



## **LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY**

### **Standing Orders Committee**

**Report on reference to the Standing Orders Committee by the  
Legislative Assembly for review and identification of options for  
enhancement of the Estimates Committee process**

**February 2003**

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## **Membership of the committee**

Chairman	The Honourable Paul Henderson, MLA (appointed 27 November 2002)
Members	Mr Matthew Bonson MLA
	The Honourable Loraine Braham MLA
	Dr Chris Burns MLA
	Dr Richard Lim MLA
	Mr Mike Reed MLA (appointed 17 October 2002)
	The Honourable Syd Stirling MLA (discharged 27 November 2002)
	Ms Sue Carter MLA (discharged 17 October 2002)

## **Committee secretariat**

Secretary	Ian McNeill
Research/Administrative Officer	Jane Gunner

Office of the Clerk  
Legislative Assembly of the Northern Territory  
Parliament House  
Darwin NT 0800  
Telephone: (08) 8946 1450  
Email: [ian.mcneill@nt.gov.au](mailto:ian.mcneill@nt.gov.au)  
URL: <http://www.nt.gov.au/lant/parliament/committees/so/>

## **Terms of reference of the review**

- (a) The Estimates Committee model utilised in September 2002 be referred to the Standing Orders Committee for review and identification of options for enhancement of the Estimates Committee process;
- (b) The Committee in its deliberations investigate all viable processes to enhance the carriage of the deliberations of the Estimates Committee including but not restricted to those issues raised in paragraph (2) of the Leader of the Opposition's motion of 9 October 2002; and
- (c) The Standing Orders Committee report to Parliament during the February 2003 sittings.

(Motion agreed to 9 October 2002)

Paragraph (2) of the Leader of the Opposition's motion referred to in the resolution reads as follows:

the review panel takes into account, the following matters:

- (a) retention of one Estimates Committee;
- (b) Estimates Committee hearings be conducted outside designated parliamentary sitting days;
- (c) allocation of a full sitting day for each Minister, with the provision that the next Minister be called on if the preceding minister finishes before his/her allocated time;
- (d) the Estimates Committee sits between 9 am and 11.30 pm each day;
- (e) questions may be put to each Minister as:
  - Written questions prior to the hearings of the Estimates Committee;
  - Questions without notice; and
  - Supplementary questions;
- (f) all written answers be provided to members of the Legislative Assembly at least three days prior to the hearings of the Estimates Committee with the relevant Minister;
- (g) all questions and answers to be read into the *Hansard*;
- (h) generic questions across all agencies and outputs be given precedence over other questions;
- (i) questions of a similar nature asked by individual members be grouped; and
- (j) Standing Orders relating to relevance of answers by Ministers be clearly defined specifically for the Estimates Committee.

## **Background**

On 17, 18 and 19 September 2002 the Legislative Assembly conducted an Estimates Committee process for the first time for the purpose of examining and reporting on the estimates of proposed expenditure contained in the Appropriation Bill 2002-2003.

The terms of reference and appointment of the Estimates Committee were contained in a Resolution of the Assembly dated 20 August 2002. A copy of the terms of reference and appointment are contained at Appendix 1.

A number of issues concerning the operation of the Estimates Committee process were raised in the debate on the remaining stages of the Appropriation Bill 2002-2003 in Committee-of-the-Whole on 19 September 2002 and also in debate on the motion by the Leader of the Opposition which led to the resolution referring the matter to the Committee for inquiry and report on 9 October 2002.

The Committee used the Resolution of 10 August 2002 as a basic reference and took into account issues raised during those debates and in submissions made to the Committee during the course of its review.

## **Work of the Committee**

The Committee considered the above range of issues at four deliberative meetings on 16 October 2002, 26 November 2002, 17 December 2002 and 12 February 2003.

At its initial meeting on the reference on 16 October 2002 the Committee resolved to invite submissions from all participants in the initial Estimates Committee process including Members, witnesses, secretariat support staff, Ministerial officers, departmental liaison officers and media representatives.

A total of 13 submissions were received by the Committee. A list submissions is contained at Appendix 2. The submissions are tabled as a separate document and copies are available from the Legislative Assembly Table Office.

The Committee noted the issues identified in the Leader of the Opposition's motion dated 9 October 2002, debate on the motion to establish the review, dated 9 October 2002 and during debate on the Appropriation Bill 2002-2003 (Serial 89) on 19 September 2002.

A summary of these issues is contained in Business Paper, Agenda Item 8, dated 16 October 2002 at Appendix 3.

The Committee resolved that a paper be prepared summarising options for consideration by the Committee.

