

**LABOR GOVERNMENT'S RECORD**

*Motion*

**MRS EDWARDES** (Kingsley) [5.09 pm]: I move -

That this House expresses serious concern that -

- (a) the Labor Government's public sector pay policy does not restore fairness and equality in the public sector workplace;
- (b) the Labor Government has brought about an unacceptable loss of direction and experience across all departments and agencies; and
- (c) the Labor Government has failed to restore confidence in the public health system by failing to negotiate in good faith with WA's health workers.

I will start with the policy of the Labor Government. The Opposition believes that the Labor Government has created expectations within the public sector and among the health workers, and, having supported the Labor Party, those people are being let down.

We heard a little earlier about policies and policy commitments and those which were endorsed Labor policy and those which were not. Obviously, the commitments that the party meets are endorsed commitments and the ones it does not meet are not. How are people to determine if that is the case? I refer members to the industrial relations direction statement, where on page 18, paragraph 7 on public sector employment it states -

There is a commitment to ensuring that no public sector employee will be worse off as a result of Labor's industrial relations reforms. This guarantee covers all employees on workplace agreements when they are abolished.

One of the first things that the Labor Government did when it came into power was to abolish workplace agreements for the public sector. However, I repeat that paragraph -

There is a commitment to ensuring that no public sector employee will be worse off as a result of Labor's industrial relations reforms. This guarantee covers all employees on workplace agreements when they are abolished.

The media statement that was released by the now Premier on 22 September 2000 reads -

In the public sector where the Government is the employer, workplace agreements will be replaced by enterprise bargaining agreements and award conditions without anyone losing out, . . .

Again, the key words are "without anyone losing out". On 28 June, I addressed question on notice 557 to the Premier to flesh out exactly what was meant by the words "without anyone losing out". My question reads, in part -

Does this mean that disparate rates which occur between agencies across the public sector due primarily to differences in the hours required to work each week and the extent to which employment conditions have been 'cashed out' or 'traded off' will be removed, and therefore rates will be aligned to the highest agreement rate?

The answer was no. That is interesting because the statement that I read out earlier said that if anybody moved off a workplace agreement and went onto an enterprise bargaining agreement, he would not lose out.

A lot of people who have gone onto workplace agreements have traded off conditions and the like. Therefore, there is disparity between the agencies and the departments. However, when I asked if whether the disparate rates, which occur between the agencies across the public sector and are due primarily to differences that have been cashed out or traded off and which will be removed, would then be aligned to the highest agreement rate, the answer was no. If that is the case, will they then be adjusted for differential employment conditions? I refer back to the Premier's answer of "no", and it . It does not actually mean what it seems to mean, because if . If one were to reads the question and answer together, one would sees that we are not talking about the same thing, because there was really no answer as to what would be the additional cost per annum of aligning the rates to the highest agreement rate. However, what about the adjustments? How does one adjust for the differential employment conditions if no-one is to lose out if he moves off workplace agreements and onto enterprise bargaining agreementsEBAs?

In moving towards restructuring the public sector, the Government set up a task force which that has produced a report titled "The Report of the Taskforce Established to Review the Machinery of Western Australia's Government". I refer the House to part 1, page 28, which states -

Standardisation of different remuneration levels for staff if agencies are combined.

It goes on to say -

Upwards flexibility of salaries is a distinct possibility.

Therefore, it is recognised that if restructuring of the public sector occurs and departments and agencies are brought together under one umbrella, which is what will be done in at least seven key areas, disparities will occur between restrictive classification levels in different agencies. The task force recognised that there would be major difficulties in bringing agencies together under one umbrella while variations exist. Therefore, I asked - and this is the question to which I referred earlier -

Does this mean that disparate rates which occur between agencies across the public sector due primarily to differences in the hours required to work each week and the extent to which employment conditions have been 'cashed out' or 'traded off' will be removed, and therefore rates will be aligned to the highest agreement rate?

Would this occur across the whole of the public sector or just across the agencies which that were being integrated into the proposed new department? For example, if two or three agencies are brought together, would everybody then be aligned to the highest agreement rate bearing in mind that the policy states that no-one will lose out if he goes onto an EBA and gives up his workplace agreements. The answer was no. What does that mean? There are a lot of public servants who do not know what this means. What is this Government's wages policy for the public sector?

As I have said, disparate rates occur across agencies because they have different working hours, some of which were traded off, as were public holidays. The number of full-time employees in the public sector who would be affected by the disparity is approximately 41 per cent. That excludes Government trading enterprises and other occupational groups that traditionally have no nexus with the public sector including such as nurses, teachers and police. That percentage represents approximately 36 869 full-time equivalents. Therefore, the issues that must be worked through by this Government in order to meet its election commitment - which no-one believes it has any intention of doing at the moment - will be the cost of the alignment of salary rates with the leading public sector agreement rate, and that is inclusive of increased workers compensation and superannuation costs - the full salary cost components. Taking into consideration the leading agreement rate, will the rates then be adjusted for differential employment conditions that are again inclusive of workers compensation and superannuation? In the first instance in which there is no adjustment, the cost will be \$191 million per annum. In the second instance, with adjustments for the differential rates, the cost will be \$61 million per annum. That represents an average increase of about 3.29 per cent, maintaining any higher rates payable due to the longer working weeks and cashed out or traded off conditions. That does not represent an increase in pay either. It just addresses the parity of remuneration; it does not address any increase for the public sector.

Another reason that the remuneration systems vary is the classification systems themselves. For example, there were performance and productivity components in the workplace agreements, and the government vehicle system was also introduced. One of the concerns that was raised in that area was the impact this would have on the traditional public sector concept of mobility and a career service, because it was found that the bigger departments had greater capacity to pay as against the smaller departments. However, there were some real variations between departments in the types of conditions that were offered and it was not just the dollar that the public servant received at the end of the week.

When workplace agreements and EBAs were first introduced, some agencies and departments were very quick to negotiate. The perception of disparity in those early days was with those agencies and departments that negotiated and traded off conditions very quickly and, therefore, some of the differing levels in the past productivity were included in those first round agreements.

The timing of the agreement also influenced the perception of disparity. The level of disparity reduced when we got into the second and third rounds of the agreements. A concern was raised that a level 3 in one agency could receive a very high salary as against a level 3 in another agency, and of course there were also differing conditions. Some public servants would not want to leave the agencies where they were receiving either better conditions or better remuneration and would not take the opportunity of an upward spiral in their career path. Some public servants could be staying in one department and not gaining more depth of experience by moving across to other departments and/or agencies. The salary for a level 3 was the highest in the Department of Land Administration's workplace agreement. I always thought it was the Department of Minerals and Energy, but that is not the case; and the staff do not do too badly at Western Power. DOLA had the highest salary for level 3 - and these figures go back somewhat - at \$42 417. At Treasury the figure was \$39 448; at the Department of Indigenous Affairs it was \$38 012; and at the Department of Productivity and Labour Relations it was \$38 206, and that department was experimenting with a different form of classification to try to overcome the level of mobility across departments and agencies. Obviously this has changed with the loss of workplace agreements.

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In the Department of Agriculture the salary for a level 3 was \$37 201, at the Department of Sport and Recreation it was \$36 979, and at WorkSafe it was \$36 783. Disparities existed in the remuneration. Adjustments were made for differences in hours, long service leave accrual periods, leave loading payments, public service holidays and the like, which reduced the disparity somewhat, but it must be recognised that disparity existed between respective agencies. We wanted to ensure that there were flexible employment arrangements, that the employer could sit down with the employee to provide something which met both their needs, and that it would be attractive for people to work there.

