

**STANDING COMMITTEE ON  
ESTIMATES AND FINANCIAL OPERATIONS**

**2011–12 BUDGET ESTIMATES HEARINGS**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
THURSDAY, 16 JUNE 2011**

**SESSION FOUR  
LEGISLATIVE COUNCIL AND  
PARLIAMENTARY SERVICES DEPARTMENT**

**Members**

**Hon Giz Watson (Chair)  
Hon Philip Gardiner (Deputy Chair)  
Hon Liz Behjat  
Hon Ken Travers  
Hon Ljiljanna Ravlich**

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**Hearing commenced at 6.47 pm**

**HON BARRY HOUSE, MLC**

**President of the Legislative Council, examined:**

**Mr MALCOLM PEACOCK**

**Clerk, Legislative Council, sworn and examined:**

**MR NIGEL LAKE**

**Deputy Clerk, Legislative Council, sworn and examined:**

**MR RUSSELL BREMNER**

**Executive Manager, Parliamentary Services Department, sworn and examined:**

**MR ROB HUNTER**

**Deputy Executive Manager and Human Resources Manager, Parliamentary Services Department, sworn and examined:**

**MS DAWN TIMMERMAN**

**Finance Manager and Chief Finance Officer, Parliamentary Services Department and Department of the Legislative Council, sworn and examined:**

**The CHAIR:** On behalf of the Legislative Council Standing Committee on Estimates and Financial Operations, I would like to welcome you to the hearing this evening. Before we begin, I must ask the public servants to take either an oath or an affirmation.

[Witnesses took the oath or affirmation.]

**The CHAIR:** We were not quite sure whether —

**Mr Peacock:** No, we are not actually public servants. I am an officer.

**The CHAIR:** You are an officer of the Parliament. We will discuss it outside.

This hearing is being held in public, although there is discretion available to the committee to hear evidence in private, either of its own motion or at the request of a witness. If for some reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session before answering the question. Government agencies and departments have an important role and duty in assisting Parliament to scrutinise the budget papers on behalf of the people of Western Australia, and we value your assistance this evening. Proceedings are being recorded by Hansard. A transcript of the evidence will be provided to you. It will greatly assist Hansard if, when referring to the budget statements, volumes or the consolidated account estimates, members give the page number, the item, the program and the amount and so on in preface to the question. If supplementary information is to be provided, I ask your cooperation in ensuring that it is delivered to the committee clerk within 10 working days of receipt of the questions. Should you be unable to meet this deadline, please advise the committee clerk immediately. An example of the required Hansard style for the documents has been provided to your advisers. The committee reminds agency representatives to respond to questions in a succinct manner and to limit the extent of personal observations. Mr President, I wonder if you might, for the benefit of members and Hansard, introduce your advisers. Advisers are required to state their full name, their contact address and the capacity in which they appear before the committee.

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[6.50 pm]

**The PRESIDENT:** Could I just clarify that we are dealing with both the Legislative Council budget and the Parliamentary Services budget together?

**The CHAIR:** That is correct, Mr President. What I might do is start in one area, but if people have questions in both areas, I think we can probably handle that.

[Witnesses introduced.]

**The CHAIR:** Mr President, do you wish to make an opening statement or should we just proceed straight to questions?

**The PRESIDENT:** I will just mention one thing in relation to the Legislative Council budget. Last year members would recall that a lot of the questioning and discussion took place concerning the overall budget. At that stage we had an application to the government for supplementary funding to correct what we saw as a decade-long deficiency in relation to the Legislative Assembly's funding. I would like to report that that funding came through this year, an extra \$506 000 in this year's budget, and that has been approved into our funding for the next five years. So we have actually secured a much better budgetary situation than we had last year.

**The CHAIR:** Good. I indicate that the three members of the standing committee have the first call, and then other members, if you do have questions, you could indicate that to me.

**Hon KEN TRAVERS:** I am certainly interested in getting an explanation as to the additional expenditure for critical services. Where is that going to be allocated? What specific things is it actually being used to provide? Can you get a breakdown of it?

