

MACHINERY OF GOVERNMENT (MISCELLANEOUS AMENDMENTS) BILL 2003

Second Reading

Resumed from an earlier stage of the sitting.

MRS C.L. EDWARDES (Kingsley) [7.01 pm]: We are dealing with this Bill after 7.00 pm to avoid delaying the House tomorrow night, given that it is Easter and we are very conscious that members will want to go home as soon as possible to their electorates and particularly their families.

When the debate was interrupted, I was referring to the radical policy changes and the restructuring of the public service that this Bill will implement. Although it is claimed that restructures of that nature are to achieve greater efficiency, effectiveness and responsiveness and to save money or to meet philosophical ideals, their effect on the delivery of service is not taken into account. The major restructuring of public service departments and/or agencies, particularly this Government's approach to it, has caused a considerable loss of service to the community in a number of areas. As I pointed out, planning and infrastructure are a key area in which there have been major delays and the like.

The second aspect I raise, in summary, is the secret Costello report. That report was provided to the Government on 24 December 2002 - the Opposition has not seen it. The Minister Assisting the Minister for Public Sector Management announced in the Parliament yesterday what many of us have heard about for some time; namely, five centralised agencies will be established to deliver human resources to all the departments. One will deliver to the Department of Education and Training, and one will deliver to the Department of Health. The other three will be spread among all the other departments and agencies. This will presumably save \$52 million. However, I suggest to the minister that those savings will not be realised in a short time. The cost of establishing the agencies and making sure that the computer systems are compatible, particularly for payrolls, will be an enormous task. The coalition Government discovered what it was like when it changed the computers in the Education Department. Teachers could not get their correct pay for almost a year or more. That was an appalling situation in which to put teachers. Any variation to teachers' wages became an absolute nightmare. The problems that will be faced by centralising government agencies include the delivery of human resources and payrolls and the like, which means that those savings will not be delivered for some time. The Government will cause itself heartache, which is probably not necessary. I am not sure whether any real benefits can be achieved by centralising those government agencies. More public servants' positions will disappear because of that centralisation. Therefore, the redundancy list will grow. The information I have received is that the redundancy list is very impressive. As at 6 March, 168 people were on it, which is a very impressive number.

Mr J.C. Kobelke: It is a very low number compared with your time in government.

Mrs C.L. EDWARDES: It is a very low number. However, I think it is fudged, and I will tell the minister why. I will also tell him why I think the Government will create more problems with the list. There are many inconsistencies in the applications for registration for redeployment from 1 July 2003 to 6 March 2004. Some people on the list as at 6 March never applied for redundancy. Is there a reason for that? The people on the list include chief executive officers, a policy officer and someone from the media in the Department of the Premier and Cabinet. There is a discrepancy during that time. Some of the people on the list at 6 March have been on it for more than year. That is a serious issue.

The biggest issue is that although the figure is low and looks very impressive, it is fudged and does not tell the real story. A number of departments and agencies have displaced public servants. When an agency or a department is restructured, often it accommodates a number of public servants until they can be slotted into other positions. They might be placed in acting positions even though their positions have been made redundant. They are moved around the public service when they are not on full redeployment, yet they are paid as public servants who do not have jobs. I have written to all ministers and asked them to provide me with the number of displaced persons within their departments. When we get that information we will know how many public servants who do not have jobs are being paid for by the taxpayers. The minister can have a wonderful web site for job applications, but where do the displaced employees go? The Government is still advertising for positions, yet there are a large number of displaced persons in the public sector. I agree with the minister that that is not to say they are not doing a functional job. Jobs could be found for many more people. Anybody can find people a job to do. That is not the issue. The issue is that those people have lost their jobs as a result of restructuring and have been displaced. They have not made an application for registration for redeployment, so they are not on the redeployment list. If they are not on that list, they do not get all the benefits a redeployee gets, including retraining and a managed process to get them into another permanent public sector position. They float in the public sector. How many floaters do not have real jobs of their own? How many do not have access to the proper processes in the public sector to get real jobs or to be retrained? The worst thing is that the Government will add to the list as a result of centralising more agencies. Another large group of people will not

be part of the process because the Government does not want to say that it has a worse redundancy list than the former Government. The minister cannot say that his Government has kept the level of redundancies low and that the figures are real, because they are not. The Government's database is inconsistent and incorrect. It does not include all those public servants who have been paid and do not have a job.

Mr J.C. Kobelke: You are saying how it has always been.