We have identified a number of restrictions and impediments to flexibility which still exist in the public sector. This gets back to the same issue this Government will be grappling with; that is, how will it achieve parity of remuneration within the public sector? For instance, the spread of hours varies enormously across the different agreements and awards. The restrictions on time off between working hours vary between agreements and awards. I am not referring to workplace agreements; I am talking about enterprise bargaining agreements. Restrictions apply to the use of or the periods for which casuals may be employed.

Another critical area is the recruitment, selection and appointment standards for contract staff and renewals. There was a requirement that every vacancy be advertised and filled in accordance with the standard, inclusive of short-term vacancies, and this created significant inflexibility and increased costs.

The other issue that fails to be recognised is that people are moving away from the traditional modes of employment. The Labor Government has a policy to create more full-time employment - it almost has a fetish against casual employment - but that does not meet the needs of all people.

Mr Kobelke: I have always said that. Sometimes it does; sometimes it does not.

Mrs EDWARDES: I was talking to a couple the other day who job share. One starts at four o'clock in the morning and is home to take the kids to school; the other one starts later and then picks up the kids from school.

Mr Day: They are in the Cabinet, are they?

Mrs EDWARDES: They are in the Cabinet..

Mr Kobelke: Do they communicate as they pass going down the driveway?

Mrs EDWARDES: It works well for them. It is probably not something that they will do for a long period; it may be for only a short period, but at their stage in life it ensures that at least one parent is home with their children, and they are earning the income to meet their needs. Casual work should not be sniggered at; it does meet some people's needs. Sometimes there is a mix of different types of work - part-time work, contract work, telecommuting, home-based work and job sharing, and working increased hours over a shorter number of days. This flexibility allows people to have a lifestyle which that best meets their needs. Nowadays not everybody works 9.00 am to 5.00 pm Monday to Friday. We need only consider the traffic on our roads to see that there is a significant change in the pattern of people's working behaviours.

One of the main inflexible provisions and the biggest difficulty this Government will face is the variance in the number of hours. I have highlighted the disparities, some of the restrictions and the policy of the Labor Party, and it is difficult to understand how this Government will meet its policy commitment.

On 30 July the Minister for Consumer and Employment Protection introduced a policy which he stated "would significantly reduce inequality in the pay of public sector employees." He went on to say -

"The bottom line is - this pay rise is all about restoring fairness and equality in the public sector workplace."

It will affect some 7 500 public sector employees. Remember, I said earlier that 36 869 were affected by these disparities. These people will not be picked up by this change. He also said -

"The payment will bring their wages up to this 20 per cent level from July 1 this year."

The statement continues -

The payment is part of the Government's labour relations plan for the public sector, which includes introducing collective arrangements, restoring parity of pay and conditions among employees doing the same job and replacing workplace agreements with collective arrangements.

But it does not. It is not fair. It certainly does not introduce equality among public sector employees. The Government has not addressed parity of remuneration across the whole of the public sector employment, and that is why the employees are so upset. They understand that all the Government has done is supply a little dribble for the bottom end, and everybody else has been left out. There is no guarantee, and it would appear there is a wages freeze on any increases for the public sector. The Government has identified a three per cent increase

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until 2004, but with no starting date, unless the minister has made another statement on this issue since 30 July that I have not heard about.

Mr McGinty: It is 30-month wages policy.

Mrs EDWARDES: The Community Public Sector Union and the Civil Service Association do not know about it in order to be able to demonstrate to their members what the Government's wages policy is. They say that they do not have a problem with the Minister for Consumer Protection Minister for Consumer and Employment Protection, they have a problem with the Government's wages policy. They want to sit down with the minister - everybody tells me he is a nice guy. However, the minister has left about 30 000 people in the dark. How will they not lose out? They will not get any wages increase. Some workers who are on workplace agreements at the higher end of the scale believe they will not get a wage increase until at least 2004. Workers who are further down the scale do not believe that they will get a wage increase until 2003 and still others wonder whether it will be 18 months before they get an increase. That situation is not acceptable to them.

The Government must have a credible wages policy. A credible wages policy has, among others, three key components: it must be economically and industrially sustainable; it must provide public sector employers with the capacity to appropriately reward their employees; and it must neither lead nor lag behind the general industry wages outcomes. The Government is denying public sector workers the level of increase in wages enjoyed by employees in other industries and in other public sectors. The previous Government regularly made comparisons between the wages of Western Australian workers and those in the eastern States. Western Australia was at the lower end of the States with Canberra and Tasmania; it was often behind some of the other States. The minister will put those workers even further behind.

A level of uncertainty already exists about the restructuring of government agencies. Comments were made that no-one would lose their jobs but then the Treasurer said that job losses would occur. Public servants knew that there would be job losses. When two or three agencies merge under one umbrella, job losses will result. Previously I gave members the example of three libraries in three different agencies. If the agencies were brought under one umbrella, the new agency would not need three libraries, three librarians or all of the librarians' assistants. It makes sense that there would be job losses, and nobody in the public sector believes otherwise. They know that the writing is on the wall.

As a result of agencies coming together under one umbrella, its employees must consider looking for similar jobs. Many of them spend their time updating their curriculum vitae and filling out application forms. It is no wonder that they feel insecure when there is no wages policy. No-one knows when they will get an increase in their salary. The previous Government had already advised them that they would get a three per cent plus three per cent increase over the next two years, and that is the least they would expect from this Government. The Government had promised them parity of remuneration. No wonder public sector employees are saying that the Government's wages policy is unfair and does not provide equality in the workplace, which is what they expected.

We have said time and time again in this place that the Government created high expectations during the election. It promised the world in some instances. In this instance, the Labor Party's policy promised more than it thought it would cost. Without adjusting for trade-offs of conditions, \$191 million is a lot of money. The Labor Party said it would abolish workplace agreements and move everybody onto enterprise bargaining agreements. Even if the Government adjusted its wages policy for the traded-off conditions, it would still cost \$61 million a year.

The decision the Government made is not cheap, and nor was the Labor Party's policy commitment. The Government must work out how it will stage its wages policy. The Government has dribbled \$20 million to the bottom end, which is still a drop in the ocean compared with the rest of the public sector. Those employees who have signed workplace agreements and who received high levels of remuneration will be kicked the hardest, and that is not fair. The public service knows it is not fair and the minister knows it is not fair. I wonder which economic forecasts the Government has used to work out its wages policy, because that is critical and must always be done. I do not have the answers to this issue; I am only asking questions. I hope that the minister can provide the answers to my questions.

The minister's wages policy refers to 2004, but I think that forecast is too far ahead. The previous Government had a wages policy forecast of two years so that the Government could keep up to date with where revenue and economic growth occurred not only in the public sector but also in the private sector. Four years is too far ahead to forecast.

Mr Kobelke: The member is confused. This is a 30-month wages policy. We agree with the previous Government's position of a two-year wages policy. All our costings are four-year costings. When we talk about the costings and the four-year period, it is only for the purposes of Treasury's costings.

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Mrs EDWARDES: When will the 30 months start?

Mr Kobelke: It started on 1 July.

Mrs EDWARDES: When will the next tranche of payments occur?

