

**AN INSTITUTIONAL LENS ON AUDITOR-GENERAL ROLES
IN TWO PACIFIC NATIONS: SAMOA AND TONGA**

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An Institutional Lens on Auditor-General Roles in Two Pacific Nations: Samoa and Tonga

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Abstract

This study analyses changes in public sector audit arrangements in two Pacific Island nations: Samoa and the Kingdom of Tonga. Through a document analysis, we analyse Auditor-General-related mandates against an accountability and independence framework. Likely impacts on the authority and viability of audits are considered in terms of concepts of Institutional Theory. Underlying power relationships and implications for Auditor General authority are of interest. These lesser-developed countries are heavily dependent on international aid, and patterns of legislation show movement towards New Public Sector Management being adopted in these new Western and Parliamentary democracies. Nevertheless, practise is decoupled from these ideals in some important respects as appearances of homogeneity are interpreted through cultural norms. Samoa and Tonga adopt a particular selection of practices that imply therefore some level of isomorphism, decoupling, potentially some coercion and legitimation either of or to the Auditor-General. Many of these changes also increase the costs of public sector management, in order to assuage donors' need for accountability. Conclusions offer implications for practice and suggestions for further research.

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Introduction

Recent decades are witness to significant reforms within public sector accounting. Public sector audit and the role of public sector auditors have moved in time with these changes. The public sector is complex, comprising both sizeable and highly diverse operations and services. Research indicates that changes to public sector accounting are intertwined with reforms to public sector management (Pearson, 2014) and with global development organizations such as the United Nations, International Monetary Fund (IMF), the World Bank and regional organizations such as the Asia Pacific (ASEAN) entities (Jalilian, Kirkpatrick and Parkeer, 2007; OECD, 2011, Uddin and Hopper, 2003). Through these mechanisms, and through economic influence, developed nations have been influential on the adopted practices of developing countries (Tisdell, 2002).

Among changes are expectations that the public sector will be subject to independent scrutiny on their use of funds and other resources (Funnell, 1994). The role and practices of Auditors-General (AG) (or their equivalents) are said to enhance the value and credibility of financial information when the auditor is both qualified and independent. The auditor's independence, in particular, is recognised as an important concept for Westminster democracies (e.g. Clark and De Martinis, 2003; English and Guthrie, 2000).

Imposing such values onto developing nations is not always effective however (e.g. Chand and White, 2007). Such reforms may lead to conflict with local cultures (Nyamori and Gekara, 2016; van Helden and Uddin, 2016), a problem also encountered in the developing nations of the Pacific (van Helden and Ouda, 2016; Harun, Van Peursesem and Eggleton, 2012).

This study contributes to the literature by examining public sector audit arrangements in two small Pacific Island nations. It compares and contrasts the public audit practice of The Independent State of Samoa (Samoa) and the Kingdom of Tonga (Tonga). Concepts found within Institutional theory give language to events in public audit in these two nations, and the framework of Clark and De Martinis (2003) is used to structure the findings from the document analysis. Overall, it is of interest to explore what such arrangements mean for practice and for real accountability from public audit in Samoa and Tonga. Background to public sector audit

and the Pacific Island context are first introduced, and the theoretical lens is then discussed. Methods reveal the analysis tool, followed by the findings. The discussion and conclusion evaluate the findings and offer suggestions for research and practice.

Background

Changes to public sector accounting in British and Commonwealth-influenced nations are prompted by New Public Sector Management (NPSM) reforms of the 1970s and 1980s (Holmes, 1992; Hood, 1995; Guthrie and Parker, 1998; Hood, 1995; Lapsley, 2008; Van Peurse, Pratt and Tower, 1996). Under NPSM, public service managers come under pressure to demonstrate the efficiency and effectiveness of their management while still maintaining public service ‘outcomes’ (Brignall and Model, 2000). Financial reporting practices also reflect NPSM, with accrual accounting and key performance indicators becoming mandatory in the U.K., Australia and New Zealand (Pallot, 2003; Boston, Pallot and Walsh, 1996; Guthrie, 1998). Despite some objections, such expectations spread to Pacific Island governments as well (e.g. Hoque and Adams, 2011).

NPSM led to reporting changes that distinguished between those entrusted to govern and those entrusted to implement government policy (Moll and Hoque, 2008). The mounting emphasis on the client – in this case, members of the public – as a customer engendered expectations that government managers should improve their performance, their decision making and their transparency (Goddard et al, 2016; Pallot, 2003). Accountability through audit forms part of these expectations.

Precedent for evolving regulation is found in two-century-old British law. Public sector audit emerged on the passing of the *1785 Exchequer and Audit Department Act* in which audit focussed on appropriation (Funnell, 1994). Following the passage of the *Exchequer and Audit Act 1866*, Auditors General also formed an opinion on how monies were spent and this turned their attention toward budgetary compliance and other matters as directed by Parliament (Normanton, 1966; Funnell, 1994; Middleton, 1939). These laws and practices established precedent that the auditor should be independent of public sector management and accountable to the representatives of the public (Funnell, 1994; Normanton, 1966; Barrett, 1996). This notion progressed and there came to be expectations that the State Auditor was to evaluate the quality of governance as well as management through a more fully independent role (English and Gurhrie, 2000).

Thus, under NPSM, audit was seen to be vital to good governance through the accountability it provides (Pearson, 2014). According to Pearson (2014), the independence of the Auditor General's role expanded in Australia as shown by a 1980s Australian Auditor General now initiating performance audits addressing 'economy, efficiency and effectiveness'. Similar events occurred to some extent in New Zealand (Boston et al, 1996; Pallot, 2003) and in Fiji (Nath, Van Peurse and Lowe, 2006) as well where reforms were directly linked to NPSM demands (Jacobs, 1998). The scope and power achieved by addressing accountability through public sector audit has thus grown in those nations highly influential in Samoa and Tonga.

Context

Samoa and Tonga are both small, isolated developing nations. Their economies are tiny and dependent on overseas aid and emigres payments. They not only struggle to be economically viable, they are also prone to national disasters (World Bank Group, 2000; Browne and Scott, 1989). Vicious hurricanes, volcanic actions, rising oceans and tsunamis are not unusual in the islands and such small nations have few resources to bring to their defence. Most accept aid from developed nations and their agents (Graham and Neu, 2003; Hoque and Hopper, 1994; Rahaman and Lawrence, 2001). For historical and economic reasons therefore, such island nations find themselves highly influenced by international associations and practices of neighbouring 'developed' countries (Graham and Neu, 2003; Ayeni, 2002; Wallace, 1990).

It is also common for former colonies to bind themselves to their coloniser's accounting systems (Belkoui, 1994; Walton, 1986), which makes the Commonwealth influence strong in the Pacific. Finally, moves toward global harmonization have led to greater harmonization generally (Haswell and McKinnon, 2003; Chandler, 1992; Perera, 1989).

