

Legislative Council

Hansard

Tuesday 4 November 2025

The President, Mr Farrell, took the Chair at 11 a.m., acknowledged the Traditional People and read Prayers.

[excerpt...]

BUDGET ACCOUNTABILITY AND OVERSIGHT COMMITTEE BILL 2025

(No. 57)

Second Reading

[5.25 p.m.]

Ms WEBB (Nelson) – Mr President, I rise to speak on the Budget Accountability and Oversight Committee Bill brought to us by the member for Murchison as a private member's bill to this place, and I'm really pleased to do so. It's been an interesting debate thus far and I acknowledge the member for Murchison's long-standing interest in and passion and advocacy on fiscal policy and budgetary decision making in this state. The member for Murchison has been a leading voice calling for greater accountability in these areas and for much needed reforms in our approaches in order to address what can only be an understatement, calling it a highly concerning trajectory of our state's financial situation we face at the moment. Certainly, we all recognise that, and understand and acknowledge that is the impetus behind bringing this bill to this place for our consideration.

The member's second reading speech certainly points to that current backdrop. A backdrop of a deteriorating budget position and that unwillingness in the face of successive warnings from Treasury, from independent economic experts and existing parliamentary committees and by the current government to engage in meaningful and evidence based long term budget repair. That's a position of refusal on the part of the government essentially that we've seen there for quite some time and continuing and I imagine we might see it continuing yet again on Thursday.

That is the circumstance that many of us here share an intense frustration and significant alarm over, and certainly understandable the member for Murchison and many others in the community and Parliament are turning their mind to addressing that situation. Given that, I understand the motivation for seeking to improve the oversight of public sector finances and to improve the transparency, the fiscal discipline and the accountability around decision making in that area.

As my colleagues in this place will be well aware, I'm a passionate advocate too, for greater accountability and transparency in our governance broadly and for fully utilising the powers and mechanisms of Parliament to deliver on more accountability of executive government for the Tasmanian community, who've put us in this place as their representatives to do that. I will always be one of the first in this place to be keenly interested in progressing appropriate parliamentary mechanisms, focused on accountability and improving our ability as a parliament to undertake our role.

In this instance I don't believe that this bill to establish a new joint standing committee is warranted, nor has it been conceived of and developed in a way that is rigorous, evidence informed and expert advised, which is what we should expect when it's a matter of such seriousness as a legislated new Joint Standing Committee.

Overall, my take on the bill is it hasn't been comprehensively developed or considered. We can see that by the fact we've been having, in briefings, very active conversations about potential issues with the bill. We can see that the member who's bringing the bill has a range of amendments to make if the bill goes to the committee stage. We can see it in the fact we still have a lot of questions on clarity about what's in the bill and what it means and what it means in relation to other parliamentary mechanisms we have in this place. That bill will inevitably duplicate areas of responsibility and the work of other parliamentary mechanisms without sufficiently clearly defining the relationships and interactions therein.

The committee activity established in this bill goes beyond the constitutional role of Parliament and moves into policy making which risks then blurring the lines of electoral responsibility and accountability. By that it may leave the government of the day less accountable to the voters of Tasmania by removing full executive government responsibility for fiscal decision making.

The member for Murchison says there's a gap in the current assessment and reporting framework that we have in this place, and if that is the case, it certainly needs to be more clearly identified, scoped and understood what that gap or gaps may be. If there is a gap or gaps, we need to start by asking ourselves what those gaps are, what is the nature of them? What is the extent of them? If they are in fact there, we need to ask ourselves are they due to structural missing pieces, or are they to do with underuse or misuse of current mechanisms that we have available to us in this place?

For example, a structural problem may be that none of our current mechanisms have the remit it to do the work that's been identified as the gap; or that the remit is there, but the powers and scopes, for example, are insufficient in the current mechanisms we have, in which case we could have a conversation about updating or strengthening or improving those mechanisms. It may be that under the current structures and mechanisms we have, there is remit and powers there to do the work specified for this new committee that's been identified as a gap, but for one reason or another, our existing system and mechanisms are not fully undertaking that work.

Those reasons for not doing that might be lack of time, lack of resources or capacity, or perhaps competing priorities for the members in, say, other committees or other circumstances. I have a policy development background, so my approach is we need to scope out what this is all about. We need to understand the network of mechanisms we have. We need to map those out, we need to understand what specific problems we are trying to solve and where those problems lie, and then we need to look at options for addressing those identified issues within the identified and mapped-out structure that we have.