Mr Kobelke: The reason there is still uncertainty is that we have put an offer on the table for the unions, but we are willing to be flexible on the negotiations. The offer was for a three per cent increase from 1 January 2002 and another three per cent increase on 1 January 2003.

Mrs EDWARDES: How will the Government deal with the differences in conditions for other employees? Not everybody will get the three per cent increase on 1 January. Will it be staged among the respective levels? Will those workers on the highest level not get anything until the lowest level workers have caught up?

Mr Kobelke: That is on the table for negotiation. Those workers who are well ahead of the benchmark, which advances with the annual increment, will have to wait until the benchmark catches up with them for major improvements; however, we are willing to negotiate some improvements for those people.

Mrs EDWARDES: The minister can understand why they would think that that offer is not fair. They have traded off some conditions. Will they get those conditions back?

Mr Kobelke: That is what we are negotiating.

Mrs EDWARDES: They will not get an increase in their wages but they will get a wages freeze for 30 months in some instances, and they might get back their public sector holiday or they might not have to work so many hours. No wonder they are such happy little Vegemites. That is not what they were expecting. The words "tricky" and "sneaky" are being used regularly about this Government.

Mr Kobelke: You have to stop mixing only in Liberal Party circles.

Mrs EDWARDES: Many public servants voted for the Labor Party and they feel let down. They believe that the Labor Government has trampled on them. They thought that the Labor Government would look after them and increase their wages; however, that has not happened.

I would like the answers to these questions. What is the expected gross state product growth for 2001-02 and 2002-03? What is the projected revenue growth? What are the wage and inflation projections for the same two years? What is the prediction for wage growth? What are the inflation forecasts? What do the major employer associations expect wages growth to be? What has been the wages increase, particularly by the private sector federal agreements? That is a pretty good indicator of wage increases. What is the current position in other States? What is the Australian Bureau of Statistics wage cost index that is also being considered?

My other point relates to how people feel about the Government's so-called addressing of the public sector inequity. The union movement and the public servants say that it has nothing to do with fairness and equity. Their comments are quite disparaging - I am not talking about Liberal Party circles at all. Dave Robinson said about the reorganisation and amalgamation of state government departments -

The concern is who is the dominant agency and who is going to get looked after . . .

This process has created friction because there is a big difference in pay scales. The Government cannot get away from it. If it wants the restructuring to be successful, it will have to deal with that. Although the minister believes that only a small group will receive a wage freeze, a newspaper article reported Toni Walkington as saying that "thousands of other employees would have to suffer a three-year wage freeze".

On another occasion she was reported as saying -

. . . only 12 per cent of public servants would be eligible for the initial pay increase, while the Government's failure to set a schedule for annual increases left two-thirds of workers in limbo, with some likely to wait four or five years for a pay rise.

The union may have since negotiated a reduction in that four to five-year wait. Ms Walkington also said -

It is not fair because it means some people are having to take a wage freeze for an extended period.

I do not know how the Government will get around that. Ms Walkington said in a radio interview -

We've been negotiating with the Government since its election in February, and in fact, when the Labor Party was in opposition we commenced discussions with them about their view about the disparity in wages and conditions that's rife within the public sector.

The union sat down with the Labor Party when it was opposition. It probably helped to write, or at least put forward ideas for, that section of its policy, which said that no-one would lose out. She went on to say -

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Our concerns are that the Government's proposed process will mean a wages freeze for a large section of our membership.

...

However, we also had considerable negotiations with the ALP while in opposition, and they gave us commitments that they would restore parity, that they did value public sector workers, that they recognise that they should reward and acknowledge the value and the contribution of the workers. Their current wages offer simply just does not do that.

The Government has been caught by the use of words "parity of remuneration". It will not be able to achieve that. People do not accept wage freezes. I still talk to people who suffered under Brian Burke's 10 per cent wages cut. People still refer to it. This is this Government's equivalent of the 10 per cent wages cut. The Government will not be able to meet its commitment to wages parity.

The CPSU met on 22 August and approved industrial action. I highlight for the information of members the action they propose to take -

... rejects the Government's current wages offer which consists of a Benchmark Rate and annual adjustments ...

Those benchmarks and adjustments are identified in the leaflet. I continue -

... strongly commits to continue our campaign for both Equal Pay and Fair Pay and authorises ... to issue directions to members to engage in any or all of the following activities:

- a) Ban on unpaid overtime and time beyond ordinary hours;
- b) Ban on all overtime (both paid and unpaid);
- c) Decline to submit statistical and management information ...
- d) Refuse to process revenue payments;
- e) Refuse to collect payments for services to the public and community;
- f) Decline to process Ministerial correspondence;

I had a bit a giggle about that one. Correspondence remains on the minister's desk for some considerable time, even when it is processed by departments. I continue -

- g) Workplace, regional and sector wide stoppages, stop work meetings;
- h) Rolling stoppages.

I would like the minister to tell the House about the potential impact of such action, particularly stoppages and the refusal to collect revenue. Toni Walkington said in a media release -

Remember the Government's offer is akin to a "Wage Freeze" for thousands of public service workers ...

That is what the public sectors employees will fight; they will not accept a wages freeze.

Mr Kobelke: There is no wages freeze.

Mrs EDWARDES: Of course there is. The Minister for Labour Relations can deny it; however, employees on a top-level workplace agreement - I have identified some of the affected agencies - face a wages freeze. They will not get any increase. They were expecting a three per cent increase on 1 July, and another three per cent increase next year.

Mr Kobelke: The degree of lag in wage increases will be far less than it was under your Government.

Mrs EDWARDES: There is no way the Government is able to promise that these people will not experience a wages freeze. I refer again to those agencies affected by the wages freeze: the Department of Land Administration, the Lotteries Commission, LandCorp, the Office of Energy, the Water and Rivers Commission, the Fire and Emergency Services Authority, Treasury, the Department of Training, the Industrial Relations Commission, the Department of Contract and Management Services and Main Roads. This goes through most agencies. When does it start to change? The list continues: the Small Business Development Corporation, the Office of the Auditor General, the Department of Racing, Gaming and Liquor, the Department of Indigenous Affairs and what was the Department of Productivity and Labour Relations. At what level do people start receiving increases? What will be the cut-off point? Those people on the top-level workplace agreements - the ones who negotiated and made the trade-offs - will not get any increase. It is unacceptable. The Government committed itself to parity of remuneration. These people expected a wage increase. Under our Government,

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they would have received up to three per cent from 1 July this year and up to three per cent from 1 July next year.

Mr Kobelke: Milestone increases are guaranteed. We are not reneging on those. Employees on agreements with milestone increase clauses will receive those increases when they reach the milestone. We are not touching those at all.

Mrs EDWARDES: A large number of employees will not receive any increase in remuneration for up to 30 months.

Mr Kobelke: As at 30 months, a minority will not have received a pay increase.

Mrs EDWARDES: When will they receive one? At 36 months?

Mr Kobelke: That is what we need to negotiate with them.

Mrs EDWARDES: It is neither fair nor acceptable to those public servants. No wonder they are testy and annoyed with the Government of this State. Toni Walkington said in her media release -

The Minister indicated, however, that the Government might consider restoring conditions earlier than salary equalisation where employees do not get any wage increases.

The level of uncertainty is huge. The employees already have so much uncertainty in their working life as a result of the restructuring and the like. This decision will impact on not only those public servants and their families but also the delivery of services, which in turn will have a huge impact on the community.