Mueller (1967) however pioneered the notion that country-specific attributes should be considered in the promulgation of accounting and auditing requirements. Pacific nations are unique in their tribal structure, non-monetised economies, limited resources, geographical locations and indigenous cultures (Ray, 1999; Hauriasi and Davey, 2010; Baskerville, Wynn-Williams, Evans and Gillett, 2014). Many struggle to merge their own ethnic identities with modern practices (Hauriasi, Van Peurse and Davey, 2016). It may well be that audit structures from outside struggle to succeed in such an environment.

In 1997 the Association of Pacific Island nations formed the Pacific Islands Forum, an organization committed to public sector reform. These included deregulation, foreign investment, public accountability, government privatisation and free trade, all influenced by

powerful externals such as the World Bank, the Asian Development Bank (ADB) and the International Monetary Fund (IMF). Global convergence has thus evolved (Chand and White, 2007; Graham and Neu, 2003; Sharma and Lawrence, 2009). Some Pacific nations have adopted performance audit (O’Leary, 2013) incentivised through western-prepared manuals, funding and direct involvement by, for example, the Institution of Supreme Audit Organizations (INTOSAI) and the ADB (PASAI, 2009; Rika, 2009; INTOSAI, 2004). Yet, costs also emerge in the form of questionable implementation or political interference (Chand, Patel and Patel, 2010; Nath, Van Peurseem and Lowe, 2006).

Prior studies into public sector accountability in Pacific Island nations indicate a role for more research in this space. Accrual accounting practices have drawn interest (Harun, Van Peurseem and Eggleton, 2015; Funnell and Cooper, 1998; Guthrie and Parker, 1999) as have performance audits (Pearson, 2014; Nath, Van Peurseem and Lowe, 2006; Jacobs, 1998). In this research, we find it of interest to compare Samoa and Tongas’ public sector audit regulation and practices. Given their pre-European history of (sometimes warring) contact and their post-European history of Commonwealth influence, we might expect a similar path. How their stories intertwine speak to the unique circumstances found in the histories and identities of these two small nations.

Samoa

Samoa has had a number of colonisers, beginning with Tonga and, in the mid-19th Century, the indigenous population was caught up in global politics between Germany, the United Kingdom and the United States due to its location as a trading post. Following the Battle of Apia in 1899, Germany ruled what is now called Samoa until ceding it at the Treaty of Versailles at the end of WWI.¹ The seven eastern isles are now a United States territory with a population of about 55,000; and the western isles – Samoa, now with a population of about 190,000 -- came under New Zealand administration at the time. Samoa is the first former colonial Pacific territory to achieve independence which occurred in 1962 (Davidson, 1967).

Economic growth has been modest, with GDP at US\$3939/capita and the population estimated at 190,700. The Samoan economy relies on services (including tourism), agriculture small-scale fishers and manufacturing. Its reliance on external economies is evidenced by the fact that around 26% of GDP is provided by private remittances from family members working overseas and 20% of GDP is from foreign aid (Aholburg, 1991; Iati, 2009; PFTAC, 2014).

¹ Downloaded from the internet 17 June 2016, from: https://en.wikipedia.org/wiki/History_of_Samoa

With a narrow export base, extensive emigration of its populace, occasional natural disasters and economic shocks (Amosa, 2006; Tisdell, 2002), progress remains difficult and the nation remains vulnerable to events.

Samoa's political system adopted at independence inherited a combination of traditional political institutions and the Westminster style of Parliamentary Democracy (Iati, 2013; Campbell, 2003). Samoa has garnered a reputation for political stability in the Pacific (Iati, 2013; So'o, 2006). This is attributed, in part, to the Human Rights Protection Party (HRPP), Samoa's first political party assuming power in 1982, which has remained a popular and dominant influence since 1988. The Samoan Parliament comprises a Head of State (who is reasonably powerful) and Legislative Assembly (LA) comprising 49 elected *matai*² who serve five-year terms (MacPherson and MacPherson, 2000). The LA has powers to make laws and is the main governing body (Iati, 2013; So'o, 2006). Under the constitution, the Head of State is elected by Parliament who in turns selects the Prime Minister (PM). The PM selects Cabinet, which controls the Executive government and is collectively responsible to Parliament (Constitution of the Independent State of Western Samoa, 1960). The Constitution is a blend of democratic, liberal tradition and cultural values defined by indigenous leaders and as described below (Hills, 1993). Westminster principles thus were adapted to local circumstances, somewhat uniquely for this region. Government – and Cabinet – remains in power as long as it retains the confidence of the majority of the members of Parliament.

Traditional political institutions, known as the *fa'amatai*, revolve around the *matai*. Under this system, the public elected and instituted a Council of Chiefs, to advise on practice and tradition (So'o, 1998). Stability is also attributed to traditions within local levels of government such as the *matai* and *Fono o le nu'u* (village council). Village councils are powerful, with the *faamatai* central to Samoan culture and identity (Iati, 2000; Levine, 2003, MacPherson, 1997). *Aiga* are extended family groups with property and chiefdom rights, which *matai* head. *Matai* are responsible for administering resources and leading village councils (*Fono o le nu'u*) with authority over public sector and title agencies (Tuimaleali'ifano, 2001) and handing out punishments (Va'a, 2000). Together this results in a relatively high level of compliance with law and order (So'o, 2000) along with respect for elders, 'superiors' and service to family (Tcherkezoff, 2000a; 2000b). Approximately 90% of the residents live under the authority of these titled family leaders.

² These are traditional family leaders

This melding of traditional Samoan structure with Westminster government has generally been effective at governance, although corruption in the form of favouritism and bribery – sometimes viewed as integral to village tradition -- is not unknown (Campbell, 2003). While the *matai* is not to be overruled, he is obligated to provide, in most circumstances, for the *aiga*. Some conflict between the two systems is recognised (e.g. Meleisea, 2000; Saldanha, 2004; Tuimaleali'ifano, 2001).

Samoa's Supreme Audit Institution (SAI) is a member of the International Organization of Supreme Audit Institutions (INTOSAI) and a member of the regional Pacific Association of Supreme Audit Institutions (PASAI). The latter has affiliations with the ADB, INTOSAI, Australia Department of Foreign Affairs and Trade, New Zealand Aid and the World Bank (PASAI, 2011).

The Samoan Auditor-General is head of the SAI, currently holding qualifications in accounting and Public Policy and Management (PASIA, 2010), a role established under Article 97 (also 93, 98-99) of the Constitution. The Audit Act 1961 regulates his duties, and the Audit Regulations Act 1976, the Public Finance Management Act 2001, the Public Bodies (Performance and Accountability) Act 2001 and the Public Bodies Regulations 2002 together establish the AG's role and authority as shown in the findings below.

