

Financial Management (Insourcing Framework) Determination 2024 (No 1)

Disallowable instrument DI2024–10

made under the

Financial Management Act 1996, s 128 (Insourcing Framework)

EXPLANATORY STATEMENT

Introduction

This explanatory statement relates to the *Financial Management (Insourcing Framework) Determination 2024 (No 1)*.

The *Financial Management Act 1996* (the Act) requires public sector entities to comply with an Insourcing Framework determined by the Chief Minister. The Insourcing Framework is a rubric that will assist public sector entities to determine the best provider of a service or works – the public sector or an external provider – and delivers on ACT Government commitments to:

- legislate to prevent the outsourcing or privatisation of public sector jobs; and
- implement a whole of government policy that government services will not be contracted out where they could be performed by public servants.

Section 128 of the Act provides that the Insourcing Framework will be a disallowable instrument.

Human rights

The disallowable instrument may both promote and limit the right to work. The right to work is promoted by the Insourcing Framework's aim of delivering secure work through formal employment in the ACT Public Service.

The right to work may also be limited for some people outside of the ACT Public Service who would have previously engaged in contract or labour hire work through ACT Government procurement processes which outsource work. Any limitation of the right to work in this circumstance may be reasonably justified as promoting the legitimate aim of promoting secure and equal working conditions, and the measures are reasonable, necessary and proportionate to that aim as the legislation will allow for any workers previously benefiting from outsourcing to work within the ACT Public Service.

Regulatory Impact Statement

No regulatory impact statement has been prepared in accordance with section 34 of the *Legislation Act 2001* as the disallowable instrument is not likely to impose appreciable costs on the community, or part of the community.

Clause Notes

Clause 1 – Name of Instrument

This clause names the instrument.

Clause 2 – Commencement

This clause provides for the commencement of the instrument.

Clause 3 – Determination of Insourcing Framework

This clause provides for the establishment of the Insourcing Framework.

Schedule 1 – Determination of Insourcing Framework

This section provides for the features of the Insourcing Framework, including the assessment threshold, inclusion and exclusion criteria, and ministerial discretion.