

# Straight Shooter



Bob Charles. Photo: AUSPIC

The chairman of parliament's financial watchdog is known for his forthright views and direct approach. In the lead up to his retirement from parliament at the next election, Bob Charles tells Peter Cotton why he would like to see an overhaul of the parliamentary committee system.

**A**s you'd expect of a mechanical engineer who became a politician, Bob Charles values precision and functionality. He likes systems to operate smoothly.

For the past seven years, he's been Chairman of the Joint Committee of Public Accounts and Audit (JCPAA). It's probably the most powerful of federal parliament's seven joint statutory committees.

"We have a veto over the appointment of the Auditor-General and the independent auditor, and approval powers over the budget of the Audit Office," says Mr Charles. "We examine the Audit Office budget and report on that to the parliament. In effect, the committee has budget powers. We can also inquire into anything affecting the income or expenditure of the Commonwealth."

As well as being powerful, the Public Accounts and Audit Committee is probably the parliament's most successful in terms of having its recommendations accepted by the government.

At around the time Mr Charles took the helm in 1997, the Public Accounts Committee assumed parliamentary responsibility for the Australian National Audit Office.

Since then, the committee has had a remarkable run of success with the government accepting the vast majority of recommendations the committee has generated through its inquiries.

According to Bob Charles, a key to the committee's success is the fact that its 16 members have embraced bipartisanship in their pursuit of better process.

"All members of the committee try to ensure that we get consensual reports and that we don't make controversial recommendations," says Mr Charles.

There's also the fact that reports from the Public Accounts and Audit Committee contain relatively few recommendations.

"It has been my experience over some long time in the committee system that those reports which are unanimous and which have few, but important, recommendations have a far greater

chance of success with the executive than do those which have dissenting reports and which may contain 40 or 50 recommendations," says Mr Charles. "If you have 50 recommendations, the three or four that are really important tend to get lost in the flood."

In 2002, the Public Accounts and Audit Committee conducted its first inquiry into the private sector when it examined the independence and governance of private sector auditing.

The committee was prompted to pursue this inquiry in the wake of corporate collapses such as HIH and One.Tel.

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"We had expertise to offer and the private sector was being far too slow in getting its act together in examining what was behind these debacles," says Mr Charles. "We thought we should have a look at it for them."

The Australian Stock Exchange and the government have accepted 11 of the committee's 13 recommendations on private sector auditing.

In recent years, the committee has also examined a number of defence-related

matters, including Coastwatch, the Collins class submarines and Over the Horizon Radar.

The smooth working of the Public Accounts and Audit Committee is helped by the fact that its members generally get on well together. Says Mr Charles: "The public finds it hard to believe, but members of opposing parties when travelling together on committee work do develop personal relationships which transcend the political divide. It's an important but little known outcome of committee work."

Bob Charles believes the cooperative culture that's developed in his committee will survive when he retires from parliament at the next election. "There'll be a better chairman come after me," he says, "and I believe the culture I've helped establish will continue."

Mr Charles was born in 1936 in Covington, Kentucky in the USA.

He says he was always interested in politics. As an engineering student at Purdue University, he wrote for and edited the campus daily newspaper.

He came to Australia in 1969 as a 33 year old and managed a major instrumentation project at Gove in the Northern Territory for mining company Nabalco.

In 1973, he quit the instrumentation company and soon after took up Australian citizenship. The following year, Bob Charles became a subcontract carpenter and within a short while had founded a substantial building construction company. Also in 1974, Mr Charles began attending Liberal Party meetings and was soon a party member.

In 1986 he won Liberal Party preselection to contest the Victorian outer metropolitan seat of La Trobe in the 1987 election. He was unsuccessful, but tried again in 1990 and won the seat.

As well as losing a very effective chair when Bob Charles retires, the parliament will also miss one of its real straight shooters.

Mr Charles can be blunt when putting an idea, but it is ideas, things he thinks can make a difference, that pre-occupy the committee chairman.

For a start, he'd like to see a major overhaul of the committee system. Essentially, he'd like to make committees much more powerful. He wants all standing committees to be made statutory committees like his, set up by an Act of parliament, their existence guaranteed by law.

He wants committees to be able to establish inquiries into any relevant matter, without a reference from the portfolio minister.

Most controversially, Mr Charles says standing committees of the House should be given the task of reviewing all legislation introduced into the House, between the first and second reading debates.

"If this were to happen, the committees would have to work quickly because the executive wouldn't put up with an already slow process being slowed down even more," he says.

"The thing about such a review power is that it could help speed things up because, between the first and second reading stage, the opposition could help clear out some of the stumbling blocks and this could help ease the passage of non-controversial bills through the House."

Worthy as they seem, Bob Charles' ideas for reforming the committee system do not have much support among his parliamentary colleagues. "Neither side of politics likes them," he concedes. "Ministers don't like having their legislation reviewed by committee, and I can understand that, but I think such a process would give us better bills."

There's also the problem from the government's point of view that if you give committees more power, that would equate to strengthening the arm of opposition members and senators. Bob Charles says there's another way of looking at the proposal: "Opponents say [my proposal] would give our political opponents a stick to whack us with," he says. "I say we'd be inducting the opposition into the process and this would allow us to use their creativity to produce better legislative outcomes."

"It's true that it'd promote more debate, but in the end I believe debate leads to better governance," says Mr Charles. "But regardless of what you do, the parliament will remain an adversarial place for as long as we have what is basically a two party system. That's not a bad thing, but I believe that within the system we can have collegiate outcomes that are good for the nation but which don't detract from the right of parties to hold different philosophical views."

"It just means you'll have both sides of politics sitting down to look at legislation. Not the policy parts, because governments and oppositions frequently

disagree on policy, but the procedural parts, the mechanics of the bill."

Bob Charles says if committees were given more muscle, it might alleviate another frustration of the job: dealing with sometimes uncooperative public servants.

"It's easy for public servants to come before politicians and say nothing meaningful, simply waffle, and then they go away and you have no idea of what they said, what's happening," says Mr Charles. "If you want to get to the real truth of what's happening, public servants need to speak in short sentences, not in long paragraphs."

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"Bureaucrats can obfuscate to the point that there's no value interviewing them, so you turn around and ask them to put it in writing, but they can tie that up pretty badly too, if they want to. Unless they want to cooperate, it can be a frustrating process."

Mr Charles balances this view, that some public servants can be uncooperative, by hinting that some parliamentary committees bring out the worst in the public servants that come before them.

"[The Public Accounts and Audit Committee] acts responsibly, that is to say, we don't go out and suggest ridiculous things or get involved in party political games with our witnesses or the terms of reference," he says. "So largely, the bureaucracy respects us, and largely, the bureaucrats think we add value. Not all of them, but the majority thinks we do."

While he doubts whether the changes he's proposed to the parliamentary committee system will ever be implemented, Bob Charles says there's still value in parliamentarians participating in the existing system. "Committees are generally involved in genuine inquiries where members and senators learn a lot," he says. "They travel all over the country and what they learn is invaluable to their roles as legislators. Regardless of any other outcome, it's a powerful educating force which enhances our democracy." ■