Tonga

Tonga is a hereditary and constitutional monarchy and the only Pacific Island nation never colonized by outside-Western powers. However, it became a British Protectorate in 1900, gaining independence in 1970 (Cadogan-Cowper & Gouy 2010). Tongan communitarian values, culture and beliefs are well-established as they are in the South Pacific generally (Prescott and Hopper, 2009; Helu-Thaman, 1995). Like Samoa, Tonga is an established Polynesian culture and for the region, a reasonably stable modern history.

Nonetheless, low economic growth, particularly in the private sector, is endemic in Tonga (ADB, 2006; Young Leslie, 2007) with GDP at US\$4916/capita (2015) and a population of just over 100,000. Industry and exports are primarily in agriculture, forestry and fisheries. Like Samoa, a large portion is sourced in contributions from overseas, 30% from private remittances from Tongans living overseas and 10% from foreign aid (Cadogan-Cower and Guoy, 2010). Copra and banana exports led to some foreign revenue during the post-WWII years (Campbell, 2003), but Tonga is restricted by its wide dispersion (170 tiny islands spread over 700,000 square kilometres) and isolation. Furthermore, Tonga's public sector has long

been associated with inefficiency, ineffectiveness and nepotism (ADB, 2006; Amosa, 2007) leading to further restrictions on economic growth.

Tongan communities are based on regional location or *feitu'u*. Regions are further divided into *kolo* or villages of distinct identity. Under its 1875 Constitution, Tonga was governed by a monarch who appoints members to the Privy Council (judiciary) and Cabinet, both of whom reside in the legislative assembly (Hills, 1993). The monarch (King) is a powerful authority therefore over the populace. All ministers are accountable to the monarch, which distinguishes Tonga from Samoa, where the *matai* are more powerful. Centralized control has an established history in Tonga.

Criticism has been levelled at the Tongan system of non-representative government but it is slow to change (Levine and Roberts, 2005). Due to island custom, it is, for example, difficult for citizens to confront or question leaders (Firth, 2006), and conflicts are bound to occur with introduced Western practices in a nation where kinship remains a strong influence (Saldanha, 2004). Related to the kinship tradition, the practice of nepotism is common here, reported to be rife in the 1970s but also defended by some as part of the Polynesian tradition (Campbell, 2003).

In 2002, a pro-democracy Human Rights and Democracy Movement proposed constitutional reform. The result, however, was actually to increase the monarch's powers at least as perceived by the media (Young Leslie, 2007). Public Service strikes for higher wages resulted and these evolved into protests against government and evolved into protests against neoliberal economic and public sector reform (Beechey, 2005). A financial collapse occurred (ADB, 2004a; 2004b). Following long-serving King Taufa'auau Tupou IV's death in 2006, pro-democracy demonstrations turned into riots and looting, only settled as a result of intervention from the Australian and New Zealand governments.

A new constitution was subsequently approved by the Legislative Assembly (LA) in 2010, and this was seen to be a major step toward democratic reforms. The LA now includes nine nobles elected by 33 hereditary nobles, nine publicly-elected members and 14 Cabinet members (ex-officio); although until recently any member could still be vetoed by the monarch (ADB, 2006). Ten of the Cabinet members are appointed by the monarch (for life); the monarch also appoints the Prime Minister and Deputy Prime Minister (Cadogan-Cowper & Gouy 2010). The monarch and Cabinet comprise the majority of the Privy Council. Nevertheless, district and town officers are elected positions responsible for primarily ceremonial, official and traditional

functions (Government of Tonga, 2006). Tonga is now one of the world's newest democracies (Commonwealth of Nations, 2013).

The Auditor-General was initially a member of the Privy Council and of legislature. This was supplanted in 1983 with the post of Government Auditor. The Government Auditor was expected to ensure financial regularity within government departments and to provide independent checks on public accounts. The lack of public participation in government made this difficult however. The Public Audit Act 1984 established the Office of the Auditor-General. It further defined eligibility, terms of appointment and expanded the government auditor's powers and duties. A strong influence was the INTOSAI standards for audit at the time.

Theoretical Informant

Institutional theory has become a familiar informant to public sector accounting and audit research (Carnegie and Napier, 1996; Lapsley, 1994; Rika, 2009; Van Peurseem and Balme, 2010; Jacobs, 2012; van Helden and Uddin, 2016). Institutionalism draws on a number of concepts to explain practices and decision-making in the organizational setting. Accounting practices have been perceived to be an important element of the organization and institutional structure (Collier, 2001).

Modern and post-modern representations of institutional theory have formed components of this literature, with the former represented by, in particular, DiMaggio and Powell's (1983) testable structure of incentives. Other interpretations consider the social practices and processes by which practices become embedded and, themselves, constructive in an organization. Interpretations have come to consider the political nature of institutional change as well (Dillard et al., 2004) and concerns with social narratives and cultural and political influences are popular (e.g. Higgins, Subbs and Love, 2014; Carruthers 1995).

Despite their variations, most interpretations of institutionalism share a concern with how organizational change may focus on attaining 'legitimacy' in the eyes of the powerful. Such efforts may however serve appearance more than substance where attempting to please those in authority. The desire to recognise efforts to acquire legitimacy, and its presence as a core concept of institutional discourse, presents it as a dominant theme in the institutional literature (DiMaggio and Powell, 1983; Hussain and Hoque, 2002; Modell, 2002; Mouritsen, 1994; March and Olsen, 1989).

Covaleski, Dirsmith and Michaelman (1993) draw on Meyer and Rowan (1977) and DiMaggio and Powell (1983) to introduce how a mirroring effect can be used to derive legitimacy. This is otherwise referred to as institutional isomorphism. An organization which mirrors accepted and known practices also increases an appearance of compliance and conformance, and therefore its chance of survival (Meyer and Scott, 1983; Scott, 2001; Tolbert and Zucker, 1983). Dillard et al. (2004) note how organizations will also adapt their institutional practices through isomorphism. DiMaggio and Powell (1983) identify three typologies as being coercive (formal and informal pressures), mimetic (copying others in the organizational field), or normative (relating to professionalization).

There is as well a common concern with the potential for ‘decoupling’; a situation in which the rules and structures fail to reflect underlying real practices. Decoupling enable organizations to gain legitimacy with external parties while concurrently serving the interests and practices desired, or at least retained, internally (Bromley and Powell, 2012; Scott, 2008; Westphal and Zajac, 2001; Tilcsik, 2010). Real limits to resources may put constraints on compliance; equally, the desire to avoid implementation of externally imposed policies may both lead to a decoupling practices (Bromley and Powell, 2012).

