage enhanced performance
      - Remunerate fairly and responsibly
      - Recognise the legitimate interests of stakeholders
- **History**
  - the twins
    - UK
      - revolution
      - parliament and king
      - control over the money
      - mercenary army
    - Gladstone
      - 1861
      - duke of Wellington's funeral
    - PAC
      - duties of a dry and repulsive kind
      - skills not representation
  - now
    - both required
    - both critical
    - Westminster model
      - opposition chair
      - no Ministers
      - just Parliamentarians
      - separate from the Auditor General
    - Australian modifications
- **Accountability**
  - rhetoric
    - we are accountable?
  - power
    - relationship
    - differential
  - vertical
  - horizontal
- **Models in Australia**
  - PAC
    - chaired by government
    - majority government
    - work
      - self initiated
      - balanced
      - follow up AG work
        - West Australia - expectation
      - Drift tendency
        - from public accounts issues
        - to politics
  - AG
    - Professional
    - Apolitical staff
    - focus on efficiency and effectiveness
      - difficulties of effectiveness
      - efficiency of policy
      - efficiency of systems
    - consulting or review.
- **Models elsewhere**
  - Pacific
    - AG secretary PAC
    - Co-opt experienced accountants to PAC
  - New Zealand
    - AG reps to all committees
    - Office of the Senate budget
    - Investigative and advisory capacity
- **Issues**
  - lifecycle of PAC
    - levels of experience
    - levels of accounting expertise
    - ability to dialogue with AG
    - ability to exercise oversight of AG
    - change of chair (last government
  - AG role
    - retirement problem
    - staffing problem
    - what about the challenging report
      - government chair