A more methodical identification and scoping of the perceived gap in assessment and reporting would have also given us the opportunity to examine the constitutional appropriateness of any new or additional roles for parliament that might be put forward as a solution. That's a question that warrants and deserves expert consideration and comprehensive examination. It's no small thing for us to be debating this here, and to have significant questions over the parliamentary appropriateness of the role described in this bill.

While members might be feeling a sense of frustration and urgency about the fiscal situation that our state is in - and we absolutely share that frustration - it's not a reason to rush in and do something that has huge parliamentary question marks hanging over it. I don't believe that we should be charging ahead to put in a new joint standing committee under statute without having properly identified the problem we're trying to fix, without having sought advice and input from all relevant stakeholders and experts, and without having examined various options that might be available to us to address the issues we've identified.

If we'd gone through a normal development and consultation process on this matter, a key question for us would have been: if there's an identified area of work that's missing, that should be done by parliament, can it be done within in our existing, well-tested structures? Our answer to that may well have been yes, but those existing mechanisms may need to be strengthened or have additional resourcing allocated to it, or some other measure of improvement.

In a briefing from Dr Richard Herr, we heard an axiom he shared with us from the criminal justice space: we may not need new laws all the time to address an issue; we might just need better enforcement of the laws we have. In this case, I think that is quite pertinent. We may not need new parliamentary mechanisms, just better use of the ones we had. In fact, if we had gone through a process - and I will note right here, while I'm pointing to the fact that we haven't yet gone through such a process, of course it's available to us absolutely to go through the sort of process that I'm describing here as the right way to go about this work.

Had we gone through that process, we may have been able to not just potentially identify ways to do the work of the gaps that the member for Murchison believes are there, but also we may have had the opportunity to bring further improvements to our existing structures and mechanisms. That would have been the value also, the starting point being identifying the issue, looking at how it fits within the existing options and mechanisms we have, and then asking ourselves what solutions do we need to look to. The second reading speech says the purpose of this Budget Accountability and Oversight committee is clear, it says this:

... to give parliament - and through parliament. the people of Tasmania - a stronger, continuous mechanism to evaluate government financial management, test fiscal sustainability strategies, and recommend measures to repair and protect the state's finances and improve outcomes for Tasmanians.

Unlike the annual cycle of budgets, Revised Estimates Reports and other financial reports, this committee will provide an ongoing, standing framework for scrutiny.

We have an existing ongoing, standing framework for scrutiny in our parliament. That's exactly what parliament is. In the ecosystem of that framework of scrutiny, we have an Auditor-General, we have the Public Accounts Committee, we have budget Estimates, and we have GBE Estimates. We have the ability to form select or sessional committees of inquiry on specific matters; we also have questions in parliament from all members in this place and the other place. We have the power to call for documents from the parliament.

Now, if you had asked me if all these mechanisms function perfectly, my answer would be a resounding no. We should always be asking ourselves how they may be improved and strengthened, and in fact, going about that in a structured way via, say, a committee of inquiry

into strengthening those mechanisms and improving our scrutiny capabilities would be ideal. The current context, and this debate that we're having on this bill, should absolutely prompt us to examine them formally to determine opportunities to improve and strengthen them.

This is work that we should be doing collectively as a parliament, and it's fine for there to be members who take leadership on these issues, and we all respect and appreciate expertise brought in that space. But it is not up to a member to determine what is the right way forward on something as consequential as this. The development of it should be a task that we've entered into in a formal, parliamentary way.

If you were to ask me, across all those mechanisms I mentioned, does the parliament fully and comprehensively scrutinise all government's financial policy, management and outcomes, my answer would certainly be no, we don't do that work in a fully comprehensive way. That, of course, is due to a range of things, including but not limited to: the small size of our parliament and the limitations on available members; our resourcing and capacity limitations within our parliament; competing priorities - we have a lot of different parliamentary work to do here, so we're always balancing priorities against each other.

All that means that yes, if we were to think of ideally, how much scrutiny should there be of government, we will always fall short of that ideal. I don't know that adding another committee with significant overlap with existing committees and mechanisms into that context solves any of those challenges I just mentioned. In fact, I wonder if it has the potential to add to them, because of spreading us more thinly or adding in other competing priorities.

I'm not saying what we do now is fine and we should just sit back and keep letting this situation happen, because we know that the situation is only growing exponentially in urgency for our state. What we should be doing is thinking to ourselves and acting on how can we as a parliament strengthen our parliament's power and the mechanisms that it has available to it to hold the government more effectively to account. Just adding another committee, particularly with significant overlap, does not guarantee us a better outcome than we're getting now in terms of scrutiny. Unless the issues that I have about the membership of this committee that are not clear in the bill are addressed, it certainly potentially adds a problem into the mix for us by spreading people even more thinly, or inappropriately doubling up.