Dillard et al. (2004) also argue that organizational change should be considered in light of the different levels within an organizational field and consider those who wield power over an institution at those different levels. They consider the larger economic and political level, the professional organizational field level and the traditional organizational level to be appropriate. In this paper we draw on the international as well as the national institutional levels in Samoa and Tonga while still honouring the concepts it informs. We incorporate the concerns with decoupling, and with seeking legitimacy through institutional isomorphism as the governments of Samoa and Tonga have come to make decisions about what structures and powers to employ in the design of their public audit functions.

Method

In understanding whether an organization achieves that expected of it, institutional pressures and societal expectations must be examined (Hussain and Hoque, 2002, p. 164; DiMaggio and Powell, 1983; Meyer and Rowan, 1977). We therefore undertake an analysis of legislation and changes passed through the respective parliaments, reports on performance management and other country data from Samoa and Tonga. We utilise the Clark and De Martinis (2003) framework of 30 questions to evaluate the public audit role and to facilitate a historically-

informed analysis of laws and practices around it. Clark and De Martinis (2003, p.27) extend the framework developed by English and Guthrie (2000) which “outlines key elements necessary for public-sector audit to fulfil its role”. These frameworks utilise categories and classifications to evaluate the independence, the authority, the scope and the ability to carry out both financial and performance audits in Australia. Elements of this framework draw from Lavin (1976), Normanton (1966) and Funnell (1994) particularly as to the value of a state auditor’s independence from the executive in protecting the power and authority of the Auditor-General and his or her Office. Clark and De Martinis (2003) also address issues of power, independence and authority as shown in Table 1. In assessing the isomorphism of Samoa and Tonga, we assign a variable of 0 if the legislation is silent on the matter and 2 if the legislation meets the required standard. If there is legislative allowance for the issue but it does not meet the required standard, we score this with 1. To show changes, we score each country at the different time periods when changes occur.

[INSERT TABLE 1 HERE]

In the first category – Powers of Parliament in Relation to Audit – it is possible to determine whether the Auditor-General is reasonably independent from, in particular, the Executive or management (as shown in table 1, column 1). Where that authority is vested in an elected body such as Parliament, the intimidation and coercive power of the management executive may be reduced. Thus, the second category group (source of funding) is attentive to the resources of the Office and whether that is sufficient to carry out their role. Clearly without funding, the value of the Office could be subdued as resources are required to carry out audits, potentially leading to a decoupling between claims and viable practice. The third classification in table 1 is concerned with how the AG and Audit Offices (AO) themselves are held to account. That is, with independent features in place, it is less likely that the AO or AG can act outside their authority, unlawfully intimidate auditees or use their position as a personal power basis. The fourth classification, similar to the second, considers the ‘authority’ of the AG and the AG’s Office, addressing concerns about whether the AG or AO can achieve their mandate within the boundaries of their authority. Without such authority, decoupling is again a risk, where *appearances* of audit and the authority of the audit fail to match *practice*. The fifth and final classification, similarly to the first, addresses an ‘intimidation’ issue. Unlike Powers of Parliament however, the Independence from Direction classification takes a micro and indigenous view to consider the audit engagement in terms of how much political power is endowed in the AG.

Analysing practices in Samoa and Tonga should reveal potential isomorphic and legitimation pressures (Clark and De Martinis, 2003). Therefore, we also utilise independent assessments of the public sector in Samoa and Tonga (PFTA, 2011, 2014; Cadogan-Cowper and Gouy, 2010). This provides another level of analysis beyond the extent to which Samoan and Tongan legislation and regulation support the expected role of the Office of the Auditor General. It enables a critique of whether such regulation could inspire a decoupling, coercion, intimidation and/or isomorphism which may, or may not, serve these two small Pacific nations.

Findings

The law and regulation of Samoa and Tonga as to the role and practices of their Auditors-General and Audit Offices are applied to the Clark and De Martinis (2003) framework in the sections following. These findings are then compared to the drivers for practice. Results for the powers of parliament are in Table 2.

[INSERT TABLE 2 HERE]

The Constitution of the Independent State of Samoa 1960 (Constitution 1960) established many of the functions of the AG (as also seen in the Audit Office Ordinance 1961). In Samoa, the AG is now given more time (12 years) in which to carry out his or her agenda. Reappointment is not possible however, though it was previously, and this makes the role perhaps a less-political one in the sense that the AG will not be lobbying for re-appointment and can concentrate on their role. Also in Samoa, there are some conflicting clauses regarding the determination of salaries and benefits, but overall the Remuneration Tribunal comprises three members appointed by the Head of State, parties now independent of the auditee.

Nevertheless, while legislation requires audit reports to be tabled with the Speaker and PM as well as the LA, in practice long delays in completion of public entity's accounts (up to two years after balance date) and subsequent audit means that public scrutiny is delayed, minimal and, given the delays, probably irrelevant (PFTA, 2014). The PFTA (2014) (undertaken at the request of donors) notes limited time is allocated to parliamentary review.

The Constitution of Tonga 1875 (Constitution 1875) initially established the functions of the AG. We also witness the effect of single-year legislation on those who empower the Tongan Auditor General. In particular, the 2007 legislation established rules that simply did not exist previously as to the AG's eligibility and term of office. Notably shorter than that in Samoa, the AG is nonetheless eligible for re-appointment and, furthermore, that appointment is no longer solely determined by the (unelected) King. As to funding of the Auditors-Generals'

offices, and the power that authority grants, the Legislative Authority (LA) is quite strong. Nevertheless, while legislation requires audit reports to be tabled with the Speaker, audit reports published in the Tongan Government Gazette are very delayed and, similar to the Samoan experience, there seems little engagement with audit recommendations (Cadogan-Cowper and Gouy, 2010).³ This study (funded by AusAid and the World Bank) notes that the LA only receives a summary of audit activities.

AG funding is shown in Table 3.

[INSERT TABLE 3 HERE]

In Samoa, empowering changes occurred in 2012 and 2013, and final authority for determining the funding of the AG's office rests with the elected body. Prior to this time, and under previous legislation, audit was usually listed as one of the appropriations from Treasury offered to the Legislative Assembly by the Minister of Finance. However, the PFTA (2014) notes resourcing shortfalls, which likely inhibit the AO ability to engage in needed reviews. They further note that "to address this issue, outsourcing of audits to private firms is increasing" (PFTA, 2014, p. 25). While this may address a short-term issue, unless careful balancing of tasks is done, this could lead to the AG achieving less at the expense of private audit firms. The AG must also respond to donor requests.

In Tonga, the funding process is less regulated and, because of this, it weakens the AG's role. The Speaker however, since 2012, is now an elected representative whereas the former determinant of fees, the Ministry of Finance, is an appointed position. Nevertheless, Cadogan-Cowper and Gouy (2010) note the AO website (www.ait.gov.to) is merely a placeholder and this is the experience of the authors. As it is a small amount of text within government pages, the website fails to show AG independence from the government that it audits. A number of public enterprises use private auditors rather than the AG (Cadogan-Cowper and Gouy, 2010), and this further suggests that the AG does not have the power to carry out audits when they wish to, or that they will be 'low balled' by a private firm that may not undertake work of sufficient quality.

