

Western Australian Auditor General's Report



Opinion on Ministerial decision not to provide information to Parliament about funding for some tourism events



Report 3: March 2014



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**Opinion on Ministerial decision not to provide
information to Parliament about funding for
some tourism events**



**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

**OPINION ON MINISTERIAL DECISION NOT TO PROVIDE INFORMATION
TO PARLIAMENT ABOUT FUNDING FOR SOME TOURISM EVENTS**

This report has been prepared for submission to Parliament under the provisions of section 24 of the *Auditor General Act 2006*.

A handwritten signature in black ink, appearing to read 'C. Murphy'.

COLIN MURPHY
AUDITOR GENERAL
18 March 2014

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Opinion on Ministerial decision not to provide information to Parliament about funding for some tourism events

Opinion

Decisions by the Minister for Tourism not to provide information to Parliament were reasonable and appropriate.

The Minister declined to provide information on the amount the State has contributed to the Margaret River Gourmet Escape.

Introduction

This report deals with the decisions by Minister Harvey in her role as Minister for Tourism not to provide information to Parliament regarding funding provided by Tourism Western Australia to support a number of events.

Section 82 of the *Financial Management Act 2006* (FM Act) provides that, if a Minister decides that it is reasonable and appropriate not to provide certain information to Parliament concerning the conduct of an agency, then within 14 days of the decision the Minister is to cause written notice of the decision to be given to both Houses of Parliament and the Auditor General.

Section 24 of the *Auditor General Act 2006* (AG Act) requires the Auditor General to report to Parliament an opinion “as to whether a decision by a Minister not to provide information to Parliament concerning any conduct or operation of an agency is reasonable and appropriate”.

What Did We Do?

Our approach included a review of publicly available information such as annual reports and budget statements for Tourism WA, other relevant agency documents and communications and interviews with key staff. Further details about our approach in arriving at these opinions are described in our Audit Practice Statement, which is published on our website at www.audit.wa.gov.au under ‘How We Audit’.

Background

The Minister for Tourism was asked two questions in Parliament relating to the Margaret River Gourmet Escape. These were as follows:

Parliamentary Question without notice 944 in the Legislative Council on Wednesday, 4 December.

Hon Alanna Clohesy to the Parliamentary Secretary representing the Minister for Tourism:

“I refer to the minister’s media statement of 20 November 2013 in relation to Gourmet Escape.

- (1) What state government funding was granted to the organisers for the 2012 event and the 2013 event, and what state government money will be granted to the organisers for future events?
- (2) Can the minister confirm whether demographic data in terms of postcodes was provided to the organisers by visitors to Gourmet Village events?

- (3) If yes to (2), has the data been collated; and, if so, will the minister provide a copy of that data; and, if the minister will not provide a copy of the data, why not?
- (4) How many people attended on each of the days?
- (5) How many complimentary tickets were given out for each of the days?"

Hon Alyssa Hayden replied:

"I thank the honourable member for some notice of this question.

- (1) The reality of working in a highly competitive and commercial environment is that failure to keep commercially sensitive information out of the public domain could result in a popular event becoming increasingly vulnerable to the poaching activities of national and international entities. Accordingly, the minister will be notifying the Auditor General's office and both houses of Parliament that she will not be answering this question, as per section 82 of the Financial Management Act 2006
- (2) – (3) I am advised by the event organiser, Brand Events, that postcodes were provided by visitors, but at this time analysis of the data has not been completed.
- (4) In its media statement of 2 December 2013, Brand Events announced attendance of 15 475 people, which includes people who attended more than one event.
- (5) Brand Events is responsible for issuing complimentary tickets and all sponsors received an allocation."

Parliamentary Question on Notice 1657 in the Legislative Assembly on Tuesday, 18 February 2014

Ms R Saffioti to the Minister for Tourism:

"I refer to the Margaret River Gourmet Escape, and ask:

- (a) how much does the State Government contribute to this event per annum; and
- (b) how much does the State Government contribute to Swan Valley events per annum?"

Mrs L.M. Harvey replied:

- (a) "The Western Australian Government commits an annual amount to a major events program managed through Tourism Western Australia. Support for all events is managed within that total budget.

The events program is highly competitive and commercially sensitive. The release of the information requested could result in a popular event becoming vulnerable to poaching activities by national and international entities. Accordingly, the Auditor General's office and both houses of Parliament will be notified that this question will not be answered, as per section 82 of the *Financial Management Act 2006*.