The member for Murchison has spoken about the functions of the committee being enabling the development of measures that are outcomes focused, that can promote the improvement, the efficiency and effectiveness of expenditure of public money, that would enable agencies and statutory authorities to report data to show a clear link between expenditure of money and outcomes achieved as a result of that expenditure, with the establishment of such measures, that can be reported against and subsequently audited, potentially.

I believe all of that is available to us right now in the mechanisms we have. We do not need to form another committee to do that. If it is something beyond what we already have the power to do, in terms of scrutiny, then it takes us into policy development activity. Taking away a directive imperative from this committee, which is what the member's amendments seek to soften, so that it doesn't look like this committee is directing the government, doesn't actually address the fact the activity described potentially goes into policy development activity, because it sets up competing policy against the executive government's policy. That is not the role of this parliament.

There is a very fine distinction to be made here between recommendations of other committees, where we make recommendations on policy matters to government, which government is then at liberty to consider. As this is about recommendations and targets and measures being set and recommended or proposed there is a distinction. We make a distinction on fiscal matters in other ways in this parliament. For example, any legislation coming to this place from government on a policy-related matter we are at liberty to amend in this place if the Chamber sees fit, except budget bills. We already make a distinction between what we can decide in this place in relation to government policy, on policy matters that aren't fiscal, compared to what we can do on policy matters that sit in that fiscal space.

There is a difference between the fact that other committees of inquiry or standing committees on other matters may do inquiries and may provide recommendations in their reports to government. This proposed committee, the fact it can make recommendations on fiscal targets, is different. We make a distinction on fiscal matters when it comes to responsibility. The reason we do that is really clear. There's a very distinct constitutional separation between the role of executive government on fiscal matters and the role of parliament. I will talk about it a bit more in a minute. It is a separation we need to be more aware of. One of the things that makes this place and a Westminster parliament very different from other circumstances of governance, like local government. It is very different to that.

Mr President, I note the second reading speech about the bill states the committee is formed in order to complement the PAC, but there's no description about what that means in practise and how it's complementary. There's certainly a very strong perception of overlap. It's inescapable that it looks like overlap here. When you look at the functions of the PAC, you can see mirrored many of the things that are mentioned in this bill as functions of the proposed committee. It is simply unavoidable to see that.

Without a process by which we've arrived at this bill - a rigorous, comprehensive consideration of what was the problem we're trying to solve, what are the best options, this one is the one we'll progress with because it's the best indicated option, without that rationale sitting behind this bill, the questions we have about overlap cannot be adequately answered by the member for Murchison. She can assert they are complementary. She can assert there's no overlap and there's a distinction between the roles, but on the facts of it so far and from what's been provided to us, we can't make that assessment for ourselves with confidence. Simply, the work has not been put in behind it in an accountable, visible way for us to go by.

I acknowledge the member for Murchison's experience on the PAC and the fact that she's the current chair of the PAC, so has a deep understanding of the PAC - the other thing important to say the reality is that the PAC has a certain way that it's working here in practise, and that's fine, but it also has what it is empowered to do under statute in the act that governs it. Just because the PAC in practise now may do certain things or not do certain things, doesn't mean that the PAC is not able to do other things it isn't currently doing, or doesn't have a history of doing.

If we want certain scrutiny activities in the fiscal area to be done, just because the PAC hasn't done it, or isn't currently doing it, doesn't mean it can't do it. If there's an imperative that work is undertaken by the PAC, then that's a conversation the PAC should be having, or that this place should be having with the PAC, because we are at liberty to make refer matters to it.

The other thing I find problematic is the relationship with the Auditor-General and the proposed committee. When we're considering mechanisms that we have available to hold the executive government to account, we have the Auditor-General, a key independent part of that picture under statute, that is literally an independent office completely separate to government, established in order largely to inform parliament in our scrutiny of government through an independent, expert mechanism.

We would want to be clear on the relationship of a proposed committee like this and the Auditor-General. The PAC and the Auditor-General have a well-defined relationship and that's true in other jurisdictions too. Everybody's might look a little bit different, but they're very clear and well defined. The Auditor-General is referred to in this bill only in one respect, and it certainly doesn't describe fully what may need to be described in terms of a relationship with the committee, given the overlap in areas of interest and activity on paper. We would want to have full clarity on how the two may interact with each other on those overlapping areas of responsibility.

We would want to have clarity about how the relationship with the PAC and the Auditor-General and the relationship with the Auditor-General and this committee, for example, was to play out. How would potential issues be resolved? The problem is if the answer to that is there would be consultation, that's another thing I'm going to come to in a minute that relates to membership of the committees.

