Government Business Enterprises (Miscellaneous Reforms)  
Bill 1988

Date Introduced: 31 August 1988  
House: House of Representatives  
Presented by: The Hon. Ralph Willis, M.P., Minister for Industrial Relations

Digest of Bill

Purpose

The Bill will remove a number of government controls on the operation of certain government business enterprises (GBEs).

Background

GBEs play a significant role in the Australian economy. Not only do the GBEs contribute directly to employment and GDP, they also form a large proportion of the basic infrastructure necessary for other bodies to operate. For example, communications in Australia are dominated by GBEs, such as Telecom, OTC, Aussat and Australia Post. The position of such GBEs means that their efficiency is important to the whole economy and that any efficiency gain should be reflected in the entire economy.

The extent of direct government intervention in GBEs has been under review for some years, though the degree of change has varied from agency to agency. The general thrust of the governments moves in this area has been to reduce interference in managerial decisions while maintaining control over the general direction of the body and particularly its general financial position. One of the methods used has been the adoption of annual and strategic plans which allow the general direction of a body to be supervised without interference in day-to-day management.

At present, the transport and communications GBEs are at the most advanced stage of the program. On 25 May 1988 the Minister released a Statement on Reshaping the Transport and Communication Government Business Enterprises which sets out the proposed changes for those GBEs. The ANL (Conversion to Public Company) Bill 1988 introduces many of the proposed changes in respect of ANL. This Bill will continue the progress of the governments plans by removing constraints on certain GBEs.
Main Provisions

Amendments to the *Australian Shipping Commission Act 1956*

The amendments to this Act will take effect from 26 January 1989 (clause 2).

Proposed section 20A provides that there is to be a Managing Director of the Commission. The Managing Director is to be appointed by the Minister after receiving a recommendation from the Commission (proposed section 20C). The terms and conditions of appointment are to be determined by the Commission (clause 20F), and the Commission may appoint an Acting Managing Director during periods when the Managing Director is unable to perform the duties of the office (proposed section 20H). Proposed section 35A provides for the Commission to give information about the renumeration of the Managing Director.

Amendments to the *Commonwealth Banks Act 1959*

The amendments provide for the appointment of a Managing Director and Deputy Managing Director by the Treasurer after a recommendation by the Board. The provisions substantially reflect those described above.

The *Reserve Bank Act 1959* and the *Snowy Mountains Engineering Corporation Act 1970* will be amended to bring those Acts into line with the procedures being introduced by the amendments outlined above.

For further information, if required, contact the Law and Government Group.

28 September 1988

Bills Digest Service
Legislative Research Service

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

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