The other issue mentioned in the direction statement is good faith bargaining. I raised this in the debate last week. It is one of the key planks of the minister and the Labor Government's industrial relations strategy. To unions, good faith bargaining essentially meant that once an agreement had been reached by a single bargaining unit, an agreement had been reached. The minister has previously argued about retrospectivity. If the department and union and/or employees had reached an agreement, it would not matter that it still had to go before the Treasury Department, the Department of Consumer and Employment Protection and the expenditure review committee; once an agreement had been reached, an agreement had been reached.

Cabinet was the last of the line and it should have had no influence. That was the message from the unions and the minister when he was in opposition. The agreement with the Australian Medical Association for the medical practitioners in the public health system had been signed by the expenditure review committee, the Treasury and the Department of Consumer and Employment Protection. What happened? Cabinet stopped it. If the Government ever reaches an agreement, will it make it retrospective? That was what the Government said was good faith bargaining. It said that when agreement was reached with a single bargaining unit, it ought to be made retrospective.

Mr Kobelke: It would be a good story if it had any truth to it.

Mrs EDWARDES: It has truth. Everybody had signed it. I have seen the letters. Do not question whether it had any truth to it. It comes back to good faith bargaining.

Mr Kobelke: I am speaking honestly. What the member said is not true.

Mrs EDWARDES: If that is the case, people are putting things in writing that are not true. I am inclined to believe something that is put in writing. It is not just the AMA; this involves other agencies and the Department of Health.

Mr Kobelke: The AMA may have put it in writing assuming that it happened, but it did not happen.

Mrs EDWARDES: No, this is from the Department of Health. It said that all the agencies had signed the agreement.

Mr Kobelke: I would like a copy of that if it can be provided. It would be very interesting to follow it through if there are letters coming out of the Department of Health that contain false information.

Mrs EDWARDES: It is interesting that the minister did not raise that during last week's debate. When I suggested that good faith bargaining was not part of the minister's strong industrial relations plank, he did not comment. This is what Dan Hill of the Hospital Salaried Officers Association is saying. Maybe it is just within the health system that there is no good faith bargaining. If that has happened with the AMA, the concern is with whom does one have to sit around the table? The Cabinet? Is Cabinet the only group that we can get the money out of? The Treasurer admitted today that there will be a surplus. The Government cannot argue that there is a tight budgetary situation.

Mr Kobelke: The member has her facts muddled again. She does not know what she is talking about.

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Mrs EDWARDES: A lot of people do not know what the minister is talking about. The big question being asked by the unions, particularly by Dan Hill and the rest of the executive of the HSOA, is whether Bob can do the job. That is the big question being asked by people.

Mr Kucera: They are only saying that because they cannot get what they want. We will not agree to ambit claims. It is as simple as that.

Mrs EDWARDES: The State Government's labour and wages policy is not fair and equal to the public sector. People will be subject to a wages freeze. The minister has confirmed that. People have traded conditions, but they will be left out in the cold and they will not be looked after. This Government does not support good faith bargaining. I find it very hard to believe that the AMA did not reach an agreement and the other parties did not sign it. The minister admitted last week that he took a minute to the Cabinet over that agreement.

Mr Kobelke: Which agreement?

Mrs EDWARDES: The one with the AMA. The minister admitted during the debate last Wednesday that he took a minute to the Cabinet.

Mr Kobelke: The member had better check her facts in *Hansard*.

Mrs EDWARDES: I checked it yesterday. I have double checked what the minister said. He admitted that he had taken a minute on the AMA agreement to the Cabinet. It is in *Hansard*. People no longer trust the minister. They do not trust his commitments. The Government has created expectations in this area through its policy commitments. The public sector will get even with the Government. The health workers will get even. There will be lots of others who will get even. I support the motion.

**MR BOARD** (Murdoch) [5.55 pm]: I support the motion. Because of my shadow responsibilities for health I will concentrate my remarks on the negotiations affecting health professionals in the public health system.

For a variety of reasons, many of which have built up over a long period, we are seeing an adversarial situation between health workers and the Government. This situation has more venom and spite than anything we have seen in health negotiations for many years. As the former Government, the Opposition has been involved in many negotiations on wage rises and enterprise bargaining agreements. The negotiations involved doctors, nurses and allied health professionals. For the first time in this State we are seeing a united front among all health professionals. The reason for this situation is twofold: first, an expectation has been built up that goes back to the state election, and we have talked about this in previous debates. Secondly, for a number of reasons, morale in the health sector is very low. A lot of mud has been thrown at health professionals for a long period. There has been a lot of politicising of their positions, workloads and pay structures. Many issues connected to working conditions were blown out of all proportion by the Government when it was in opposition in order to politicise the issue. Having their expectations raised over a long period, workers in the health industry, including doctors, nurses and salaried officers, gave their support to the Government and expected to be rewarded beyond what the Government has recently alluded to as being fair salary increases. Their morale is low and they feel they have not been adequately rewarded for a long time. I disagree that that is the case, but that is the case that has been built up by the Government.

If one talks to workers in public hospitals throughout Western Australia - and I have - one finds a genuine belief that they have lost equity, not only with other professions in this State, but also with other health professionals throughout Australia. They feel they should be rewarded above the Government's wages policy.

*Sitting suspended from 6.00 to 7.00 pm*

Mr BOARD: Before dinner I put on the record my support for the motion moved by the member for Kingsley. In doing so, I referred to what has happened to our health professionals over the past decade or so. This evening I will argue that Western Australian health professionals should not be covered by the Government's general wages policy. We should look at morale, equity and, particularly, the changes that will be required of health professionals and the challenges this Government will ask them to meet as it reforms the way in which public health services are delivered in this State. Those professionals will face enormous change in the way they perceive their employment, where they are employed and their job security.

There is no doubt that we now have an adversarial situation in the health sector of this State. We have seen much venom exchanged between the State Government and our health professionals. Some of that has been generated by expectations built up and promises made during the state election campaign. Undoubtedly, health professionals want to raise their status in the community and increase their rewards.

We should go beyond what we have experienced in the disputes involving the Australian Medical Association, the Hospital Salaried Officers Association and the Australian Nursing Federation over the past 12 months. We should examine what is happening in the health sector, what we expect to be delivered in that area and what we



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now expect from those occupations compared to what we expected three or four years ago. Perhaps that is what has been forgotten in the argument about equity.

These are changing professions. Community expectations and the requirements of hospitals and private practice have changed for a range of reasons. Our population has changed. Not only is it growing - particularly in the Perth metropolitan area - it is also ageing. That ageing population introduces a range of different and more complex and interrelated health issues that must be addressed.

Huge changes have also occurred in technology. We have expanded the ways in which professionals can assist patients and discover and analyse all sorts of ailments. As a result, our professionals - be they doctors, nurses or allied health professionals - must constantly upgrade their knowledge and skills. They must be aware of the capacity of new technology. Enormous changes have also occurred in the pharmaceutical field. More and more complex pharmaceuticals come onto the market every day. With that expansion comes much more responsibility. Our medical professionals must maintain their knowledge of those drugs and continually update their skills.