- (b) The State Government's event program does not include any events that are solely based in the Swan Valley. However, the Avon Descent, which runs through the Swan Valley, has been part of the events program since 2001. No event funding proposals for the Swan Valley have been received in recent years, although there has been some occasional contact by potential event holders."

The Minister notified the Auditor General on 11 December 2013 and 13 February 2014 respectively in accordance with section 82 of the *Financial Management Act 2006* that she had declined to provide Parliament with information on the amount the State has contributed to the Margaret River Gourmet Escape as requested in the above Parliamentary Questions.

Key Findings

The decisions by the Minister not to provide the requested information were reasonable and appropriate.

The reasonableness of the Minister's decisions was supported by the following findings:

- Tourism WA uses a confidentiality clause in its funding contracts that is compliant with Section 81 of the *Financial Management Act 2006*. While the Minister is not prevented from providing any contractual information to Parliament, financial transactions and agreements are specifically identified as confidential information which gives weight to the existence of an obligation of confidence.
- The information in question can be shown to have commercial value and its disclosure could cause commercial harm to the State.
- The Minister sought advice from Tourism WA before responding to the information request. As we have previously reported, Tourism WA has developed policy and guidelines for release of event sponsorship information. Information requested in the Parliamentary Questions was assessed against these guidelines. However, only the assessment against the question asked on February 2014 was documented prior to the Minister's response in Parliament. Documentation of the assessment for the first question did not occur until our audit commenced. Tourism WA advised that the short timeframe required to respond to a question without notice prevented documentation in a timely manner. We were nonetheless satisfied that the assessment had been done, albeit not documented, prior to providing the advice to the Minister. We also noted that the amount of funding provided for the 2012 event was inadvertently disclosed in a Parliamentary Committee hearing in September 2013. This weakens the case for not providing the information, but nevertheless Tourism's advice was consistent with reducing any risk of damage to the State.

Clarification relating to Report 16 November 2013 – Ministerial Decision not to provide information to Parliament in relation to contracts of sale with the Forest Products Commission

Following tabling of the above report, it was drawn to our attention that the following wording could incorrectly suggest that we had formed the view that a Minister has a legal obligation to table documents.

“[The Commission] incorrectly advised there is no requirement at law for the requested information to be tabled. This advice did not reflect the requirements of section 81 of the *Financial Management Act 2006*.”

On reflection we agree that this wording, read in isolation, could convey an incorrect interpretation. The wording was intended to highlight the deficiency in advice provided to the Minister in that it did not refer to the expectation, reinforced by section 81 and 82 of the *Financial Management Act 2006*, that Parliamentary Questions would ordinarily be answered. It was not and is not our view that the Minister has a legal obligation to table the documents.

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2	Charging Card Administration Fees	12 March 2014
1	Water Corporation: Management of Water Pipes	19 February 2014
REPORT NUMBER	2013 REPORTS	DATE TABLED
18	Managing the Impact of Plant and Animal Pests: A State-wide Challenge	12 December 2013
17	Western Power's Management of its Wood Pole Assets	20 November 2013
16	Opinions on Ministerial Notifications	13 November 2013
15	Audit Results Report – Annual 2012-13 Assurance Audits	13 November 2013
14	Public Trustee: Administration of the Financial Affairs of Vulnerable People	18 September 2013
13	Sustainable Funding and Contracting with the Not-For-Profit Sector – Component I	18 September 2013
12	The Banksia Hill Detention Centre Redevelopment Project	7 August 2013
11	Information Systems Audit Report	27 June 2013
10	Supply and Sale of Western Australia's Native Forest Products	26 June 2013
9	Administration of the Patient Assisted Travel Scheme	26 June 2013
8	Follow-up Performance Audit of Behind the Evidence: Forensic Services	19 June 2013
7	Fraud Prevention and Detection in the Public Sector	19 June 2013
6	Records Management in the Public Sector	19 June 2013
5	Delivering Western Australia's Ambulance Services	12 June 2013
4	Audit Results Report – Annual Assurance Audits: Universities and state training providers and Other audits completed since 29 October 2012 – and Across Government Benchmarking Audits: Recording, custody and disposal of portable and attractive assets and Control of funds held for specific purposes	15 May 2013
3	Management of Injured Workers in the Public Sector	8 May 2013
2	Follow-on Performance Audit to 'Room to Move: Improving the Cost Efficiency of Government Office Space'	17 April 2013
1	Management of the Rail Freight Network Lease: Twelve Years Down the Track	3 January 2013



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