As to regulation regarding oversight of the AG, legislation is silent in Samoa (see Table 4). Nevertheless, practice as analysed by the performance management program of funders (PFTA, 2014, p.46) notes the potential for conflicts of interest in payroll transactions but that "external

³ As with Samoa, the financial statements are also delayed, with the 2007 financial statements 27 months after year end and the 2008 accounts 16 months after year end.

audit interaction with the fortnightly payroll system represents a very strong control that is rare in other jurisdictions”, although it occurs only in ministries. Further, the performance management program (PFTA, 2014) notes an improvement in practice against International Standards of Audit since the PFTA (2010) report. This may result from increased competence.

In this category we see some larger differences between Samoa and Tonga, as Tonga’s Public Audit Act 2007 (S33(1)) requires appointment and reporting from the independent AG, but Samoa’s legislation is silent. Tonga has also brought in professional expertise to the decision of whom to appoint, perhaps because at this time the AG first became the external auditor for Tonga. Hence the accountability of the AG and his or her Office appears more rigorous in Tonga than in Samoa. Nevertheless, Cadogan-Cowper and Gouy (2010) note that practice is less than transparent. For example, in times of cash flow difficulties, it is common for the Ministry of Finance to delay supplier payments and the AO is complicit in these practices. This leads to more cash payments being undertaken when suppliers demand payment (Cadogan-Cowper and Gouy, 2010), a practice likely to increase opportunities for corruption. However, in respect of payroll, as in Samoa, transactional controls that “may seem excessive” are deemed to be relevant and “astute” for a small country (Cadogan-Cowper and Gouy, 2010, p.61/2).

[INSERT TABLE 4 HERE]

As to the mandate given to the Audit, a number of changes are noted in recent times (see Table 5).

[INSERT TABLE 5 HERE]

In Samoa, we can again see the effect of the 2012-13 legislation on formalizing the AG’s powers particularly in respect of performance audits. The performance management program (PFTA, 2014) however, notes that in practice, problematic delays have attended the audit of entities’ financial statements (which are the most basic of public sector audits). Hence, while legislative scrutiny improved (from a D+ to a B), the nature and follow-up of audit remained at a D+ (PFTA, 2014). This is not related to inability to audit (PFTA, 2014, p.v notes that, for example, “an extremely thorough process involving external audit verification of all payroll transactions takes place”), but more to a focus on transactional and pre-audits (100% of every item in the financial statements and all supplier payments (2-3,000 per month)), a lack of resourcing, a backlog of work and delays in receiving financial statements. Hence, while much audit activity is evident, there is a lack of reflection and follow-up.

The granting of greater authority to the AG in Tonga accompany, in some but not all respects, their 2007 legislation. It took until 2012 however, under the Public Audit Amendment Act 2012 (S10A) for that authority to extend to performance audits of government bodies. Three years after the 2007 legislation and PEFA in that year, Cadogan-Cowper and Gouy (2010) note a decline in legislative scrutiny of the annual budget (from a C+ to a D+) and no change in the nature and follow-up of audit remained (D+) and legislative scrutiny of external audit reports (D). They further note:

the lack of transparency around financial operations of public enterprises, procurement contracts entered into by the state, and audits performed by the Audit Office risks inefficient practices being bedded down, may waste public resources and may consequently adversely impact on service delivery provision. The limited scrutiny of the budget appropriation and audit reports might reduce pressure on government to allocate and execute the budget in line with its stated policies and intentions (Cadogan-Cowper and Gouy, 2010, p. 9).

Further, the underlying financial statements are provided late and the audits often take longer than expected. However, in terms of donor funds, by ignoring the capture of in-kind inputs, Cadogan-Cowper and Gouy (2010) find expenditure to be reported and audited well.⁴ Similarly to Samoa, a transaction focus is noted. Substantial challenges also remain in recruiting and retaining competent public auditors.

The independence of the AG and his/her office from direction as to its duties Parliament and management is clarified by the analysis summarised in Table 6.

[INSERT TABLE 6 HERE]

In Samoa the effects of 2012-13 legislation is instrumental. In particular, the AG's independence, freedom to determine work conditions and staff oversight, select and oversee audits is now in law. Only that referring to the AG as the independent Officer of Parliament does not follow the Commonwealth tradition. Nevertheless, the PFTA (2014) notes that, in practice, no obvious responses are made to the AG's audit reports by entities or the elected representatives, and therefore the level of effectiveness is unknown.

The 2007 Tongan statutes did bring change in terms of independence, advancement and control to the Auditor General's office, although we note that the 'type of audit and auditee' remains un-legislated. Furthermore, the AG is *not* an officer of Parliament in Tonga (indeed, Cadogan-Cowper and Gouy, 2010 note that as it is responsible for internal and external audit, this is

⁴ This may be because AusAid (the largest donor) has a parallel procurement process as does NZAID at times.

difficult). Impaired independence reduces their accountability to Parliament. Thus, an audit of the AO found “a number of abnormalities and a style of working which left room for cheating” in respect of overtime payments for staff.⁵ The LA moved for the report to be withdrawn and discussed in committee (the then AG is now a Cabinet Minister).

Finally their control over appointment of contractors remains silent even under 2007 and 2012 legislation, and this means that it may be difficult for the AG to bring in outside expertise, such as would be required to bring about a systems approach to audit. However, Cadogan-Cowper and Gouy (2010) report that the AG provided a qualified audit opinion on the government’s financial statements in 2007, 2008 and 2009, suggesting independence of reporting.

Discussion

A pattern found in both Samoa and Tonga is that recent statutes and/or constitutional law changes have had a significant effect on the authority and practice of their AGs and AOs. A mimetic practice has occurred in the very production of law and regulation, legislators relying on a structure and Parliamentary assumptions known to them to create a public audit role. The scoring shown in each of the tables in the section above has been translated into percentages as displayed in Figure 1 to show the isomorphic changes towards the Clark and De Martinis (2003) ‘ideal’. While passed into law at marginally different times, and reflecting different preferences in some respects, those changes also closely follow the language found in the Commonwealth law closest to them. Mimetic practices are also ensured by the regular assessment of public sector performance by a form of audit recognisable in Commonwealth nations (e.g. New Zealand and Australian) law. The influence of the ADB and World Bank as significant fund providers (Cadogan-Cowper and Gouy, 2010; PFTAC 2007, 2010) also offers a coercive influence.