We have all seen the changes in the world of medical litigation and the way in which the medical profession is scrutinised. That change has been particularly evident in the United States, and it is now happening in Australia. More than ever, doctors must look over their shoulders and be scrupulous about the way in which they conduct themselves, the advice they give and the treatment they provide. They must take responsibility for each step they take, not only in a medical sense but also in a legal sense. The legal fraternity is active in applying the law and monitoring the performance of medicos.

Our self-employed doctors face even greater challenges. Not only must they keep abreast of the new pharmaceuticals, but they must also administer their businesses. That involves monitoring the cost of running surgeries and being able to satisfy the community's expectations regarding surgery hours, premises, staff, taxation, occupational health and so on. Other businesspeople must also conduct their operations according to the law, but they do not have to deal with the same level of scrutiny that confronts doctors, particularly general practitioners.

Our general practitioners and our hospitals face a rapidly changing environment. One of the points lost in this debate is the changing nature of that environment, the profession and the demands placed upon medical professionals. These people are very different from public sector clerks, who are required to update only their knowledge of the policies and programs of the Government of the day. These professionals are subjected to far more scrutiny and pressure in their day-to-day work and in ensuring their knowledge is up to date. The pressures and stresses placed upon doctors have increased dramatically over the past 10 years, and will continue to increase. We look at the numbers of outpatients, the amount of surgery, the size of budgets and the way in which our hospitals are performing, but we probably forget from time to time the stresses put on our health professionals in achieving those outcomes, the pride they have in their profession and their need to be satisfied that they have done their utmost to achieve the best outcome for each and every patient. As pressures apply, numbers increase and stress continues, we expect more and more, particularly from our doctors. In many ways public health system rewards have not kept up with the stresses that have mounted over a number of years.

The same could be said for our nurses. The Government has gone through an enterprise bargaining agreement process and given the nurses a 13.5 per cent increase. We went to the election promising that increase.

Dr Gallop: No you did not.

Mr BOARD: Yes we did.

Dr Gallop: You did not have the money in the budget.

Mr BOARD: We guaranteed a 13.5 per cent increase, which is exactly the same as the Government has given. The difference between the amount the Government has given the nurses and the amount the previous Government indicated, is that this Government has costed in the 300 or 400 nurses whom it intends to recruit over the next two or three years.

Dr Gallop: It was part of Barnett's black hole.

Mr BOARD: No.

Dr Gallop: Yes it was.

Mr BOARD: We were working on this problem six months before the EBA was required. We indicated during the election that we would meet the 13.5 per cent increase.

Mr Kucera: Why didn't you get an agreement? Why did you get industrial action?

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Mr BOARD: In conjunction with the Australian Nursing Federation, the minister brought the issue to a head 12 months before it was due to be resolved. He did so early last year to use it as an election tool. That was the issue. The EBA did not need to be concluded.

Mr Kucera: You had not started negotiating with them.

Mr BOARD: We made public statements. Before the previous Government went to the election, it sat down with the nurses. I know the minister has discussed this with them, but the previous Government had indicated a 13.5 per cent increase. My point is that the nurses have that 13.5 per cent increase. I am sure the minister would like to have given them more. I would like him to have given them more. However, the reality is that their profession has changed dramatically, for all the reasons that I outlined for the doctors. As the minister knows, nurses find that they spend less and less time next to the patients in bed.

Mr Kucera: Who are we are talking about here?

Mr BOARD: Nurses.

Mr Kucera: Which category of nurse?

Mr BOARD: Registered nurses.

Mr Kucera: Let us clarify it. There is a far greater range of people in the nursing profession than registered nurses. There are enrolled nurses and other professionals.

Mr BOARD: The minister has left the enrolled nurses behind, has he not?

Mr Kucera: We have not dealt with them yet. When does the EBA finish for enrolled nurses?

Mr BOARD: The minister should be supporting enrolled nurses because they have great community support.

[Leave granted for the member's time to be extended.]

Mr BOARD: I am not trying to speak in an adversarial way tonight. I am building a case to show that doctors, nurses and salaried officers are in a different situation today than they were 10 years ago. They have been treated through wage negotiations as another set of public sector employees, and they have been offered pay increases in line with other agencies in the public sector. I would be saying the same if I were sitting on the other side of the House and arguing with the Treasurer. There is an entirely different set of circumstances for health professionals in the year 2001. They have different pressures, different workloads and different expectations from those in the community, and their salary increases have not kept pace with those changes in their working environment. Their salary increases may be keeping pace with inflation and be equitable with other public sector occupations, but not with other health sectors in Australia and around the world. Our health sector is competing with the rest of the world. Unless we are able to adequately reward doctors, nurses, salaried officers and allied professionals, we shall lose them.

We have seen from the world media that the Prime Minister of Great Britain has started a very aggressive program to recruit 1 000 doctors for the British health service over the next 12 months. We must retain our doctors, particularly the young professionals coming out of universities who are sometimes still training in the public hospital system.

Mr Hyde: You would pay a salary of \$500 000 to get doctors to go to regional areas, would you?

Mr BOARD: Members should not demean this argument. I am trying to mount a case that our professionals should be looked at in a different light from the rest of the public sector. The work pressures and the requirements placed upon health professionals are different from those that were placed on them 10, 15 or 20 years ago. The scenario is entirely different. Their salary increases have not kept pace with the need to maintain and recruit them. This Government has said that it will embark on a recruitment campaign. How will it recruit such people in a competitive environment? How will it convince caring young people to enter these professions, when there are so many opportunities facing them, many of which reward them far more? They need to be adequately rewarded to encourage them to take the stresses and strains involved in these professions. I hope I am making my case in a way that supports the minister, because I know the minister would like to be able to achieve that. He needs to convince his Treasurer of that support. We need to maintain the number of doctors and allied professionals in Western Australia. We need to recruit more, and we need to support them and ensure that they have the same opportunities as they would have in the rest of the world.

We heard from the Treasurer today that the budget is not in as poor a shape as we have been given to believe over the past two months or so.

The Government has finally come clean and said that the budget is in surplus. If the minister really wants to put some of this aggro to bed, I challenge him to boost morale among these professionals. The minister was quoted in *The West Australian* on Saturday saying that he will challenge these professionals to deliver services in a

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different way; he will move some of them; he will have greater expectations of them; he wants to share services between the public and private sector and he will change greatly the environment and conditions under which they work. The Opposition will examine those changes as they take place. However, the minister must get these people to work with him and to move with him. In order to do that the minister will need to support them. At the moment their morale is low. The minister will say that morale is low because the coalition Government did not support them. That is not the case; it is low because the Labor Opposition threw mud at them year after year, and eventually it started to stick. The Labor Opposition told these people that the system was falling apart. As a result, these professionals feel they are working in a system that is not appreciated by either the Government or the community. Everyone in this House knows that is not true. Regardless of which side of politics we are on, we know that we have a health system that we can generally be proud of, notwithstanding that it has great difficulties. Morale in the public health system is low. That is through the Government's own actions. It has created a lot of anxiety and an expectation of funding support, which these professionals will not receive.

Mr Kucera: How did you expect to get the doctors out of the taxation hole in which you left them?

Mr BOARD: We could do that with the surplus that we have left the Government. The reality is that everything is changing. I will not stand here and say that doctors did not take advantage of taxation loopholes and salary packaging, but that is no longer available to them. The reality is that they should be rewarded. The Labor Party is in government and members opposite must deal with the issues of the day. The reality is that things change all the time. The minister needs to deal with their expectations. The minister should meet those expectations. However, he should not treat these professionals as public servants but as people who have a great challenge ahead of them. The minister wants to make major changes in our health system, so he needs doctors, nurses and the allied professionals to work with him. To do that the minister needs to lift their morale, and to lift morale he needs to not only support them financially but also show them that the Government appreciates them. The minister raised their expectations, and he will need to meet those expectations. I support the motion moved by the member for Kingsley.

