



ABS House
45 Benjamin Way
Belconnen ACT 2617

Australian Statistician

Locked Bag 10
Belconnen ACT 2616
Telephone 02 6252 5000

Ms Elizabeth Alexander AM and Mr David Thodey AO

c/o: Review Secretary

PGPA Act Review

Department of Finance

One Canberra Avenue

FORREST ACT 2603

Dear Ms Alexander and Mr Thodey

Australian Bureau of Statistic submission to the Review of the Public Governance, Performance and Accountability Act 2013

Thank you for inviting the ABS to provide comments on the draft report and recommendations from the Independent Review of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The ABS supports the recommendations, and is encouraged by initiatives which will reduce duplication and reporting burden, as well as strengthen governance, performance reporting and risk management. The ABS raised these issues in its earlier submission to the Independent Review.

The ABS would like to provide the following comments on the draft recommendations:

- **Recommendation 15:** The ABS recognises the significant benefits currently derived from having a diverse mix of audit committee members both within and outside the Commonwealth.

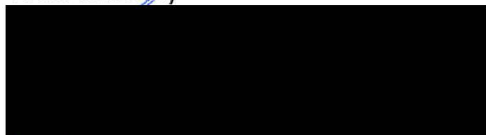
While the ABS acknowledges that the independence of audit committees is crucial, this should be balanced against the cross-government intent of the PGPA Act. Barring the participation of an official or Commonwealth employee on Commonwealth audit committees seems inconsistent with the intent of the PGPA Act. In addition, this may reduce diversity and remove an avenue for Commonwealth officials to develop important corporate governance skills.

- **Recommendation 34(a):** The ABS is supportive of increased transparency, but there is a risk that remuneration costs of key management personnel are driven up across the Commonwealth as a consequence. There is evidence to suggest that increased awareness of individual salaries has driven up costs in the private sector.
- **Recommendation 37:** The ABS supports greater transparency in relation to contract and consultancy reporting. Consistent with recommendations to reduce reporting burden across the Commonwealth, further thought could be given to how information currently available in AusTender might be used more effectively.

The ABS is happy for this submission to be published on the PGPA Act Review website with name and address details included. If you or your office have any questions or require further information, please contact Ms Lily Viertmann, Chief Finance Officer and Chief Risk Officer on (02) 6252 7878 or at lily.viertmann@abs.gov.au.

The ABS look forward to your final report.

Yours sincerely



Randall Brugeaud
Acting Australian Statistician

20 June 2018