I don't believe we've been given sufficient information on this. It's just simply not available in the material we have with us and because there's not a body of work behind the development of this bill, we can't look to how it's been considered and addressed on the relationship with the Auditor-General.

I note that in a briefing, the member for Murchison did tell us the Auditor-General was consulted on the aspect of the bill that mentions the Auditor-General. Unfortunately, because of a time issue, we haven't had a chance to talk to the Auditor-General about this bill. I believe the Auditor-General was consulted on the tabled bill. But now we have significant amendments to the bill which do change some key aspects in a way that may be meaningful in terms of the Auditor-General's view of its role with this committee if it were to go ahead. Again, we haven't been given the information from the Auditor-General in terms of the consultation. We haven't been able to consult ourselves with the Auditor-General on it and we certainly don't know in relation to if the bill were amended as sought by the member for Murchison, what the AuditorGeneral would think of that.

It would have been particularly interesting if we had done, or if we were now to do a piece of work, to be asking ourselves about how we might better strengthen our fiscal scrutiny mechanisms within this parliament. If we were to do that work it would be fascinating to have on the record, as part of that formal inquiry thoughts from the Auditor-General on how that could happen and to see what the Auditor-General would put forward as suggestions for that and take that into account and into the mix of potential opportunities.

I have mentioned already what we have here is the potential for there to be some confusion between the proper role of executive government and the proper role of parliament. Executive government having that policy development role and have been held accountable for decisions made in that area and parliament having a scrutiny and accountability role. Now, that

doesn't mean that parliament doesn't call on the government to go in different directions with policy. That's a distinction that others were contemplating. Why would this committee be different from, for example, when I stand up in this place and no doubt in my budget reply speech next week, I will be calling on the government to do to make different policy decisions than it's made in the budget presented on Thursday. I think we could probably all put safe money on that. I will be up here saying they should be making different policy decisions; I call on the government to do this different thing. Me doing that in this space is very different to a committee of the parliament making a recommendation, in the way that this committee would be making them on fiscal matters, which the government may then need to take into account in its budget.

I am here in this place to represent my community. I can call on the government to do the things that I think it should be doing. I will be held to account at the ballot box for the way I do that role. The government will be the ones held to account at the ballot box for the fiscal decisions they make.

Even with the gentler amendments that are suggested for the bill, if the government has to have regard to fiscal measures, accountabilities and targets that have been set by someone other than the government, that blurs the line of who's accountable for decisions made taking those into account. In fact, it gives the government an out, in a way. The government can say, 'We were trying to follow those suggestions/recommendations made on targets and on measures by that parliamentary committee. You can't hold us fully responsible for the fiscal direction that the state's now going in.'

That's not right. When you are the executive government, you are the ones responsible and need to be held responsible for it. That's what scrutiny is all about. That's what the supremacy of parliament is all about. It's not about being a participant in executive government decision-making; it's being a scrutiniser of executive government decision-making. We can do other things like private members' bills and we can bring forward things ourselves, and we will ultimately be held to account for that, but we don't blur the line in who's being responsible for making the budgetary and fiscal decisions for the state.

I'm just skipping through, mindful of time. One of the things I've referenced a couple of times in my contribution, and I will address in brief now, involves concerns about membership of this committee as proposed in the bill. In my view, it's very problematic and it has been raised by others more expert than me. For example, it is problematic that there's no guarantee that the membership of this committee would be distinct and separate from the membership of the PAC.

Indeed, if a stated purpose of this committee is to complement the work of the PAC, it's absolutely imperative that membership of the two committees is distinct from one another. Again, for the purposes of this parliament working as strongly and effectively as it as it could and should, we would expect there to be a difference in the membership of those two committees if they were both to exist, because if we're to add to the power and scope of our scrutiny, we want different eyes in both of those committees, different capacities and different viewpoints, different representation in that sense. Then we get double the breadth of scrutiny via different membership. There's nothing in this that says anything about that, and I believe that's problematic.

It's even more problematic, because there is something in the bill that says there may be times that the two committees consult with one another on matters that may be overlapping in their work, or relevant in terms of their work. That's incredibly problematic if there's a doubling up of membership in those committees, particularly in leadership of those committees, because consultation can't happen between one person, or the same basic group of people from one committee to another.

That's not consultation, that's an opportunity for groupthink in what would become the two most powerful committees in the parliament. We already know that the PAC is regarded as the most powerful committee in the parliament. If you establish this committee, it would also be seen, potentially, as an incredibly powerful committee. You cannot have the same members or leadership in those two committees, particularly if, under legislation, they may be required to consult with one another.