**The PRESIDENT:** Yes. I will hand to the Clerk, who is the officer, but in general terms it has been allocated across the two major functions of the Legislative Council—the chamber services and the committee office.

**Mr Peacock:** Just further to that, at this stage we have got an additional two FTEs for the chamber operation and two additional FTEs for the committee operation, which for 2010–11 was about \$128 000 for each of those, and then there are other resources for committee operations of \$250 000. That will cover things such as committee inquiry travel and additional resources, where required, for committees, such as specialists for inquiries.

**Hon KEN TRAVERS:** So that is if committees wanted to get outside people to come in and provide them specific expertise?

**Mr Peacock:** Absolutely.

**Hon KEN TRAVERS:** So what sort of budget is there now for that? Do you break it down into a more specific budget?

**Mr Peacock:** We have not broken it down any more specifically than about \$250 000. Because you have got a one-line appropriation, I guess we are trying to give as much flexibility as possible to the committee operations in that sense, so if there is a need for committee travel, which can come up, hopefully, we will be able to move funds around to meet those sorts of demands.

[6.55 pm]

**Hon KEN TRAVERS:** Does the Legislative Council still report travel expenditure in its annual report? I am not being critical, but I do think it is one of those areas that should be very public. A lot of committees used to include in their annual reports, if they did travel, the cost of that travel.

**Mr Peacock:** Certainly in our annual report we outline what the travel has been for the financial year.

**Hon KEN TRAVERS:** Is that broken down into a total figure for the Legislative Council, or is it just broken down into committees, staff, and Presiding Officers?

**Mr Peacock:** We do not break it down into that detail, no.

**The PRESIDENT:** I am searching through the annual report. There is a general comment in last year's annual report, but it is not broken down specifically. I think, from recalling the discussion last year, that I had indicated that that is something that I would like to do, and I still would like to see that happen. Because of our budgetary situation, we are developing guidelines for travel and allocating priorities and so on to various things that come up; so, investigative travel will get preference over just conference travel or something like that. We want to get those guidelines established and sorted out, and we are working on that right now.

**Hon KEN TRAVERS:** I do not know whether we are able to get for the current financial year, as supplementary information, a breakdown of that. Part of the reason for asking this question is that we do not get to ask questions about the budget of the other place. But I think that if we set a standard, we could hopefully put some pressure on the other place to meet the standard that we have set. I would certainly appreciate it if we could get, as supplementary information, what the travel expenditure has been, with a breakdown of the different types of expenditure.

**The PRESIDENT:** I take the member's point, and it is certainly a goal that I have as well, to develop those proper accountability guidelines and reporting guidelines, and that will certainly be included in our guidelines. Just to give the member an idea, travel for all officers of the Legislative Council was budgeted at \$95 000 at the beginning of the year. With our supplementary funding, that could have been taken up to an extra \$48 000. The year-to-date expenditure is only \$42 059.

**Hon KEN TRAVERS:** I suspect that is substantially less than other places!

**Hon LJILJANNA RAVLICH:** We are too scared to ask, to be honest with you!

**The PRESIDENT:** As a subset of that, the travel budget for the office of the President was \$25 000, and the year-to-date expenditure has been \$1 372.

**Mr Peacock:** I think that just indicates the financial situation that we were in in the last financial year.

**Hon KEN TRAVERS:** I do not think the President and I are disagreeing on this point, but there should be a reporting mechanism after the travel as to how much was spent, who spent it, and what it was spent on. That would be a good part of the accountability mechanisms that we should be setting. I think we are in agreement on that.

**Mr Peacock:** I might make the point with regard to that that the President highlighted in the last estimates round that we have set up a website now on the President's travel and the people he sees. So that is being made public as it happens, basically.

**The PRESIDENT:** Just to elaborate on that a bit, there are probably four groups of travel within the Legislative Council. There is obviously committee travel; there is President's travel, for Presiding Officer conferences and so on; and there is staff travel. In addition, there is another element of travel, which I hope we have the resources now to introduce to the chamber, and that is parliamentary delegations to visit various jurisdictions, such as our near neighbours in South East Asia, to develop a bit of a rapport with other Parliaments in the area, similar to what some other places do.