The format for the options paper was based on the list of issues raised by the Leader of the Opposition's motion. The content of the options paper considered by the Committee is as follows:

ISSUE	RESPONSES	OPTIONS
(a) Retention of one Estimates Committee	13 submissions have been received by the Committee. None favoured having more than one Estimates Committee. Four of the submissions made specific recommendations that one Estimates Committee be retained.	The responses would indicate that one Estimates Committee is the preferred model. An expansion of the number of committees would entail a range of logistical and resource related issues and associated costs. However, there would be some saving in time.
(b) Estimates Committee hearings to be conducted outside designated parliamentary sitting days	A significant majority of the submissions expressed concern at the restrictive scheduling for the Estimates Committee hearings in September 2002 and were supportive of the proposal to extend hearings outside the routine of sitting days	The scheduled sitting calendar for 2003 has provided for sittings on 17, 18, 19 and 24, 25, 26 June. It is understood that it is proposed to conduct Estimates Committees during the second week of the June sittings. Accordingly, It would be available, utilising Friday 20

ISSUE	RESPONSES	OPTIONS
		June and Monday 23 June to schedule hearings over 5 days. It would be possible under that arrangement to conduct up to 50 hours of hearings and to provide time for the consideration of the remainder of the Bill in the Committee of the whole on the evening Thursday 26 June, or alternatively extending hearings from Monday 23 June to Friday 27 June. This schedule would enable 5.5 - 6 hours per Minister (8 Ministers).
(c) Allocation of a full sitting day for each Minister on the provision that the next Minister be called on if the preceding Minister finishes before his/her allocated time.	This proposal was supported by the submission from the Leader of the Opposition. While other submissions recommended an ordered scheduling of appearances by Ministers, the time proposed in submissions to be allocated was in the order of 4-5 hours per Minister as opposed to the one day (9am-11.30pm) as recommended for each Minister by the Leader of the Opposition.	Dependent on the Committee's preference for the number of sitting days (See b), the options for scheduling Ministers can be designed to fit the range of sitting days and hours that the committee considers should be made available for hearings of the Estimates Committee.
(d) The Estimates Committee sits between 9am and 11.30pm each day.	<p>This proposal is contained in the original motion by the Leader of the Opposition and is again supported in the submission made by the Leader of the Opposition to the Committee.</p> <p>The issues of sitting days and times should probably be considered together (see b &amp; c above). Other comments contained in submissions in respect of sitting times included the Treasury submission that suggested a five day week - sitting 9am to 9pm, so as to allow for substantial time for examination of Portfolio Ministers without the need to extend sittings beyond one week and allowing reasonable hours to conduct hearings; and from the Auditor-General who submitted that the Opposition proposal for one sitting day per Minister and a sitting day from 9am to 11.30pm, would take 116</p>	<p>The extensive options available for days and times for hearings would appear to range from;</p> <ul style="list-style-type: none"> <li>(a) the extended proposal from the Leader of the Opposition which would entail 8 sitting days - 1 sitting day for each Minister and sitting between 9am and 11.30pm each day; to,</li> <li>(b) the pattern adopted by the Assembly for the September 2002 sittings which restricted the hearings to 3 sitting days and included sittings of the Assembly on the Tuesday morning and Thursday evening.</li> </ul>

ISSUE	RESPONSES	OPTIONS
	hours(14.5 hours per day for each of the eight Ministers). The Auditor-General's submission suggested that 4 hours per Minister should be adequate, involving in 32 hours which could be achieved in 3 sitting days and "would give adequate time for questions to be directed at budget expenditure and outputs".	
(e) Questions may be put to each Minister as: <ul style="list-style-type: none"> <li>• written questions prior to the hearings of the Estimates Committee;</li> <li>• Questions without notice;</li> <li>• supplementary questions</li> </ul>	This proposal contained in the motion by the Leader of the Opposition and which was the format for the September hearings attracted favourable responses from all who made submissions which addressed this particular issue.	Options are to <ul style="list-style-type: none"> <li>(a) retain status quo as described in the proposal; or</li> <li>(b) impose some variation or limitations on the previous arrangements for the procedures and format for questions.</li> </ul>
(f) All written answers be provided to members of the Legislative Assembly at least three days prior to the hearings of the Estimates Committee with the relevant Minister.	The general proposal for the publication of written answers prior to the hearings met with approval in all submissions which address this particular issue. There was general agreement that the publication of the written answers to Members before questioning of Ministers and Officers contributed to the more efficient conduct of hearings during the September 2002 Estimates Committee process	Options are for <ul style="list-style-type: none"> <li>(a) status quo, - no requirement for publication of written answers prior to hearings; or</li> <li>(b) Pre-publication of written answers prior to hearings.</li> </ul> <p>In the event that option (b) was preferred, it is also available for the committee or Assembly to determine what deadlines should be imposed for the publication of these written answers. The times suggested in submissions range from "at least 3 days prior to the hearings" to "one day prior to the hearings".</p>
(g) All questions and answers to be read into <i>Hansard</i>	Most submissions, which addressed this issue, supported the proposal. One submission did not support the proposal. The submission from the Department of Health and Community Services indicated that the process delayed proceedings and it was submitted that better use of the available time could be made if the written questions and written answers were incorporated into the <i>Hansard</i> record and not read.	Options are to: <ul style="list-style-type: none"> <li>(a) Read questions and answers into the <i>Hansard</i> as per the procedures in place for the September 2002 hearings or,</li> <li>(b) To have all written questions and answers incorporated and/or published electronically; or</li> <li>(c) to have some answers, for example, lists and other</li> </ul>