[INSERT FIGURE 1 HERE]

In particular, and in Samoa between 2012 and 2013, significant changes occurred with respect to a number of AG-relevant regulations: the powers of Parliament, the funding of the AG and the Audit Office, the mandate of the AG and the independence of the AG from Parliament.

⁵ “Tonga House Questions Former Auditor General Over Private Account by Pesi Fonua 24/3/15. Downloaded from <http://pidp.org/pireport/2015/March/03-25-06.htm>. Previously other counts of professional misconduct were noted in regards to incorrect information and improper disclosures – see <http://www.radionz.co.nz/international/pacific-news/202281/tonga-mps-to-discuss-auditor-general's-future>.

This emerges from the 2012 Constitution Amendment Bill and creates some interesting outcomes. In particular, the extension of the AG's tenure from 3 to 12 non-renewable years gives the AG considerable authority – potentially intimidating or coercive authority – over public sector auditees. That the 12 years is greater than the average 5-10 year term (Clark and De Martinis, 2003) further suggests to us that the Samoan AG could be an intimidating influence on as well as in government, especially given the high respect for elders within Samoan society. This suggests an institutional power shift from Parliament or local *Matai* to the Auditor General. While this could potentially benefit the Samoan people, and there is more oversight in Samoa on the AG than in Tonga, the long tenure also provides an opportunity for a less-principled AG to abuse his or her authority. Such occurrences are not previously unknown (Campbell, 2003) and can be exacerbated by the dual obligations to the *aiga* and the public sector in general. The lack of independent oversight in the Samoan situation thus empowers the AG, as does the funding scheme which gives the Samoan AG considerable space to recover costs. Whether that combination results in more independent audit, or simply a more powerful Auditor General, cannot fully be known but does suggest that they are a party to whom others must, in some way, prove their own legitimacy.

Further, and similar to the situation in Tonga, we find that long delays in reporting -- both to do with receiving the financial statements and completing the audits – in effect reduce the public accountability of government and audit. While the production of these traditional reports, and their audit for financial and budgetary purposes, is isomorphic in terms of practices overseas, such delays would suggest that there is likely to be a decoupling of intended purpose from actual benefits.

The Tongan AG post, being much shorter and also renewable, grants the AG a less intimidating role and removes any apparent coercive empowerment granted to the Office. Yet it may also lead to ineffective Audit Office practices, but for different reasons than that observed in Samoan law. The short tenure may make it difficult for a qualified AG to achieve meaningful agendas where long-term or complex audits are required over a longer period of time. Furthermore, given the short tenure, the AG may need to spend much of that time lobbying the nobility for their own reappointment, a practice which could both distract them from their work and detract from their independence in conducting that work. Evidence of shortcomings in the previous AG and his subsequent position as a Cabinet Minister cement these concerns. It seems apparent that the intended power of the Tongan AG is decoupled from what that AG can

actually accomplish under such constraints. Again, the isomorphic practice fails to translate into the intended outcome.

In other respects however, both nations now employ an independent remuneration committee, and Tonga makes that independence clear in statute. The independence of the auditor, and the authority derived therefrom, is therefore addressed through statute in both nations. We note however that the influence of non-voting Parliamentarians (Tonga) and local chiefs (Samoa) may reduce that independence implied through coercive influence.

Furthermore, there are limits on the types of audits that can be conducted, and this suggests a decoupling force. Where an audit focusses on ‘transactions’ only, unreported events may not be specifically investigated, especially where audit expertise and funding is constrained. This reduces the likelihood of catching fraud or unauthorised transactions. In Tonga, where the Office performs both internal and external audits, the risk of non-independence also arises as holding both roles for one organization can create conflicts of interest.

Yet the ‘letter’ of the laws in both cases tends to be mimetic. For example, and in both Samoan and Tongan law, the Speaker has the authority to recommend the funding for the Audit Office, closely drawn from the New Zealand Audit Act 2001. In an elected Parliament, such as exists in Samoa, this would seem to empower the Audit Office as intended. Where the public is not fully represented in a nation’s governance, as occurs in Tonga and as is partially-implied in Samoa, that selection may be an isomorphic but decoupled practice.

That Tongan law is silent as to the scope for financial statement audit of Tongan companies may also appear to be merely mimetic, as the Auditor General’s office is concerned with public, not private, concerns. Nonetheless, it does provide space for opportunists to game this public system by placing public funds in private companies and escape elements of public accountability. This is an example by which individuals can circumnavigate the rules, effectively decoupling the law’s intent from practice. Evidence is also provided of the cash system surmounting the accrual reporting, when cash flow is difficult, against the aim of the NPSM reforms (e.g. Pallot, 2003).

Similarly, the silence in Tongan legislation as to whether the AG has discretion to determine the audit type and auditee is a concerning omission from their legislation. Essentially, an Audit Office may conduct careful and thorough engagements but if auditors may not enquire into controversial issues or examine any organization they see fit, then real and crucial actions

remain hidden. This would seem to represent potential for a decoupling from accountability's intent.

Finally, given the nature and timing of both Tongan and Samoan legislation, it is apparent that there is mimetic behaviour, understandable in terms of their reliance on overseas expertise and income. This is evident in the performance assessments undertaken, including in Tonga, reliance on aid agencies' external procurement audits (see Cadogan-Cowper and Gouy, 2010; PFTAC 2007, 2010).

Conclusion

This research analysed changes in public sector audit in two Pacific Island countries in order to consider their impact on the quality of audit. In doing so, it is important to consider *omissions* from legislation, as much as *inclusions* to understand the real accountability that may be possible through these Audit Offices. It is also important to understand the nature of the 'democracy' in which they are found. While accountabilities appear to have been strengthened by these moves elevating the AG's role in a mimetic fashion (following NPSM principles) in other respects however, the omissions reveal gaps that would make it difficult to place their authority on a level with that expected of a managerialist auditor role or from their Western parliamentary democracies.

These Auditors-General are subject to coercion and intimidation in carrying out their tasks. They also suffer (or benefit) from the presumably unintended consequences of duplicating overseas law and language in a mimetic fashion. The regulations – considered in tandem with the nature of these democracies and these cultures -- point to the potential for a decoupling of a real accountability from that actually practiced. Further, overseas-funded performance assessments show enthusiasm for reforms, however, evidence shows continued under-funding and backlogs in reporting and auditing (in both Samoa and Tonga), a lack of qualified staff (Tonga in particular), and a focus on transactions rather than 'best practice' systems and performance (Samoa and Tonga). In addition, a regular engagement with these processes incurs costs as Auditors-General and their staff must accompany consultants and answer for practice in order to continue to gain necessary funds for their country's survival.

