

Division 27: Registrar, Western Australian Industrial Relations Commission, \$8 713 000 -

Mr McRae, Chairman.

Mr Kobelke, Minister for Consumer and Employment Protection.

Mr J. Spurling, Chief Executive Officer.

Mr A. Watt, Director, Corporate Services.

Mrs EDWARDES: I refer the minister to page 467, output 1, services to the Western Australian Industrial Relations Commission and Industrial Magistrates Court. In earlier discussion about the break-up of money from the office of the Commissioner of Workplace Agreements, we established the amount expended on labour relations services. What amount is being transferred from the budget of the Commissioner of Workplace Agreements to the Industrial Relations Commission, and will the minister relate that to output 1?

Mr KOBELKE: An amount of \$387 000 will help with the establishment of employer-employee agreements and another \$100 000 will maintain the records from the Commissioner of Workplace Agreements, which totals \$487 000 in the forthcoming annual budget.

Mrs EDWARDES: The output performances measure indicates that 7 200 EEAs will be registered. Has the minister provided sufficient money in the split-up of money from the office of the Commissioner of Workplace Agreements to deal with more than double the number of applications that the commission currently receives.

Mr KOBELKE: This is a bit of a stab in the dark. We are committed to ensuring that EEAs work and therefore we have provided a reasonable level of funding. However, the expectation is that the number will be down somewhat on current registrations. The CEO has informed me that once it is up and running smoothly it has the potential to do a fair bit more. Once everything is in place, it will become a standard procedure that will require a minimum critical mass for the office to deal with it efficiently. We think we can cope with 10 000 registrations. If it goes beyond that, we will have a resourcing problem.

Mrs EDWARDES: Output 2, conciliation and arbitration by the Western Australian Industrial Relations Commission, on page 468 provides for an increased conciliation role. However, the increased workload resulting from the industrial relations reforms is not reflected in the budget papers.

Mr KOBELKE: Again, it is a balancing act in which we are seeking to reduce the number of unfair dismissal cases. About 80 per cent or more of the work of the commission relates to unfair dismissals, and 25 per cent of those concern people who were dismissed in the first three months of their employment. Eliminating one-quarter of unfair dismissal cases will take a huge amount of work away from the commission. I am fairly confident that will happen. The biggest problem, particularly for Mr Spurling in managing this, is that we may not get a reduction in one area at a time when there is an increase in the other. We could have some major blips in the level of activity if the fall in one area does not fit in with the rise in the other. Once we get over that initial implementation period, the savings we will achieve will help the commission to meet that extra role.

Mrs EDWARDES: On page 469, \$150 000 is allocated to a capital works program for computer hardware and software in 2001-02, and I am fully aware of the tender process for that. There will obviously be another tender for 2002-03. Will it be a continuation of the same program, which is being phased in, and does it include hardware as well as software?

Mr KOBELKE: Mr Watt advises it is mainly software development, particularly with the new systems. The commission has already started work on the new systems required for EEAs etc but more work will be required.

Mrs EDWARDES: That will require a new tender. When is that tender expected to go out?

Mr SPURLING: We are working on a new case management system. We have already called tenders for the preliminary investigation of what may be needed. Once that is complete, it will be put to the commission for approval - to agree or not agree, or to change or alter it. The second stage is for the design process, which is again subject to approval. The third stage is its implementation.

Mrs EDWARDES: A further stage will require expenditure in the out years?

Mr SPURLING: There will be no additional expenditure to that which is shown in the budget papers. There will be additional expenditure, but not in addition to what is stated in the estimates.

Mrs EDWARDES: The budget allocation will cover the three stages between last year and the forthcoming year.

On page 469, the capital contribution for 2003-04 is \$320 000. We have just talked about the allocation of \$150 000. This is probably an accounting issue, but will the minister explain the difference in the figures?

Mr WATT: It is \$150 000 for 2002-03. The amount of \$320 000 for 2003-04 includes the probable continuation of further software development in addition to some renewal of hardware - both computing hardware and court reporting hardware.

Mrs EDWARDES: It is not new capital work; it is part of ongoing maintenance?

Mr WATT: It is part of an ongoing program. For the purpose of Treasury presentation, it is shown as new works each year. However, from our point of view it is a continuation of an ongoing project.

Mrs EDWARDES: I was trying to identify what was required for the increased workload as a result of the legislative changes rather than ongoing maintenance requirements. I took it that the yearly allocations of \$150 000 were for new works, but the difference in the amounts is considerable. I am well and truly aware of the need for the upgrade of computer equipment at the commission. Will the allocation of \$320 000 allow that to continue as well as provide for maintenance?

Mr KOBELKE: Existing office space can be accommodated for counters. That will not be reconfigured; it is only the computer software.

Mrs EDWARDES: I refer to page 470 under cost of services, expenses from ordinary activities. Will the minister provide by way of supplementary information a breakdown of the allocations to supplies and services of \$1.465 million in 2001-02 and \$1.645 million in 2002-03?

Mr KOBELKE: I am happy to answer that as supplementary information, but only to the degree to which our current accounting reporting systems allow those things to be easily grouped.

[Supplementary Information No B40]

Mrs EDWARDES: An item on the same page indicates an increase this year in salaries and allowances - as well as full-time equivalents. However, the figure decreases and increases in the following years, which is unusual in the context of forward estimates. What is the rationale for that?

Mr WATT: The increase over the 2002-03 financial year is due to the increase in the number of FTEs associated with the introduction of employer-employee agreements. The decrease in the following year is as a result of an accounting treatment for accrued salaries and expenses associated with the clearance and accumulation of leave. The 2004-05 financial year has 27 pay periods, which is an additional pay period, and after that it returns to 26.

The appropriation was recommended.

Sitting suspended from 1.02 to 2.00 pm