[7.00 pm]

**The CHAIR:** Does the member want any supplementary information, or did they provide enough detail?

**Hon KEN TRAVERS:** I think they just gave it to me. I do not know that I do need supplementary information if they have just given it to me.

Is there any budget for the professional development, both for staff and for members? In saying that, I acknowledge my appreciation that through the committee budget there has been some money

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made available for some of the members of this committee to get some professional development during the break. Again I think it is an area, in terms of modern employment practices, it is probably one area in which the Parliament has lacked in constantly improving the skills of its members and staff. I wondered whether we do have a budget for professional development, and whether any of that additional money is being made available for professional development for any of the people who are affected. That goes for both the Council and Parliamentary Services. It is so important for staff and members to get that professional development.

**Mr Peacock:** Absolutely. I will start with the staff. We have the Australia and New Zealand Association of Clerks-at-the-Table conference. Unfortunately, because of the financial situation earlier in the financial year, nobody went to the last one, but on previous occasions we have tried to ensure that at least four or five of our staff get to go to that conference. It is held around the various states each year and was here on one occasion. That is a great opportunity for staff development. There is also a parliamentary course that is held in Tasmania that allows staff to do basically a university course in regards to parliamentary procedures, which we also try to ensure staff attend. We have certainly got those. There are other courses within Western Australia that staff attend on a reasonably regular basis, particularly the committee office staff. We try to encourage all staff members to take opportunities, through their performance development, to do those types of courses. In regards to members, you are right; we have been doing one or two things in recent times, as you are aware, for members' development. We have also set up the chairs' forum, as you might be aware, which has met on a couple of occasions. That was a recommendation of a Hon George Cash report some years ago. From my point of view, I see that as another great way of developing the chairs' understanding of their roles and building on the expertise there. We certainly have planned for this year; you might have received a letter earlier this year asking members what areas they would like to have some forums in regards to Parliament. We are going to be very proactive over the rest of this year and next year in regards to trying to build that up for members.

**The PRESIDENT:** If I might add just to that, recently—literally a couple of weeks ago—in response to some issues that had come out of the committee office, the Clerk and I invited Hon George Cash, as a previous President and occupier of numerous roles in this place, to act as a mentor to both members and committee staff. He has accepted that role on a voluntary basis, with no remuneration. That, we feel, will help at least one committee particularly that seems to have some difficulty in getting reports to the house.

**The CHAIR:** A couple of other members might have questions in this area, if we can do it that way.

**Hon KEN TRAVERS:** I have more on this, but if you want to go to others first, that is fine.

**The PRESIDENT:** Perhaps to finish off this section, Russell with the Parliamentary Services Department might have something to add.

[7.05 pm]

**Mr Bremner:** Parliamentary Services does a combination of professional development for staff in the parliamentary sphere. That largely equates to visits to other Parliaments to speak with colleagues in similar roles. Also, through the human resources area, they coordinate on behalf of all parliamentary departments, if you like, general staff development for all parliamentary staff. They identify courses or look at the variety of courses we run from time to time in-house in the Parliament. We do a combination of a whole host of things. We take the need for staff development and for professional development very seriously.

**Hon KEN TRAVERS:** Is there a specific budget allocated by either department to that task, or is it taken out of general operating?

**Mr Hunter:** I will focus on staff training specifically. The Parliamentary Services Department holds a budget—I do not have it in front of me—from memory of about \$65 000 per annum just for

staff courses. This does not take account of conferences, professional development, mentoring or whole-of-Parliament-hosted type training events, such as stress management or OSH. In that area for Parliamentary Services, it is \$65 000. Last year, both the Council and the Assembly had their training costs filtered through the HR budget, and I get reimbursed for that at the end of year. They pay their own costs. Last year reimbursement for the Council was, I think, from memory, about \$12 000 for staff costs alone. But the other two departments get access to anything we hold from a whole-of-Parliament perspective. We do that quite often and try to do about three or four of those a year.