Perhaps the greater concern is in the possibility that in imposing these 'foreign' accountability practices over those that have existed over millennia – the tradition of inherited and singular power, village authority regimes and accepted practices towards power – may go toward erasing real accountabilities that exist. Indeed, in selectively assimilating aspects of NOSM

audit arrangements, the AG could become less accountable, as seen in Samoa where there is no legislative allowance for AG oversight, yet this person has become more independent and has greater powers than ever before. On the other hand, in Tonga, the monarch's influence can be seen in strong oversight, and lower levels of independence, mandate and funding. Such an escalation could emasculate the AG.

Institutional theory has been useful therefore to analyse these changes under the De Martinis and Clarke (2003) framework. By critiquing both legislation and practice, two structural levels (Dillard et al., 2004) inform as to levels of power and how change has occurred. Despite similar pressures, different responses have been observed (as seen in van Helden and Ouda, 2016) and these can be attributed to cultural differences (as also in Nyamori and Gekara, 2016; van Helden and Uddin, 2016). The newness of democracy in Tonga shows only tentative steps towards independence, while Samoa shows greater assimilation of colonial practices (e.g. Belkaoui, 1004; Walton, 1986). Further studies could explore the views of participants to these processes, those both within and outside government. It would also be useful to know how actors perceive the direction that 'accountability' has taken, and whether it has declined or improved under this legislation. Similar studies in other island nations can also provide useful comparisons.

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Table 1: Clark and De Martinis (2003) framework of key elements for public audit

Parliament	Auditor-General
<p>1. Powers of Parliament (results Table 2)</p> <ul style="list-style-type: none"> - To appoint A-G - Define term of office - Allow A-G reappointment - Source of A-G remuneration - Who determines A-G remuneration? - Who can remove A-G? - Who can appoint an acting A-G? - To assess A-G's annual work submissions - Power to request audits? - Must A-G table audit reports with Parliament? 	<p>2. Oversight of the A-G (results Table 3)</p> <ul style="list-style-type: none"> - Is A-G independent? - Appointment of independent auditor - Reporting of independent auditor - Independent auditor conducts financial statements audit? - Independent auditor conducts performance audit?
<p>3. Funding of A-G office – who determines? (results Table 4)</p> <ul style="list-style-type: none"> - Fees for financial audits – who determines? - Does A-G have cost recovery capabilities? 	<p>4. Mandate of Audit Office to perform audits (results Table 5)</p> <ul style="list-style-type: none"> - Financial statement audits of authorities, agencies, departments statutory bodies? - Financial statement audits of companies? - Financial statement audits of individuals and bodies funded by government? - Performance audits of authorities, agencies, departments and statutory bodies? - Performance audits of companies?
<p>5. Independence from ...Parliament ... (results Table 6)</p> <ul style="list-style-type: none"> - Independence enshrined in law? - Free from direction/control by anyone? - Discretion [as to] type of audit and auditee? - Wide information-gathering powers? - AG an Officer of Parliament? - AG determines terms/conditions of staff? - AG can appoint contractors? 	

Table 2: Powers of Parliament

	Samoa		Tonga	
	Current Mandate ¹	Recent change?	Current ²	Recent change?
Appointment (By representative Parliament = 2)	Head of State - advice from PM (no change) (1)	Constitution 1960 established current state (1)	Speaker appoints with LA consent (2)	Constitution 1875 = appointment by King (1). 1938 AG replaced by Government Auditor (N/A), Public Audit Act 1984 PM appointed AG with Cabinet assent (1). Public Audit Act 2007, PM appointed (after consultation with Speaker) (1)
Term of office (6-10 common = 2)	12 years (1)	Constitution 1960 = until aged 60 (1). Constitution Amendment Act 1997 = repealed. Term = 3 years (1)	No change from 5 years (1)	Constitution 1875 = silent (0). Public Audit Act 2007 changed to 5 years (1)
Eligibility for reappointment (No = 2)	No (2)	Constitution 1960 = silent (0). Constitution Amendment Act 1997 = allowed reappointment (2)	No change (2)	Constitution 1875 = silent (0). Public Audit Act 2007 allows reappointment for an additional term (maximum two more terms) (1)
Remuneration determined by (not Head of State = 2)	Remuneration Tribunal (2)	Constitution 1960 = determined by Head of State with Cabinet advice (1)	No change from Remuneration Commission (2)	Constitution 1875 = silent (0). Public Audit Act 1984 changed to fixed salary determined by Remuneration Commission established by law (2)
Source of AG remuneration (Consolidated fund = 2)	From Audit Office funds (2)	Constitution 1960 = charged to Treasury (1)	No change (1)	Constitution 1875 = paid from Treasury Fund (1)
Removal of AG (not Head of State = 2)	Head of State-Advice of PM (1)	Constitution 1960 = silent (0). Constitution Amendment Act 1997 = Head of State (1)	No change from LA (2)	Constitution 1875 = silent (0). Public Audit Act 1984 = Cabinet on advice of PM (1). Public Audit Act 2007 two-thirds majority of LA (mainly due to misconduct) (2)
Appointment of acting AG (Parliament = 2)	Legislation silent (0)	Audit Office Ordinance 1961 = Head of State power to appoint (1)	No change (Legislation silent, cabinet presumed) (0)	Constitution 1875 = silent (0). Public Audit Act 1984 = Cabinet (1). Omitted from Public Audit Act 2007 (0)

Annual work plan submitted (not to be vetoed = 2)	Legislation silent (0)	Constitution 1960 = silent (0).	No change (1)	Constitution 1875 = silent (0). Public Audit Act 1984 = silent (0). Public Audit Act 2007 AG to submit to Speaker at least 60 days before new financial year (1)
Power to request audits (Wide powers = 2)	Audit Act 2013 = PM, Ministers, CEO for MOF, Parliamentary Committee, Ombudsman (2)	Constitution 1960 = silent (0) Public Bodies Act 2001 “a shareholding Minister or the Financial Secretary” (1)	Legislation unclear (0)	Constitution 1875 = silent (0). Public Audit Act 1984 = AG may audit at the request of any other body with the approval of Cabinet (2). Not mentioned in Public Audit Act 2007 (0)
Tabling of audit reports (Direct to Parliament = 2)	Audit Act 2013 = to Speaker to present to Legislative Assembly (1)	Constitution 1960 = silent (0). Audit Regulations 1976 provide to Legislative Assembly (2).	No change (Tabled to Speaker/PM before LA) (1)	Constitution 1875 = silent (0). Public Audit Act 1984 = AG submit to Cabinet, PM to Privy Council and LA (1). Public Audit Act 2007 AG to Speaker and PM. Speaker to present to LA (1)

1. Unless otherwise noted, the most recent change refers to the Constitution Amendment Bill 2012
2. Unless otherwise noted, the most recent change refers to the Public Audit Amendment Act 2012