The minister has a unique opportunity, but he has to bring these people with him. These people should have their salaries increased at a different rate from public servants. They should not be treated as public servants. The minister should look at the changing environment and the expectations of the community. It is a different world. Health in 2001 is different from what it was 10 years ago, but the Government has not recognised that. I would be saying exactly the same thing if I were sitting on the government benches. We should recognise these changes. The Government should support these professionals and bring them with him. When the Government does that it will be able to make the changes that it wants.

**MR MASTERS** (Vasse) [7.24 pm]: Some weeks ago in this place, I offered my sympathy to the Minister for Planning and Infrastructure when we were debating the Planning Appeals Amendment Bill. I told the minister she was in a no-win situation; no matter which way she tried to handle the issue she would be criticised by one group or another in the community. I have to offer the Minister for Health not only sympathy but also encouragement. The health budget represents approximately 25 per cent of the state budget.

Several members interjected.

Mr MASTERS: Whether it is 25 per cent or 33 per cent, it is a massive proportion of the budget. The reality is that it is not enough and never will be enough. That is because we have an ageing population. We have all seen the projections and we know what they will mean for baby boomers like me and for most of the members here tonight who are baby boomers. In order to maintain a quality of life that is consistent with the expectations of that ageing population, they will demand that more and more health dollars be spent on them. Secondly, the entire population will have far higher expectations of the success that the medical profession and the whole medical and health system can provide to them should something go wrong and they require medical or hospital treatment. Thirdly, better but more costly technologies and treatments are available to us. People are demanding through the ballot box that more and more dollars be spent on health. That is unsustainable. Neither the Opposition nor the Government can win if we accept those realities and pretend that we cannot do anything about them.

The message I want to pass on tonight is that we need a paradigm shift. We should change from the current situation in which about 80 per cent of the health dollar that is spent in this country is spent in the last two years of the average person's life.

Mr Hyde: Why didn't you do this a year ago; it is an excellent idea.

Several members interjected.

Mr Hyde: Give the man a chance; he is talking sense.

Mr MASTERS: The member for Perth is the person who is interrupting me.

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The quality of life during those last two years of a person's life in which 80 per cent of the health money is spent is often not particularly high. A huge amount of money is focused on a short time span in a person's life, when naturally they would have less ability to enjoy what is left of their lives; and the illness on which we are spending that 80 per cent of health money extends their quality of life to such an extent that it often can be described as a poor quality of life. As a community we have to change our expectations and our understanding of the problems facing the health budget and Governments of all persuasions.

The Minister for Health has just participated in the Community Drug Summit. The community is saying that the Drug Summit was a worthwhile exercise. It may not have given the minister, the Opposition or any particular group in the community exactly the outcomes they wanted, but as an exercise it achieved quite a bit. I believe that the issues of health and the amount of money that is poured into it almost require a health summit. I suspect there are a few raised eyebrows on my side of the Chamber. Again, I call upon my colleagues in the opposition ranks to listen to the figures that I quoted; that is, 80 per cent of the health dollar is spent in the last two years of a person's life, often for not a very good return on investment in the quality of life.

Mr O'Gorman interjected.

Mr MASTERS: No, I am not suggesting voluntary euthanasia, even though I am a member of the Western Australian Voluntary Euthanasia Society. I believe we - the people who provide leadership to the community - have to ask the community and every single member of the community to make some very difficult decisions. If we accept the figures I have provided, I present members with what is almost a conundrum. Which is the better choice: \$100 000 spent on a liver transplant for someone whose prognosis is a limited life expectancy and perhaps, because of ongoing treatment, a fairly average quality of life, or the same amount spent on 10 hip replacements, each one costing approximately \$10 000, when the prognosis for success and the quality of life resulting from those hip replacements is extremely high? I say this very seriously because my mother died last year from liver cancer, and only three years ago a chap I went to school with died following a liver transplant. His quality of life in the years leading up to and immediately after that transplant was fairly ordinary. However, my late mother-in-law lived for 27 years with the same artificial hip inside her, and she died 10 years ago. She received her hip transplant 35 or 40 years ago - in the 1960s - when it was still a fairly new, uncommon surgical procedure, yet she survived for 27 years with a very high quality of life.

I have spoken in this Parliament previously about the Oregon model of determining how money is spent in the health budget. I will make the suggestion again and ask the minister to take it on board. My understanding is that eight or 10 years ago, the State of Oregon in the United States of America faced the same problems that we are facing today and, rather than call in the so-called health professionals or the equivalent of the Australian Medical Association, or politicians, or ministers or anyone like that, it asked the community to make some decisions. The Oregon Government put together a committee that accurately represented the community, gave it the health budget allocation in the first year and the following few years, and asked it to decide, on behalf of the community, whether, for example, it wanted to pay for that one liver transplant or those 10 hip replacements. I understand that model worked quite well, but I have not heard of any recent follow-up.

Mr Kucera: I commend the member for Vasse for getting the debate going, because that is exactly what I said on Saturday, as reported in *The West Australian*. This is a debate we need to have in this State; not a debate on euthanasia and things like that, but about getting a clear picture to the community on what is needed. The Department of Health has already run two citizens' juries and they have been extremely successful. If the debate needs to be broadened, it will be broadened, but it is very difficult at the moment to broaden any debate in an environment of acrimony driven by pay claims.

Mr MASTERS: Pay claims are a different issue, and I will briefly refer to that. I will just summarise. The community should decide, as well as the individual -

Mr Kucera: And not the doctors!

Mr MASTERS: Not the doctors, not the nurses, not the politicians, not the minister and not the Department of Health. We cannot expect the community to make an honest, even-handed and good decision unless it is provided with information, such as the costs of different surgical procedures and that the current increase in the health budget is unsustainable. In the longer term, because of the three factors I mentioned - the ageing population, higher expectations, and more and more costly technologies and treatments - we cannot afford it, it is unsustainable, and we as a community must make a decision about that.

Mr Hyde interjected.

Mr MASTERS: The member for Perth completely misunderstood what I said. My mother made a decision, not me, and only when she knew the facts could she have made that decision.

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I will conclude with two brief comments. I had the pleasure earlier this evening of attending the 2001 Engineering Week cocktail party for the announcement of winners of the 2001 photographic competition and the launch of the engineering excellence awards exhibition.

Mrs Edwardes: Is this a commercial?

Mr MASTERS: No. I was speaking to someone employed in one of the minister's hospitals, and he said there were seven vacancies in his staff of 35 that he could not fill because he could not offer enough money to the suitable applicants. He gave an example of one technician - not a doctor, not anyone super high-powered - who desperately wanted the particular job, but he said the hospital would have to at least match the money he was earning in the private sector, which was \$12 000 a year more than the hospital was offering. There is clearly a problem of money.