**Mr Peacock:** That does not include the ANZACATT.

**Mr Hunter:** Or conferences.

**Hon KEN TRAVERS:** Over the years, has that budget been increasing or is it constant at that \$65 000?

**Mr Peacock:** In regards to the Legislative Council, I would say this financial year it went backwards because of the financial situation, but from here on we expect it to increase.

**Hon PHILIP GARDINER:** I was wondering whether we can have as supplementary information where the additional \$576 000 from the previous estimated actual to the budget estimate is to be expended—the breakdown.

**The PRESIDENT:** It is for the Legislative Council, I think.

**Hon PHILIP GARDINER:** Yes; for the Legislative Council budget—it is for the \$1.139 million to \$1.715 million.

**The PRESIDENT:** This document shows a breakdown of the approved supplementary funding from December 2010, when it flowed from. I am happy to table this document. We have a table and a graph that is quite explicit where the allocations are. The categories are: two additional FTEs for chamber operations; two additional FTEs for committee operations; and other resources for committee operations, which will include the sorts of things we have been talking about like investigative travel, specialists and some other issues that the committees need. In broad terms for this year, \$128 000 was allocated for the chamber operations for those two additional FTEs; \$128 000 for committee operations and \$250 000 for the other resources. It progressively moves up with that sum of money as it flows through the system. We are happy to table that information, which gives a very comprehensive breakdown.

**The CHAIR:** Is that all right for that to be a public document?

**The PRESIDENT:** Yes.

**Hon LINDA SAVAGE:** I was going to ask about the professional development, an issue that I have raised with Malcolm in the past and I had responded to the correspondence. I wonder where that is going. Is that likely to start later this year, did you say?

**Mr Peacock:** Certainly; that is what we are hoping for. In fact, we are doing also a series of documents. The first is on debate on the short title of a bill. We are organising some files and once we have got those files, each member will get a file, and each month we will publish these documents that hopefully will be of assistance to members. As you said, we also sent that letter out asking about areas that members are interested in. Unfortunately, we have only had a very small return on that at this stage so I guess we will be issuing letters again over the next couple of weeks to see what areas they would be interested in.

[7.10 pm]

**Hon LINDA SAVAGE:** I was going to say that I know that the suggestions I made were rather technical and may not be to everyone's taste, but it is a very good opportunity to tackle in more detail some of those issues. I think I also raised an appreciation perhaps how lawyers use *Hansard*

to inform themselves about the meaning of legislation—those types of things that I am not sure everyone would understand when we are debating bills.

The other question I have is about the afternoon teas, so it might be later on!

**The CHAIR:** I think you might as well ask it now; why not?

**Hon LINDA SAVAGE:** I would like to say how fabulous they are and how much I have enjoyed, since I became a member of Parliament last year, having a vanilla slice, which reminds me of my childhood and which I have not seen for a long time. I suppose I worked on the assumption that all that beautiful food that we did not eat went back to the dining room and other people could eat it, which I would be delighted to hear, but it was raised with me by someone recently that actually, for occupational health and safety reasons, what we leave has to be disposed of. Is that correct?

**Hon BARRY HOUSE:** I will defer to Russell Bremner.

**Mr Bremner:** To the best of my knowledge, food that is similar to open food on display for afternoon tea, if it is not used, it has to be disposed of under the current HACCP regulations.

**Hon LINDA SAVAGE:** Could I then I ask whether some consideration might be given to the size of the spread of food that we have, which I think invariably—and I hope I am not doing something I live to regret by raising this —

**The CHAIR:** It is all in the *Hansard*; they will know who to blame!

**Hon LINDA SAVAGE:** I am not suggesting that only sliced fruit and fairy bread comes out, but I am just suggesting that maybe if that is the case, there is an enormous amount of food that goes back, particularly a freshly baked cake each day, which sometimes only has one slice out of it. I do not know if you wish to comment on that, but knowing, as you say, that the food cannot be eaten by other people, I personally would be quite happy if it could be taken home for someone's child's afternoon tea. I just wonder if you might like to give consideration to that, because there is an enormous amount, then, that we are sending back.