Mrs C.L. EDWARDES: It is far worse. The tightening up of the process of applications for redundancies might very well be a deliberate way of ensuring that departments and agencies better manage future redeployees. I am not saying that the process is not proper; I am saying that the minister does not really know what the process is and does not have a database that identifies those people. When the Government goes through the process of advertising positions because chief executive officers are saying that they need a new level 6 policy officer, for example, how many level 6 policy officers are in the public sector who could possibly fill the job? The minister does not know because they have not got onto the list of redeployees.

Restructuring the public service involves major cost. Whether we get a good public service out of restructuring is questionable when it is done on such a large scale. I wrote down a quote when I was doing my research. I am sorry that I cannot tell members where I got it from, but I will paraphrase it. It is basically that there are a number of impediments to radical policy changes and they outweigh any likely political benefits. Perhaps some of those drastic and numerous policy changes should not be readily adopted. There are costs, such as the politicising that occurs, the reduced service delivery, the loss of corporate knowledge and experience, the loss of training and the reduced level of advice that is available. We have seen many scapegoats during this Government's time in office. I can think of three off the top of my head.

Roger Payne was the chief executive officer of the Department of Environmental Protection and was appointed by this Government. He had a problem with chemicals at a site near Armadale. There was a big public outcry. The minister was on holiday. The chief executive officer addressed a public meeting and said that the department had got it wrong. Why did he get the sack? It was because he told the truth. He said that he was sorry, that the department did not really listen to the public well enough, that it had not adequately taken into account the public's concerns, and that it had not adequately consulted with the public. The minister got back off leave and had a meeting with the Premier. Then Roger Payne went out the door. Why? There had to be a scapegoat. That is one of the serious concerns with politicising the public service and not accepting the independent advice of chief executive officers.

The Western Power board chairman, David Eiszele, was obviously very vocal about the Government's policy for breaking up Western Power. The minister could not work with him. I can understand ministers not being able to work with some chief executive officers. They need to be able to work with chief executive officers in order to deliver proper services to the community. However, valuable advice and corporate knowledge was lost with both those people. That will not be able to be replaced. If the Government of the day makes scapegoats out of chief executive officers because of a lack of ministerial responsibility, there will be a diminution of the public service and of good public service administration. That is a major issue with this Government.

The other serious issue I raised, and which this Government must get a handle on, is the whistleblower legislation. When 21 per cent of public servants respond to the questionnaire of the Commissioner for Public Sector Standards by saying that they know of unethical behaviour but will not report it, that is big; it is really huge. If the small number of people who responded to the questionnaire is taken into account, that is a serious issue for this Government. As a minister and a Government, I would want to know exactly how I could get to the 21 per cent to find out what unethical behaviour had occurred.

I wish to raise a number of issues about the legislation.

Mr J.C. Kobelke: I wondered when you would get to the actual Bill.

Mrs C.L. EDWARDES: The Bill has 535 clauses, so I will start now. The Bill covers 220 pages and 17 portfolio areas. A number of the issues I wish to raise basically involve administrative issues; the badging of names, the designation of departments and the common titles given to departments. I do not know what that will cost! The Opposition also wants to discuss a number of new, substantive issues, including the changes to consumer affairs, the amendment of the powers of the Commissioner for Fair Trading, and the deletion of the reference to the Treasury fund because it is incorrect and out of date. I need the minister to put on the record why those changes are being made. Also, I would like to know why the community development ministerial body model will be the same as some of the other models. The other issue relating to consumer and employment protection is the confidentiality of information and the provision on the protection from liability of wrongdoing. That is covered in clauses 138 to 141. I mentioned the power to publish warnings. The standard powers are covered in clauses 154 to 156. They deal with delegation, confidentiality of information, protection from liability for wrongdoing and judicial notice. Clause 275 deals with the Conservation and Land Management

executive body. Again, I would like to know the reasons for creating that body. I also refer to the clauses that amend the Housing Act. The Bill will merge the Country Housing Authority with the Government Employees Housing Authority, to create a new state housing commission. I ask the minister to explain that amendment, as well as the amendments contained in clauses 395 to 397, which deal with the Public Works Act. That continues into clauses 400 and 404.

I have raised these matters with the minister's officers. I thank them very much for the briefing and follow-up information they provided, and for their responsiveness. They have been particularly good in providing information. I ask the minister to provide that information during the second reading response, to clarify those issues. If he does, I will not particularly need to raise those matters again during the consideration in detail stage.

Debate adjourned, on motion by Mr J.C. Kobelke (Minister Assisting the Minister for Public Sector Management).

House adjourned at 7.18 pm