ISSUE	RESPONSES	OPTIONS
		technical or detailed answers, incorporated at the discretion of the Committee.
(h) Generic questions across all agencies and outputs be given precedence over all questions.	All submissions which addressed this particular issue were supportive of the proposition that generic questions and questions across multiple agencies be given precedence of other questions. Further, a number of submissions propose that, in the order of examination of Ministers, the Treasurer and Northern Territory Treasury be the first Minister and agency to appear before the Estimates Committee, thus providing an opportunity for "across-agency" questions and generic questions to be answered immediately by the Treasurer rather than deferring answers as was the case during the September 2002 hearings.	Options are to: (a) give generic/multiple agency questions precedence; or (b) allow Members to ask such questions according to their own priority. A further option is available to schedule the Treasurer to be the first Minister to appear before the Committee.
(i) Questions of a similar nature asked by individual members be grouped.	This issue proposed by the Leader of the Opposition was not addressed in detail by any of the written submissions. However, the Northern Territory Treasury submission indicated that it would be useful if all questioners indicated a priority order for their written questions. This could be "built into" the database reporting process and assist in ordering questions during hearings.	Options are: (a) That, where possible, questions of a similar nature be grouped; or, (b) status quo ie, for the Chairman to determine the order of Members asking questions and for Members to have discretion in the order of which they ask questions.
(j) Standing Orders relating to relevance of answers by Ministers be clearly defined specifically for the Estimates Committee.	This issue was not responded to at any length by written submissions. However it was supported by the submission of the Auditor-General.	Options appear to be to: (a) Attach relevant existing Standing Orders relating to questions and written questions and answers to the Estimates Committee Terms of Reference and guidelines documentation; (b) status quo, ie: a general application of standing orders relating to questions and written questions to be applied where appropriate to Estimates Committee hearings; or

<b>ISSUE</b>	<b>RESPONSES</b>	<b>OPTIONS</b>
		Develop specific Standing Orders for Estimates Committee operations.

At its meeting on 17 December 2002 the Committee resolved to further consider these options together with other issues raised and which the Committee considered required examination.

These matters were:

- The venue and layout for future Estimates Committee hearings;
- Procedures for recording and processing questions on notice during hearings;
- The examination of Government Owned Corporations; and
- The membership of the Estimates Committee.

These additional issues were raised directly by Committee members, in submissions received by the Committee (Appendix 4) and in the report of the review by officers of the Department of the Legislative Assembly (Appendix 5).

## **Recommended Options**

After initial discussion of all of the above issues and options at the meeting on 13 December 2002 and following consultation with other Members, the Committee finally considered the range of issues and options at its meeting on 12 February 2002 and agreed to the following recommendations for report to the Legislative Assembly:

<b>Issue</b>	<b>Recommended Option</b>
i. Retention of one Estimates Committee.	Maintain a one Estimates Committee system.
ii. Estimates Committee hearings to be conducted outside designated parliamentary sittings days.	Sittings to extend from Tuesday 24 to Friday 27 June 2003.
iii. Estimates Committee sits between 9am and 11.30pm each day.	The Committee sit Tuesday, Wednesday and Thursday 9am to 11.30pm (with two 1 hour breaks for lunch/dinner) and Friday 9am until late afternoon to enable the Assembly to pass remaining stages during Friday evening/night.
iv. Questions may be put to each Minister as: <ul style="list-style-type: none"><li>• written questions prior to hearings of the Estimates Committee;</li><li>• questions without notice; and</li><li>• supplementary questions.</li></ul>	There be no written questions prior to Estimates Committee hearings. Questioning be restricted to questions without notice and supplementary questions as well as the facility for Ministers to take questions on notice during hearings.
v. Answers to written questions.	Not applicable - see recommended option (iv).
vi. Reading questions into <i>Hansard</i> .	Not applicable - see recommended option (iv).
vii. Generic questions.	Not applicable - see recommended option (iv).
viii. Grouping of questions.	Not applicable - see recommended option (iv).
ix. Standing Orders relating to relevance of answers by Ministers be clearly defined specifically for the Estimates Committee.	There be no amendment to the current application of Standing Orders relating to questions which are applied where appropriate to Estimates Committee hearings.
x. Procedure for questions on notice and answers.	There should be a more clear definition of procedures for identifying and recording questions taken on notice and that these provisions be included in amended terms of reference for the Estimates Committee

