

PUBLIC SECTOR WORKFORCE MANAGEMENT

**659. MR N.W. MORTON to the Treasurer:**

Happy birthday, Mr Speaker!

**The SPEAKER:** Thank you very much!

Several members interjected.

**Mr N.W. MORTON:** Treasurer, I note that the government is progressing important changes to public sector workforce management. Could the Treasurer please outline the benefits this significant policy will deliver for our state, and inform the house if there are any alternative views?

**Mr T.R. BUSWELL replied:**

I thank the member for Forrestfield very much, and I join with him in congratulating the Speaker on the passing of another year—it is hard to tell, of course, Mr Speaker!

Reforming the public sector in Western Australia is probably one of the most significant challenges that currently faces the government. Last year we spent about \$11.5 billion on wages in the general government sector, and that accounted for 45 per cent of our total recurrent spending in the general government sector. It is by far and away the largest driver or the largest pressure point around growth in general government spending. To tackle the challenges that that growth presents, the government has adopted a totally new approach to how it manages its salary budget. Effectively, we have said to our agencies that whatever their salaries budget was in the 2012–13 financial year, the rate of increase going forward will be at the rate of the consumer price index—of course, that will be adjusted from time to time when government makes policy decisions such as, for example, employing more police officers. We have also given and are giving our agencies important tools to help deal with that. As the Premier announced today, there will be changes to the Industrial Relations Act so that the Western Australian Industrial Relations Commission has to have appropriate regard for the state's wages setting policies when arbitrating on dispute outcomes. We have introduced a voluntary redundancy scheme with a target of 1 000 separations. I can advise the house that as at 21 October, 1 111 requests have been received from agencies, 713 have been approved and we anticipate that several hundred more will flow in. We have had a good take-up in and around that initiative.

We have introduced into this house today changes to the Public Sector Management Act that will introduce involuntary redundancy provisions, which mean that if, after an extensive process, a person cannot be redeployed in the WA public sector, then they can be made redundant. We have become the last state government jurisdiction to introduce those changes—at long last! I think it is fantastic reform. It is an important tool for our public sector management team.

**Mr D.J. Kelly:** You celebrate funny things!

**Mr T.R. BUSWELL:** I will give the member for Bassendean a tip: we are not going to run this government by having to line up at Union House to approve the employment of a cleaner in a school in the middle of summer in WA! That is the system that was in place when the Labor Party was in government. That is the extent of the control the unions had over the ALP when it was in government. That is how it worked under the Labor government's school cleaning contractor policy. If the government wanted to employ someone in a school to clean and it had to get a contractor because the school was dirty, the decision was not made in government. Members opposite would ring up United Voice and they would get approval from the member for Bassendean to do that! That was how members opposite operated in government. It was absolutely woeful. It is an important tool for management to productively manage the public sector.

Several members interjected.

**Mr T.R. BUSWELL:** That was not bad, but I have heard it before!

**Mrs M.H. Roberts:** You would've heard it many times.

**Mr T.R. BUSWELL:** I heard it from my son the other night! It is an important tool because, ultimately, it will save money. Across the forward estimates the government anticipates it will save \$2.9 billion, with \$1.44 billion alone in 2016–17. That will reduce pressure on state debt. We will achieve a saving of almost \$3 billion from this suite of reforms across the forward estimates.

I have been interested in the responses from those people who may have an interest in this. Of course, the Community and Public Sector Union has been right onto it, declaring its opposition to this. The CPSU made a couple of claims in a media release put out today. The first is that employees will be denied a right of appeal. That is plainly wrong. It is a false statement and does not reflect the processes the Premier outlined to the house

**Extract from *Hansard***

[ASSEMBLY — Wednesday, 23 October 2013]

p5389d-5391a

Mr Nathan Morton; Speaker; Mr Troy Buswell; Mrs Michelle Roberts

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today. The second claim is that it will lead to terminations on a large scale. What an absurd statement. What complete and absolute scaremongering by the union, when there has been no indication that that will be the case. The union is right to participate publicly in this debate. I suppose questions have to be asked.

*Point of Order*

**Mrs M.H. ROBERTS:** Mr Speaker, I recall you did give a direction to ministers to keep their answers brief. This answer has been going for five minutes now. It was a dorothy dix question and the member is wilfully ignoring your directive.

**Mr T.R. BUSWELL:** I am almost done, Mr Speaker.

*Questions without Notice Resumed*

**Mr T.R. BUSWELL:** The only group in this state that has been quiet in and around this issue is the opposition. The opposition has repeatedly refused to put on the public record its position on the introduction of involuntary redundancy. Members opposite have refused to put their position on the public record. Again, I say, as I have said many times, it will be an absolute test of the opposition's financial credibility. If the opposition does not support this—the most significant reform of the public sector in Western Australia in decades—it has absolutely no credibility at all.