Table 3: Funding of the AG's office

	Samoa		Tonga	
	Current Mandate ¹	Recent change?	Current Mandate ²	Recent change?
Funding determined by (Parliament – 2)	LA for refusal or approval but not to alter (2)	Constitution 1960 = silent (0)	Only that advisory committee is a separate appropriation under the AG's vote (1)	Constitution 1875 = silent (0). Public Audit Act 1984, 2007 = silent (0)
Auditee charges (fees) determined by (AG discretion= 2)	AG determines (2)	Constitution 1960 = silent (0)	May charge, as before, but Speaker is to give approval (1)	Constitution 1875 = silent (0). Public Audit Act 1984 = may charge a fee for work (1). Audit Act 2007 = needs approval of the Ministry of Finance to charge (in line with private sector charges) (1)
Cost recovery allowed? (Yes – 2)	AG may recover costs (2)	Constitution 1960 = silent (0)	Legislation silent (0)	Constitution 1875 = silent (0). Public Audit Act 1984, 2007 = silent (0)

1. Unless otherwise noted, the most recent change refers to the Constitution Amendment Bill 2012
2. Unless otherwise noted, the most recent change refers to the Public Audit Amendment Act 2012

Table 4: Oversight of the Auditor-General

	Samoa		Tonga	
	Current Mandate	Recent change?	Current Mandate ¹	Recent change?
Independent auditor (Yes – 2)	Legislation silent (0) No change		No change (1)	Constitution 1875 = silent (0). Public Audit Act 1984 = PM and Cabinet to appoint ‘a person’ (1). Public Audit Act 2007 = ‘a competent external auditor’ (1)
Appointment of independent auditor (Yes – 2)	Legislation silent (0) No change		PM consults with Speaker and President of the Tongan Society of Accountants (2)	As above. Public Audit Act 2007 = PM who consults with the Speaker and President of the Tongan Society of Accountants (2)
Reporting by independent auditor (Yes – 2)	Legislation silent (0) No change		No change (1)	Constitution 1875 = silent (0). Public Audit Act 1984 = to PM and Cabinet (2). Public Audit Act 2007 = to Speaker (1)
Independent auditor conducts financial statement audit (Yes – 2)	Legislation silent (0) No change		No change (2)	Constitution 1875 and Public Audit Act 1984 = silent (0). Public Audit Act 2007 = audit report to accompany AO financial statements (2)
Independent auditor conducts performance audit (Yes – 2)	Legislation silent (0) No change		Legislation silent (No change) (0)	Constitution 1875 and Public Audit Act 1984 = silent (0). Public Audit Act 2007 = audit of AO by external agency. No mention of performance audit (2)

1. Unless otherwise noted, the most recent change refers to the Public Audit Amendment Act 2012

Table 5: Mandate of the Auditor-General

	Samoa		Tonga	
	Current? ¹	Recent change?	Current Mandate ²	Recent change?
FS audit of authorities, agencies, departments and statutory bodies (Yes = 2)	No change (2)	Constitution 1960 = all authorised departments, agencies and statutory bodies (2)	No change (2)	Constitution 1875 = silent (0). Public Audit Act 1984 = audit of FS in public accounts (1). Public Audit Act 2007 = audit of FS by public bodies (2)
FS audits of companies (Yes = 2)	AG may now audit associated companies (2)	Constitution 1960 = silent (0)	No change (0)	Constitution 1875 and Public Audit Act 1984, 2007 = silent (0).
FS audits of individuals/ bodies funded by government (Yes = 2)	AG may now audit (2)	Constitution 1960 = silent (0)	No change (2)	Constitution 1875 and Public Audit Act 1984 = silent (0). Public Audit Act 2007 = FS of a publicly funded project, programme or activity (2)
Perf audits – authorities, agencies, departments, stat bodies (Yes = 2)	AG now authorised to undertake performance audits (2)	Constitution 1960 = silent (0)	AG may conduct performance audits for government agencies, a Ministry or Public Enterprise (2)	Constitution 1875 and Public Audit Act 1984, 2007 = silent (0).
Perf audits of companies (Yes = 2)	As above (2)	Constitution 1960 = silent (0)	As above (no specific allowance for companies) (1)	As above 2007 (0)

1. Unless otherwise noted, the most recent change refers to the Audit Act 2012

2. Unless otherwise noted, the most recent change refers to the Public Audit Amendment Act 2012

Table 6: Direction Independence from Parliament

	Samoa		Tonga	
	Current? ¹	Recent change?	Current? ³	Recent change?
Independence enshrined in law (Yes = 2)	AG to be independent (2)	Constitution 1960 = unclear (0)	No change (2)	Constitution 1875 and Public Audit Act 1984 = silent (0). Public Audit Act 2007 requires AG to be an independent statutory office holder free of administrative control/ direction (2)
Free of anyone's control/direction (Yes = 2)	AG free from control/ direction (2)	Constitution 1960 = silent (0)	No change (2)	As above
Discretion to determine audit type/ auditee (Yes = 2)	More discretion on type/ auditee (2)	Constitution 1960 = silent (0)	Legislation silent (0)	Constitution 1875 and Public Audit Act 1984, 2007 = silent (0)
Wide information-gathering power (Yes = 2)	AG now has information gathering powers (2)	Constitution 1960 = silent (0). Public Bodies Act 2001 and Public Finance Management Act 2001 require entities to report to AG (2)	No change (2)	Constitution 1875 = silent (0). Public Audit Act 1984 = free access to information for task (1). Public Audit Act 2007 strengthened to full access (2)
AG an Officer of Parliament (Yes = 2)	More specific about disqualification (1)	Audit Office Ordinance 1961 = AG may not be LA member (1)	No change (1)	Constitution 1875 and Public Audit Act 1984 = silent (0). Public Audit Act 2007 prohibits AG and AO staff from holding other conflicting roles (1)
AG to determine terms/conditions of Office staff (Yes = 2)	AG has powers of appointment (2)	Constitution 1960 = silent (0)	Section repealed. AG decides employment terms and conditions (2)	Constitution 1875 = silent (0). Public Audit Act 1984 = AO staff under civil service rules (1). Public Audit Act 2007 states AO staff under Public Service Act 2002 (1)
AG can appoint audit-conducting	AG may appoint contractors (2) ²	Constitution 1960 = silent (0)	No change (2)	Constitution 1875 = silent (0). Public Audit Act 1984 = Cabinet approval required for contracting out of AG function (1). Public Audit Act 2007 gave

contractors (Yes = 2)				AG full authority but Cabinet approval may be required (2)
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1. Unless otherwise noted, the most recent change refers to the to the Audit Act 2013
2. This was initially proposed in the Constitution Amendment Bill 2012.
3. Unless otherwise noted, the most recent change refers to the Public Audit Amendment Act 2012

Figure 1: Changes in Legislation as a percentage of Clark and De Martinis (2003) framework