To that end, while I don't support this bill, if it goes to the Committee stage, I also do not want to see it go through and potentially be supported at the end of Committee stage with the arrangements for membership as they are in this bill. I've prepared amendments to address those issues I've just spoken about if we get to that stage.

There's also nothing in the membership specified in the bill there that points to a need for there to be balanced representation in that committee that may come forward. This is an issue that's problematic. In a contemporary sense, it's much more normal, if there are committees formed, whether it's under legislation or under standing orders, to seek to ensure that there's some balance in representation, particularly from the lower house, from the other place. That's a very normal thing to do. It's appropriate that you ensure that significant parties that are represented in the lower house have an opportunity to be represented on key committees that may be joint committees of this place.

We have a different arrangement in this place in terms of how we arrange membership. In the lower house, where government is formed and where parties typically sit, and here in other committees and other jurisdictions, it's very normal for there to be specified representation across parties for membership of committees. That's to ensure, firstly and hopefully, that governments of the day can't take control of key committees. It's also to ensure that if a party has sufficient membership in the lower house to warrant party status, that they are not excluded from representation on key committees through that process being politicised and power being thrown around by major parties to exclude other parties from committees.

It's a way of depoliticising, to specify particular balanced representation from the lower house into a committee such as this. That's not there at the moment. I don't have amendments to fix it. Again, I don't think this bill should go through, but I hope that if it does, there's another way that we can fix that down the track.

If the government brought us this piece of legislation, developed without proper process and with this many concerns hanging over it, with this lack of clarity hanging over so many aspects of it, with issues raised by independent experts with us in briefings, we would absolutely reject this bill if it was coming to us from the government. That's my view anyway. I believe, based on previous behaviour, members of this place would reject it.

We would tell them to go back and do the work. We would tell them that there needs to be a process to clarify and define the problem to be solved. We would tell them there needs

to be broad consultation to consider a range of options to solve the clearly-identified problems. We would tell them that we need to see how the selection of the best indicated solution for our circumstances was arrived at. This isn't a committee being formed under standing orders for a trial period, for example. This is a committee being formed under statute. It's not something we should be rushing into.

A four-year review does not cut it in terms of softening the significance of forming a joint standing committee under statute. We should not be rushing into it. We should not be making amendments to it on the fly in the committee stage, with serious questions hanging over it, and no guarantee that the amendments proposed will solve those questions. We have other options here, and I hope that what we do is take the really valuable opportunity we've had to focus our minds in this space. We should take that opportunity to say, 'What should we be doing now?'

Let's not let this opportunity pass, or this impetus that we have to bring a significantly better level of scrutiny and accountability of the current government, which is failing so abysmally when it comes to our state budget and when it comes to fiscal policy. What can we do to strengthen the powers, the mechanisms, and the inclination of this parliament to hold that government to account? Any response that we arrive at has to be one we have full confidence in, which we can take forward with full credibility, and doesn't risk adding questionable decision-making or muddying the lines of responsibility and accountability.

We need to ask ourselves, 'What is our option here?' Our option is that we should do a piece of work. We should go back and do the piece of work that wasn't behind this bill, but which could be done. Yes, it will take some time to do that piece of work, but we won't be treading over parliamentary boundaries by doing that. We will be doing it appropriately. We'll be doing it in a way that a parliament does its work, which is different to the way that a local government does its work. Elected members in local government are not equal to the elected members in a parliament. Those two roles are thoroughly different. In a local government setting, every elected member is the executive making the policy decisions there for their community. Here in this place, executive government makes decisions on policy, particularly fiscal policy, and the rest of us are here on behalf of the community in a Westminster parliamentary way to hold them to account for it.

If we think they are failing year after year after year, which I think they are, it is on us to do our job better, to make the community aware of that failure more effectively so they don't vote them back in. The fact that they continue to be voted back in does reflect on our failure to adequately do our job. This bill won't fix that, but we should be asking ourselves how we can strengthen our ability to do that. We should be thinking to ourselves what are our opportunities here to make our parliament better? We do have them, and we should take that forward and it's something that any member has available to them in terms of acting with leadership.

I appreciate the member for Murchison is often a leading voice in these spaces and often has a very clear line of sight over things we could and should be doing to hold the government to account. This bill has been a misguided effort in that space, but I also respect the member for Murchison's ability to still be a leadership voice on these matters. I would hope that because, for example, she is the chair of the Public Accounts Committee, that there will be ways we can engage in an inquiry and a formal way forward to consider how we can meet the intent of this bill but not pass this bill. I won't be supporting it.