

TASMANIA

**SUPPORTING LOCAL BUSINESS AND JOBS (LOCAL BENEFITS
TEST) BILL 2011**

CONTENTS

1. Short title
2. Commencement
3. Definitions
4. Local Benefits Test
5. Local Benefits Test Objectives
6. Local Benefits Test to be Consistent with Other Requirements
7. Consultation
8. Implementation of the Local Benefits Test
9. Binding the Crown
10. Regulations
11. Administration of Act

**SUPPORTING LOCAL BUSINESS AND JOBS (LOCAL BENEFITS
TEST) BILL 2011**

(Brought in by Adam Richard Brooks)

A BILL FOR

An Act to provide for a local benefits test to apply to Tasmanian Government tenders and contracts.

Be it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:

1. Short title

This Act may be cited as the *Local Benefits Test Act 2011*.

2. Commencement

This Act commences on the day on which it receives the Royal Assent.

3. Definitions

In this Act, unless the contrary intention appears –

“Government procurement process” includes, but is not limited to any tender, contract or purchase of goods and/or services by any:

- (a) Government agency referred to in Column 1, Schedule 1 of the *Financial Management and Audit Act 1990*;

- (b) Government Business Enterprise referred to in Schedule 1 of the *Government Business Enterprise Act 1995*;
- (c) State-owned Company established under any of the following acts:

Electricity Companies Act 1997

Tasmanian Ports Corporation Act 2005

Metro Tasmania Act 1997

TOTE Tasmania Act 2000

TT-Line Arrangements Act 1993

Racing (Tasracing Pty Ltd) Act 2009

Rail Company Act 2009

“Local Business” means a small or medium business, as defined by the Australian Bureau of Statistics, that is substantially based in Tasmania and has a majority of its workforce based in Tasmania that supplies goods produced, or services provided, wholly or partly in Tasmania.

4. Local Benefits Test

The Minister must develop and adopt a Local Benefits Test to enhance the participation of local businesses in Government procurement processes.

The Local Benefits Test must recognise the contribution of local businesses to the local economy and employment within Tasmania.

5. Local Benefits Test objectives

The Local Benefits Test must be consistent with the following objectives:

- (a) Recognise and give consideration to the value of the contribution made to the local economy of local businesses when making value for money considerations as part of any Government procurement process;

- (b) Recognise and give consideration to the local employment impacts of Government tenders and contracts and balancing these impacts with value for money considerations as part of any Government procurement process; and
- (c) Maximise economic and employment opportunities in rural and regional Tasmania.

6. Local Benefits Test to be consistent with other requirements

The Local Benefits Test must be consistent with the obligations of the Crown under any conventions, treaties and agreements and any international agreements to which the Commonwealth is a party.

7. Consultation

In developing or amending the Local Benefits Test, the Minister must consult with Government agencies, Government Business Enterprises, State-owned Companies, unions, industry organisations, the Leader of the State Opposition and any other entity the Minister considers appropriate.

8. Implementation of the Local Benefits Test

The Minister must develop and implement the Local Benefits Test within six months of this Act receiving Royal Assent.

9. Binding the Crown

- (a) This Act binds the Crown in right of Tasmania and, in so far as the legislative power of Parliament permits, the Crown in all its other capacities.
- (b) Nothing in this Act renders the Crown liable to be prosecuted for an offence.

10. Regulations

(a) The Governor may make regulations for the purposes of this Act.

(b) The regulations may be made so as to apply differently according to matters, limitations or restrictions, whether as to time, circumstance or otherwise, specified in the regulations.

11. Administration of Act

Until provision is made in relation to this Act by order under section 4 of the *Administrative Arrangements Act 1990* –

- (a) the administration of this Act is assigned to the Treasurer;
and
- (b) the department responsible to that Minister in relation to the administration of this Act is the Department of Treasury and Finance.