



2003

Parliament of Tasmania

JOINT SELECT COMMITTEE

WORKING ARRANGEMENTS OF THE PARLIAMENT

REPORT NO. 9

SELECTION OF GOVERNMENT BUSINESSES FOR SCRUTINY

MEMBERS OF THE COMMITTEE

Hon Michael Aird MLC (Chair)
Hon Sue Smith MLC
Hon Don Wing MLC

Hon Paul Lennon MHA
Hon Sue Napier MHA
Hon Paula Wriedt MHA

INTRODUCTION

The Committee was established by both Houses of the Tasmanian Parliament at the commencement of the First Session of the Forty-fourth Parliament on 7 October 1998. The Terms of Reference for the Committee are set out below.

TERMS OF REFERENCE

That a Joint Select Committee be appointed with power to send for persons and papers, with leave to sit during any adjournment of either House and with leave to adjourn from place to place, and with leave to report from time to time, to inquire into and report upon —

- (1) Measures for reform which may improve the performance and efficiency of the Parliament and its Members having particular regard to, but not confined by, a consideration of —
 - (a) the Statement of Principles agreed to by resolution of the Legislative Council on the 3rd and 4th day of September 1997;
 - (b) the procedures for the resolution of dispute and deadlocks between both Houses including standing order provisions and Parliamentary custom and conventions;
 - (c) the system of Statutory Standing, Joint Sessional and Joint Select Committees of both Houses, their roles, functions and relevance to contemporary Parliamentary practice;
 - (d) whether a separate Appropriation Act for —
 - (i) the Parliament;
 - (ii) the Auditor-General's office;
 - (iii) the Ombudsman's Office;
 - (iv) the Electoral Office;
 is desirable.
 - (e) and any other matters incidental thereto.
- (2) That the Committee be authorised to disclose or publish, as it thinks fit, any evidence or document presented to it prior to such evidence being reported to either House.
- (3) That the Committee finalise its report by 31 March 1999.*

Since the initial establishment of the Committee, it has been reconstituted as necessary following prorogations to allow for the continuation of its enquiries. The latest re-establishment of the Committee occurred on 12 March 2002.

The Committee has tabled the following reports to date –

Report No. 1	Estimates
Report No. 2	Parliamentary Standing Committees
Report No. 3	Government Business Enterprises and Government Corporations Scrutiny Committees
Report No. 4	Review of the Estimates Committees Process November 1998
Report No. 5	Arrangements for the Opening of Parliament
Report No. 6	Citizen's Right of Reply
Report No. 7	New Parliamentary Committee System
Report No. 8	Committee Meeting Times and Resources

GOVERNMENT BUSINESSES SCRUTINY COMMITTEES

BACKGROUND

In 1996 the House of Assembly Reform of Parliament Committee recommended the establishment of a committee to examine the operations of various Government Business Enterprises and Government Corporations.

The Joint Select Committee on the Working Arrangements of Parliament recommended the Legislative Council also adopt the practice. Two Legislative Council committees were established in 1999.

The Joint Select Committee also recommended there be a regular rotation in the list of organizations being examined each year. Currently there are 22 Government businesses although the Government has sought expressions of interest in the sale of three.

For two days in February each House scrutinises selected Government businesses. The Leader of the Government in the Legislative Council, in consultation with the responsible Ministers, sets these dates for the Legislative Council. The Leader of Government Business in the House of Assembly consults with Opposition and Tasmanian Green MHA's together with the responsible Ministers to set the agenda for the House of Assembly.

The number scrutinised by each House each year has ranged from five to eight Government businesses.

Each House gives leave to Ministers to appear before the other House's committees.

There was an understanding between the Houses that the selection of the Committees be on an alternate rotation basis.

ISSUES

- ◆ The Leader of Government Business in the House of Assembly manages the requests of two opposition parties in the House of Assembly as well as the Legislative Council.
- ◆ Until 2003 each House selected preferred Government businesses and occasionally both Houses had scrutinised the same Government business in the same year.

In 2002, after the Legislative Council had made a selection, a change was negotiated between the responsible Minister and the President.

In 2003, the Legislative Council requested a date change, which was agreed to in part.

The Council also requested it scrutinise Transend. This was refused on the basis the House of Assembly had selected Transend and it was an unnecessary exercise to scrutinise the same Government business twice in the same week.

When the motion to confirm the Government businesses was debated in the Legislative Council an amendment to include Transend was proposed, but was unsuccessful. The Leader stated that selections were made on the basis of cooperation and goodwill.

- ◆ The Leader also gave an undertaking that Transend would be scrutinised by the Legislative Council in 2004.
- ◆ There is a need to establish a transparent and fair process for selection of Government Businesses.

OPTIONS

The Committee considered the following options :

Option 1

Each House is allowed to select preferred Government businesses, despite overlap.

Some Government businesses may not be regularly scrutinised and this does not comply with the recommendation of the Joint Select Committee on Working Arrangements of Parliament.

Option 2

Rotate the consideration of Government businesses.