Finally, let us not forget that the nurses, in particular, are a very professional group. This opinion is based upon my discussions with nurses in my electorate. They are not looking for more money per se; they want recognition of their professionalism and the duty of care that they think they have to their patients. They are now so understaffed that they cannot meet the level of professionalism and duty of care that they believe is important; as a result, they are voting with their feet and leaving the nursing profession, or they are demanding higher and higher wages. The nurses tell me again and again that they would happily forgo pay rises - they do not want to be paupers, of course - if there were a significant increase in the staffing levels for nurses within the public health system, to give them the time to perform their jobs in a truly professional manner.

**DR GALLOP** (Victoria Park - Premier) [7.37 pm]: I would like to address one part of this motion about the public sector generally in Western Australia today. The view put forward by those opposite is that this Government has an unacceptable loss of direction and experience across all departments and agencies. That is an extraordinary claim from the Opposition, because I recall how the former Government was described by those who worked in the departments and who were subject to an investigation by a group of consultants. Those consultants asked what it was like working in the government sector, and the response from senior departmental heads was that they could not discern any sense of direction from the then Government. In fact, they said, "We distil our direction from the ether" and "We read the tea leaves". In other words, there was no leadership whatsoever from within the Government.

Mr Barnett: Who are you quoting?

Dr GALLOP: A consultants' report was prepared for the previous Government and it was publicised in *The West Australian*. That was the approach of the previous Government - no sense of direction, no purpose for the public sector. When we came to government we set a direction.

Mr Marshall: Here we go again. You're always rubbing yourself up.

Dr GALLOP: Of course.

Mr Barnett: You haven't got an achievement to your name.

Dr GALLOP: Let us start with the number of government departments. The previous Government commissioned a whole range of reports to review public sector finances, starting with the McCarrey commission, which recommended a substantial reduction in the number of agencies. The McCarrey commission wanted to permit clearer lines of responsibility to ministers, to make more efficient use of available resources and to reduce the overlap and duplication of functions. Other reports followed that one, including the Fielding report, which produced a similar set of conclusions. The previous Government lacked the will and the capacity to care about those changes. Western Australia has too many government departments. It had the greatest number of government departments in Australia. We have established the Machinery of Government Taskforce, which has started to address that major issue. We will bring those government departments together. It is not an easy process, but it is important for the future of the State. Interestingly, on 3 May the Leader of the Opposition said that this type of change was long overdue. That is an acknowledgment that the previous Government had not acted in that area.

What was another feature of Government under the previous regime? We had an example of it from the shadow minister for health. The Opposition believes that its members are a special group of people and then there are the rest. That is the Liberal Party view of the world. It believes that its members deserve special treatment and more money and that the rest of the people are only public servants who do not deserve extra increases to their wages.

A culture of fat cats emerged in the public sector under the coalition Government. People at the top layers of the public sector could get what they wanted. More senior executive service positions were created and their wages went up. However, the wages of the lower level positions of the public sector decreased and the number of full

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time equivalent positions were reduced. That was what happened to the public sector under the coalition Government. The previous Government expected the public sector to produce results for the people of Western Australia; however, it would not and it did not. That is why we are committed to doing a number of things. We will reduce the number of senior executive positions by 60 in our first term of office. In our early days of office we decided to offer some incentives for people to leave the system. Under that redundancy scheme, 32 public servants have left the public service. The savings that will result from that, which the previous Government could not create because it lacked the will and the capacity, will go into direct service delivery.

We are reducing the number of government departments to provide better coordination across government. We are reducing the number of senior executive positions so that we can save money and bring about better coordination within government. The reduction in the number of senior positions has not been done in isolation. Our reforms are designed to reduce the wasteful complexity, the overlaps and the inadequate focus on the needs of the customer that prevailed under the previous Government.

Mrs Edwardes: What is an example?

Dr GALLOP: Under our system of government -

Mrs Edwardes: I thought you were complaining about our system of government.

Dr GALLOP: The previous system of government was a complete failure.

Mr Barnett: There is dismay in the community about your performance.

Dr GALLOP: I am listening to the arrogance from the Leader of the Opposition that he displays to his own colleagues. He has contempt for anyone else and for the collective approach to politics.

Mr Barnett: The Trotsky comes out.

Dr GALLOP: It is called teamwork.

Mr Barnett: All the truths are coming out today. The Trotskys are on the loose.

Dr GALLOP: There are two types of people in this world: those who lose gracefully and those who cannot take a loss. The Leader of the Opposition is of the second variety. He has shown no grace in defeat and he has not accepted his party's failure at the last election, as the Labor Party had to do for two elections. However, the Labor Party worked with the community to build a set of policies. The sneering contempt that the Leader of the Opposition shows to this Parliament because of the election result is exactly the same sneering contempt that he shows to his colleagues.

Mr Barnett: If you want to talk about parliamentary standards you should consider the performance of your Minister for Health, the Leader of the House and the Attorney General in the past week. It has been an absolute disgrace the way you and your colleagues treat this Parliament even to the point that the Attorney General and members of the backbench sit there and arrogantly disregard the rules of the Parliament.

Dr GALLOP: I suggest that the Leader of the Opposition watch footage of himself and his colleagues over the past couple of weeks. The Leader of the Opposition should look at his performance because he might learn something.

We have reduced the number of government departments. There is still a long way to go, because it is not an easy task, but we have the will and the capacity to do it. We have reduced the number of senior executive positions and we have coordinated the top level of the public service. That is what a modern Government must do to address the problems. We have put in place cabinet subcommittees in the economic, social and environmental areas that will bring together the important issues.

This Government will have a sense of direction. As a result, the public sector employees will know what they are doing and why they are doing it. The leadership of the previous Government showed its employees that what they were doing was not respected because whenever it could, the Government privatised its services. It sold them off to boost the budget because it did not have the capacity to deal with budget management over the term of its government.

Mr Day: That is rhetoric.

Dr GALLOP: It is not rhetoric.

Mr Day: It is not true.

Dr GALLOP: The member for Darling Range says that it is not true. Members opposite are not coming to terms with the fact that they were beaten at the last election.

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Mr Day: That is not an issue.

Dr GALLOP: It is an issue. Members opposite must come to terms with the loss of their Government at the last election. If members opposite come to terms with that, they will take a balanced view of the issues, which they are not currently doing. The Leader of the Opposition has lurched off in a right wing direction. He is a hostage to those around him because he has no independent base in his own party. There is no centre of gravity, moral direction or sense of policy in his Opposition.

The previous Government had four health ministers and three major reorganisations. The last reorganisation that it started to initiate in its last days of government began the process of reverting to the system as it was in 1993. In other words, it had eight years in government but it went back to where it started.

Mr Bradshaw: When you were in the same position, you had four leaders in eight years. The Labor Party could not get it right.

Dr GALLOP: We worked at it and we eventually got it right.

Mr Barnett: Did the Premier see the amount of media that the Attorney General got on the weekend? I would not go to England if I were the Premier.

Dr GALLOP: Has the Leader of the Opposition had a chat to the editor of *The Geraldton Guardian* lately about what he said in this Parliament about that newspaper?

Mr Barnett: Remind me.

Dr GALLOP: Of course he has not.

Mr Barnett: Because you came in here like a little prat.

Dr GALLOP: That will not raise parliamentary standards.

Mr Barnett: I have been called grumpy chops and everything else by you. That is hardly the standard of a Premier.

Dr GALLOP: If the Leader of the Opposition had a sense of humour, which he obviously does not, he might appreciate the joke.

Mr Barnett: Are you flying economy to Britain to save money?

Dr GALLOP: No. I did when I was in opposition.