	establishing the procedures for the Committee. The procedures should include a requirement for the Chair to acknowledge and note questions being placed on notice and at that time to have clarified any outstanding issues so that clear reference is provided in the transcript of proceedings.
<b>xi.</b> Examination of Government Owned Corporations (GOC).	That following all Ministers' appearances before the Committee, the Government Owned Corporation (PowerWater) be examined for a period of two hours and that in the Committee proceedings questions shall be directed to the chairperson of the Board, the CEO and other senior officers. Questions relating to the GOC may also be directed to the respective Minister when appearing before the Committee insofar as the questions relate to the Appropriation Bill.
<b>xii.</b> Membership of the Committee.	Substitution of members of Estimates Committee be allowed at the discretion of the Chair to a maximum of three Opposition members, one Independent, two Government Members and the Chair with a maximum of seven Members participating at any one time.
<b>xiii.</b> Consideration of options for Litchfield Room for Estimates Committee hearings.	It was agreed that the Litchfield Room be "set up" in accordance with the new configuration as the future venue for Estimates Committee Hearings.

## **Issue of disagreement**

One issue upon which the Committee could not reach full agreement was in relation to the allocation of time to Ministers and the scheduling of appearances by Ministers.

The proposal contained in the Leader of the Opposition's motion was that there be an allocation of a full sitting day for each Minister with the provision that the next Minister be called on if the preceding Minister finished before his or her allocated time.

The Government's preferred option is that sitting days and times should allow for the following allocation of time for Ministers and others as follows:

Speaker	2 hours
Treasurer	7 hours
other (7) Ministers	4.5 hours
GOC (PowerWater)	2 hours

providing for a total of 42.5 hours.

In support of the Government's option it was submitted that the Treasurer be the first Minister appearing with an extended allocation of 7 hours which would significantly assist the Committee in examination of 'whole of budget' and 'whole-of-Government' issues.

Further, the proposed schedule would enable Members, agencies and the media to plan attendance and would reduce 'dead-time' waiting for Ministers and witnesses to attend.

At its final meeting on 12 February 2003 the Committee was unable to reach unanimous agreement on this issue. The issue of dispute was that Opposition Members proposed that any allocation of time not fully used by the Committee for questioning a Minister should be utilised for questioning Ministers subsequently appearing.

The Committee agreed that this issue could be resolved in debate on this report or during debate on the proposed terms of reference for the Estimates Committee consideration of Appropriation Bill 2003-2004.

The reasons in support of the proposal of the Opposition Members of the Committee are contained in the following dissenting report.

## **Dissenting Report**

While the Opposition has a fundamental objection to any time limits being set for the Estimates process, we are prepared to work within a time frame. However the idea of rigid time periods for all Ministers ignores the reality of the situation and that is that some Ministers require more time than others.

Some Ministers have only one portfolio while others have eight portfolios. Some Ministers have only one department, others several and one Minister has only parts of the departments of other Ministers. Some Ministers are responsible for budgets of more than \$500 million while others have budgets of less than \$50 million.

These differences are already acknowledged in the sense that the Speaker is limited to two hours and the Treasurer has the extended period of seven hours.

What the Opposition is suggesting is that if there are to be time limits then any time “saved” in the questioning of one Minister can be used to further interrogate the Appropriation Bill with other Ministers.

A simple process of working out how many Ministers are yet to be questioned and re-apportioning the hours could be used throughout the committee hearings.

A further concern is that with the new approach of all questions being without notice one presumes an enormous amount of time will be lost while Ministers consult their departmental advisors. The alternative to that downtime is that far too many questions will be taken on notice for answer at some later stage, and that will be a total corruption of the estimates process.

The strict timetable does not take into account such lost time nor the breaks as advisors change over, nor the breaks for other reasons.

If the Estimates process is to allow the parliament to thoroughly interrogate the Budget, then the less restrictions imposed can only make that process better and more open and accountable

Dr Richard Lim MLA

Mr Mike Reed MLA

## **List of appendices**

- 1      *Estimates Committee<sup>3/4</sup> Terms of Reference and Appointment  
                <sup>3/4</sup> dated 20 August 2002***
- 2      *List of Submissions***
- 3      *Issues Business Paper<sup>3/4</sup> agenda item 8<sup>3/4</sup> meeting dated 16  
                October 2002***
- 4      *Summary of issues raised in submissions***
- 5      *Review of Estimates Committee process by Department of  
                the Legislative Assembly***