What the House of Assembly scrutinises in year 1, the Legislative Council scrutinises the following year.

Establish a three-year rotation of Government businesses as suggested in the example below. The allocation is according to the rotation.

To accommodate the Legislative Council request this year to scrutinise Transend, the Council's cycle could commence in year 3.

This allows all parties to know which Government businesses are to be scrutinised and in what year.

EXAMPLE ONLY

Year 1	Minister	Year 2	Minister	Year 3	Minister
Forestry Tasmania	Lennon	Aurora Energy Pty Ltd	Lennon	Transend Networks Pty Ltd	Lennon
Port of Devonport Pty Ltd	Cox	Burnie Port Corporation Pty Ltd	Cox	Hobart Ports Corporation Pty Ltd	Cox
Metro Tasmania Pty Ltd	Cox	The Public Trustee	Jackson	Port of Launceston Pty Ltd	Cox
Tasmanian Public Finance Corporation	Crean	Southern Regional Cemetery Trust	Cox	Hydro Tasmania	Lennon

Port Arthur Historic Site Management Authority	Premier	Motor Accidents Insurance Board	Cox	TOTE Tasmania Pty Ltd	Lennon
Printing Authority of Tasmania	Cox	Tasmanian International Velodrome Management Authority	Lennon	TT Line	Premier
		Rivers and Water Supply Commission	Green		

*Government businesses presently for sale have not been included.

*Port businesses have been spread across cycle.

Sessional Orders may be established which may eliminate the need for each House to pass annual motions to establish committees.

Such Orders may specify that the committees exist and have all powers previously prescribed to them on a certain date, such as the first sitting day after 1 November each year.

Option 3

Only one House may scrutinise a Government Business in any one year. If a Committee wishes to scrutinise two years running because of particular issues they must flag their intention –

when the report is presented to Parliament; or
by 30 June in the first year of scrutiny.

Both Houses will take alternate years for first choice of the Government Businesses to be scrutinised, that is –

House of Assembly – odd years – 1/3/5/7/9
Legislative Council – even years – 0/2/4/6/8

The Committee that has the year of choice must table the choice through motion in their House by 31st October of the previous year. The other House then chooses in November by motion.

Option 4

Eight major Government Businesses (as listed) be examined each year, four by the House of Assembly, four by the Legislative Council.

Aurora Energy Pty Ltd
Forestry Tasmania
Hydro Tasmania
Metro Tasmania Pty Ltd
Motor Accidents Insurance Board
TOTE Tasmania Pty Ltd
Transend Network Pty Ltd
TT Line Company Pty Ltd

Eight of the eleven other Government Businesses be examined each year, grouped in the order as follows :

- (1) Tasmanian Public Finance Corporation
Tasmanian International Velodrome
Rivers and Water Supply Commission
- (2) Port of Devonport
Hobart Ports Corporation
Port of Launceston
Burnie Port Corporation
- (3) Port Arthur Historic Site
Printing Authority of Tasmania
Southern Regional Cemetery Trust
The Public Trustee

Where a Government Business is sold and is deleted from the list, the number to be reviewed each year shall be proportionately reduced.

RECOMMENDATION

The Committee recommends that a combination of Option 3 and 4 be adopted, as follows -

- ◆ Only one House may scrutinise a Government Business in any one year.
- ◆ If a Committee wishes to further scrutinise a particular Government Business in the following year, notice must be included in its report to its House and then that House must pass a resolution requesting the re-examination within five (5) sitting days after 31 October.
- ◆ If the other House agrees to the request, it has first choice from the remaining Government Businesses on the requesting House's list.
- ◆ Only one Government Business can be requested for re-examination by each House, for a maximum of two consecutive years. In the case of the Legislative Council with two Scrutiny Committees and the possibility of two Government Businesses being requested for re-examination, that House would need to determine the one Government Business to be recalled.
- ◆ Eight major Government Businesses be examined in rotation each year, four by the House of Assembly and four by the Legislative Council. In 2004 these Government Businesses will be as follows :

House of Assembly

Metro Tasmania Pty Ltd
Aurora Energy Pty Ltd
TOTE Tasmania Pty Ltd
Motor Accidents Insurance Board

Legislative Council

Forestry Tasmania
Hydro Tasmania
Transend Network Pty Ltd
TT Line Company Pty Ltd

- ◆ Each House select from the remaining Government Businesses listed below in two groups, again in rotation. In 2004 the House of Assembly will select from Group 1 and the Legislative Council will select from Group 2 :

Group 1

Tasmanian Public Finance Corporation
Tasmanian International Velodrome Management Authority
Rivers and Water Supply Commission
Printing Authority of Tasmania
Port Arthur Historic Site Management Authority

Group 2

Burnie Port Corporation Pty Ltd
Port of Devonport Pty Ltd
Hobart Ports Corporation Pty Ltd
Port of Launceston Pty Ltd
Southern Regional Cemetery Trust
The Public Trustee

Parliament House, Hobart
31 October 2003

Michael Aird MLC
Chairman