Mr Barnett: You should go economy. Do a Trotsky and fly economy.

Dr GALLOP: The Leader of the Opposition cannot cop the fact that his party was defeated at the election.

This Government is fair dinkum about the public sector and about the coordination of the public sector. It is fair dinkum about reducing the number of departments and the number of senior executive positions in the public sector. It is also fair dinkum about giving a sense of purpose to those who work in the public sector. Unlike the previous Government, we do not see the public sector as an opportunity for our mates to make some money. Whenever the previous Government looked at the public sector, it saw a way in which some of its friends could make a few dollars.

Mrs Edwardes: This will come back to bite you.

Dr GALLOP: Does the member want to talk about the privatisation of our major hospitals, the Australian Integration Management Services Corporation Pty Ltd contract, the Matrix car fleet, the metropolitan bus service privatisation and the ambulances? Does she want to talk about the shocking contracts we as a Government now have to live with? Those things all happened when the member was in government. We are contractually stuck with them, and we have to manage them.

The previous Government did not believe in the public sector; therefore, it did not have the will to reform or improve it. It only wanted to flog it off.

Mr Day: Let's talk about SGIC.

Dr GALLOP: Which particular aspect?

Mr Day: The pillaging of the funds, Rothwells, PICL.

Mr Barnett: Talk about helping mates. The Labor Party helped its mates in Rothwells. Were you involved in that?

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Dr GALLOP: No, I was not. However I was involved in a Government that set up a royal commission into those issues and cleared the decks.

Mr Barnett: You were dragged kicking and screaming.

Dr GALLOP: The Labor Government set up the royal commission, and the Leader of the Opposition can never, ever take that away. We set it up, and we were willing to implement its recommendations.

Mr Barnett: Barry MacKinnon achieved the royal commission after two years of work.

Dr GALLOP: I do not think the Opposition is in a position to lecture the Government on public sector standards or directions in departments and agencies; it is this Government that is bringing that sense of direction to the public sector. We believe the public sector has a role to play, and we will make sure it plays that role well. We also believe that everyone who works in the public sector matters equally. The view of the shadow minister for health, which he revealed in the Parliament tonight, that the professional segment of the public sector is more important than other segments says much about the Opposition.

Mr Board: I did not say that.

Dr GALLOP: What did the member say?

Mr Board: The health sector faces entirely different pressures than it did 10 years ago. You are treating health sector professionals as public servants through things such as salary capping. You are not addressing what is required and expected by the community and the profession. The sector has changed entirely. My argument is not that public servants are no good, but that the health sector requires a different classification. The Government should look at the requirements in that health area. That is happening all over the world; yet you are putting them on the same salary scale as every other public servant. Health service professionals should be judged on the requirements of their jobs in 2001. You should compare them with what they were 10 years ago.

Dr GALLOP: The member said professionals were different from the rest of the public sector.

Mr Board: No, I didn't.

Dr GALLOP: The member should read the *Hansard*, because that is what I heard. I will check it out, but that is what I heard. It indicated the member's prejudice.

Mr Board: I talked only about health.

Dr GALLOP: I must have been hearing a different speech.

I mention a number of other, smaller issues. We are committed to converting entry-level contracted officers to permanent employees. I had great pleasure in circulating a memo to that effect on 18 May.

Mrs Edwardes: Is that consistent across the board?

Mr Barnett: Sort of.

Dr GALLOP: It is consistent across the sector. I will say something else about this Government and its attitude to the public sector. In a couple of weeks, a new Agent General will go to London. That Agent General will be a public servant.

Mrs Edwardes: An excellent public servant.

Dr GALLOP: Yes. We said we would allow that position to be filled by an eminent public servant in Western Australia. That is the respect this Government has for its public service.

Mr Board interjected.

Dr GALLOP: The member took up most of the time.

We have a sense of direction: we are coordinating and reducing the number of departments, reducing the number of senior executive positions to free up money for core services, and improving the status of lower level public servants. We will provide a sense of purpose for all people in the public service and the opportunity for our top-performing senior public servants to serve the State in roles like that of the Agent General in London.

**MR BARNETT** (Cottesloe - Leader of the Opposition) [7.55 pm]: I have been both an observer and sometime participant in industrial relations matters. I have never been involved in that field on a full-time basis. However, there is no doubt that it has been a long time since this State has seen such widespread industrial disharmony as it has seen over the past six months.

Several members interjected.



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Mr BARNETT: The fools carry on.

We have seen it in the building industry, the transport sector and throughout the health sector. We have also seen a range of inconsistencies in public sector employment, as the member for Kingsley outlined. I would not be at all surprised if public servants marched on Parliament House before the year is out. There is widespread disharmony within the public sector. The Government talks about its wages policy, budget issues and the need to not contemplate ambit claims. However, it is meant to be the Labor Party - for workers. I find it extraordinary that, after six months, I have yet to hear one person in the Labor ranks stand and speak for workers, either blue or white collar. The timber industry has been an issue. Not one person in the Labor Party has stood up on behalf of these workers and argued passionately for them. I sit in the Chamber more often than most people, day in, day out. I do not see support for workers in debates such as this.

The Government also talks about handling industrial issues. I have acted as an industrial advocate, as have many other members. I have twice appeared before the Industrial Relations Commission; I am sure the member for Cockburn has appeared many more times. My experience is limited, but I have been involved in a few industrial cases. In any management issue, whether it is about people, money, property, crises or whatever, the responsible person needs to roll up his sleeves and deal with the issue.

I heard the head of the Australian Medical Association on the radio as I was driving to Dowerin this morning say that he has tried for two months to contact the Minister for Health. I acknowledge that the AMA plays hard. However, he has made telephone calls, sent faxes and left messages. For two months, the head of the AMA has not been able to speak to the health minister. That is appalling. The most consistent sentiment about this Government is that ministers are unavailable, do not put in the time and refuse to deal with issues, instead handing them to the bureaucracy. I heard that again tonight at a function.

Mr Hyde interjected.

Mr BARNETT: The education portfolio had some industrial problems when I took responsibility for it. My predecessor, Hon Norman Moore, had been caught in a difficult situation.

Mr Kobelke: But you fixed it for him.

Mr BARNETT: The member for Churchlands suggested by way of an interjection that I should have a cup of tea with the head of the teachers union, so I bought him a cup of coffee in Napoleon Street. I spent day in, day out with the teachers union and the managers and principals in schools.

Mr Kucera: Did you not have confidence in your own negotiators?

Mr BARNETT: No, I did the job of a minister. I did what a minister of the Crown does; I took responsibility for the education of children. I was not going to let industrial disputation interfere with the education of children, just as the Minister for Health should not let industrial disputation interfere with the health care of people in this State. That is what a minister does - he takes responsibility. We had an agreement on that, and we had another agreement - but we agreed. The Government talks about attitudes in the public service. I will tell the House what happened when I left the Education portfolio. One does not get many nice moments in public life -

The ACTING SPEAKER (Mr McRae): Members, as the time is now -

Mr BARNETT: I am being gagged as I conclude my comments!

Several members interjected.

The ACTING SPEAKER: That is highly disorderly. I have just drawn the attention of the House to the fact that it is eight o'clock.

Mr BARNETT: This is the third time this week.

The ACTING SPEAKER: I formally call the Leader of the Opposition to order for the first time. That was really inappropriate.

Debate adjourned, pursuant to standing orders.