

TERMS OF REFERENCE

I, CHRISTIAN PORTER, Treasurer (following consultation with the Premier), and pursuant to section 38(1) of the *Economic Regulation Authority Act 2003*, request that the Economic Regulation Authority (the Authority) undertake an inquiry into the benefits and costs associated with the provision of shared corporate services within the public sector.

In conducting its investigation the Authority is to report on the following matters:

1. The effectiveness and efficiency of the Office of Shared Services at its current level of operations.
2. How the effectiveness and efficiency of the Office of Shared Services is likely to vary with the number of agencies it services.
3. The impact that 'rolling-in' to the Office of Shared Services has had on the operations of a selection of representative agencies.
4. Whether the provision of shared corporate services within the public sector, as implemented thus far, has provided a net benefit to the State.
5. Whether rolling-in the remaining agencies into the Office of Shared Services would provide a net benefit to the State.
6. Whether alternative options for the provision of functions currently provided by the Office of Shared Services would provide a greater net benefit to the State.

The Authority will call for submissions from public sector agencies, relevant unions and private sector partners of the Office of Shared Services.

A final report is to be completed no later than 31 March 2011.