

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS  
ATTORNEY-GENERAL'S PORTFOLIO

**Program:** 1.8 Australian Government Disaster Financial Support Payments

**Question No. BE16/022**

**Senator Cameron asked the following question at the hearing on 5 May 2016:**

Senator CAMERON: This letter is dated 26 May 2015—12 months ago. It says, 'The proposed collaborative activities'—this is after the ANAO report—'will extend the period for re-examination and audit of the 2013-14 expenditure beyond 30 June 2015. I suggest that the responsible officers in our departments work together to implement these arrangements for completion by 31 March 2016 in order to progress the funding to Queensland before the end of the 2015-16 financial year.' What happened?

...

Mr Crossweller: To respond to your question, we have been working on it for a period of time and we have been increasing and clarifying our—

Senator CAMERON: For three years at least. Is that right? It is not 'a period of time'. It is three years.

Mr Crossweller: That is correct, and the process has been improving over that time. I must again stress that all of this has to be done in collaboration with states and territories. It is not an imposition by the Commonwealth. Ultimately, when we move forward on a reform, when we move forward on improvements to the determination or any guidelines that attach, we need to seek, in essence, the collaborative agreement between all states and territories and the Commonwealth before we move forward. In any space, that is a complex process. Improvements have been made. ANAO did acknowledge that to a point, but pointed out that more needed to be done.

As to the issue about looking at other, alternative options to those recommended by ANAO: what would cause even greater consternation is project-level expenditure assurance. We accept that that is problematic for states, and that is why we have moved to look at other or alternative arrangements. The whole basis of the reform, going forward, is to actually move out of this space of acquittal and expenditure and move to payment upon estimate.

Senator CAMERON: That is fine, but that does not help the Queensland government, who have the equivalent, if it were the Commonwealth government, of a \$51 billion hole in their budget because of a lack of progress on this issue and a decision made not to pay the Queensland government. If that were the Commonwealth government, they would be screaming the house down.

Ms K Jones: Can I make one important point: the claims have not been denied, but they are subject to being properly assured before the Commonwealth can release the funds.

Senator CAMERON: But you have had three years dealing with this.

Ms K Jones: No, we have not. Not for these claims. We received the claims on 24 March this year and they are going through an assurance process. But the Commonwealth can—

Senator CAMERON: But you have been talking to them for a year on this issue.

Ms K Jones: Yes, but we only received the claims on 24 March.

Senator CAMERON: You only received the claim, but you have been dealing with the Queensland government for 12 months—

Senator Brandis: Senator Cameron, can you please explain, perhaps, how it is you say that this matter should have been dealt with sooner before the claim was received?

...

Senator CAMERON: That is your opinion. I do not share that opinion. You can screw your face up as much as you like; I do not share that opinion. Let me just indicate the position, as I see it.

In March, the Queensland government—

CHAIR: It should be a question. Is that a question for the officers?

Senator CAMERON: It will be a question, of course. When did you advise government on this issue? It was back in March, wasn't it?

Mr Crossweller : I would have to take that on notice. I do not know the exact date.

Senator CAMERON: I am pretty sure you said March in a previous response; if that is not correct, I am happy for you to take it on notice. In April, there was a meeting of the national disaster recovery programs with the Queensland recovery authority in Darwin. Is that correct?

**The answer to the honourable senator's question is as follows:**

The department provided advice on potential movement of funds to the Attorney-General on 11 March 2016 as part of normal departmental budget processes. This advice was considered by Government on 7 April 2016 and then subsequently the department provided advice to Treasury on 15 April 2016.