**Hon KEN TRAVERS:** By way of interjection you would need to read the CCC reports on integrity before you give it to staff as well!

**Hon LINDA SAVAGE:** The question has been answered that it is disposed of.

**Hon BARRY HOUSE:** Can I suggest that we take that on board and I will ask the President's Steward, who also looks after the Legislative Council catering needs, Anthony James, to monitor the situation and try and get the balance right, because it is pretty obvious when a freshly baked cake comes out every day and goes back rarely consumed at all. An arrowroot biscuit for you in future! But we will monitor the situation so we can reduce the wastage.

**Hon LJILJANNA RAVLICH:** I welcome the additional moneys for travel; however, I do not think that it is anywhere near enough. I want to put this on the public record. I have raised this in Parliament before in relation to when the estimates and financial operations committee sought funding to undertake the investigation into the year 11 and 12 upper school courses in regional district high schools. We in fact had to drive ourselves, and I do not have a problem with that personally, but we also took staff with us, and as nice as it is to have the staff in that very informal relationship, and we enjoy their company and the like, there is an issue of liability should something go wrong. On that occasion I followed Hon Giz Watson and her driving was atrocious; she nearly killed us on a railway crossing!

[7.15 pm]

**Hon KEN TRAVERS:** I understand she was nervous about the tailgater!

**The CHAIR:** I would like a right of reply!

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**Hon LJILJANNA RAVLICH:** I am still trying to recover from that and I never want to go through that experience again. Should any of us have been in an accident, and we were carrying Hansard reporters with us, that would have raised the issue of liability and who is responsible, and nobody seemed to have given much consideration to that. This is more than just about the travel budget; it is about putting an expectation on members of Parliament, due to lack of resources, that is unrealistic in terms of their legal liability towards other members or employees of the Parliament. When I look at this budget within the context of what the real needs are for the travel budget, it is probably a bit undercooked. But, having said that, I am sure there will be efforts to improve that next time around.

I want to put on the public record that whilst the additional two FTEs for the committee operations are welcome, there is no doubt that some committees are doing an enormous amount of work. The chair might think I would say the Standing Committee on Estimates and Financial Operations, but I am going to say the Standing Committee on Uniform Legislation and Statutes Review. That committee has an amazing demand on its resources and time, and it does an inordinate amount of work. That committee could clearly do with both of these FTEs as far as I am concerned, because there have been many times when that committee has been under such pressure that when it reports back to the Parliament, the report is along the lines that it simply cannot undertake the work. That is most unfortunate, and it reflects very badly on the Parliament when work that needs to be done to inform uniform legislation and this state's view of legislation that this state is going to be a part of in the national framework cannot be done. It is a sorry state for this Parliament to be in. Whilst these two additional FTEs are a good start, there is no doubt that more resources are needed, particularly for that committee; and no doubt the Standing Committee on Estimates and Financial Operations and other committees deserve additional resources.

**Hon KEN TRAVERS:** Any committee that Hon Liz Behjat serves on should get additional resources.

**Hon LJILJANNA RAVLICH:** Why?

**Hon KEN TRAVERS:** The member is on both of those committees, and she will read the *Hansard*.

**The CHAIR:** Does the member have a particular question?

**Hon LJILJANNA RAVLICH:** No, not really.

**Hon KEN TRAVERS:** She would have put the clock on if she had known it was a speech!

**Hon LJILJANNA RAVLICH:** If the chair wants a question, it is: by how much does the President expect to increase these items in next year's budget?

**The PRESIDENT:** That is itemised in the general areas of the paper I tabled a few minutes ago. I will make a brief comment on a couple of those points. If things had not changed and we had not got that supplementary funding of \$506 000 this financial year, which will go up to about a million dollars in future financial years, we were already starting to dip into unfunded liabilities for leave entitlements. Ms Dawn Timmerman might be able to explain that situation.

[7.20 pm]

That was the baseline situation that the Legislative Council was coming from, so we have a bit of consolidation and build-up and it is certainly our intention to do our job properly. That is what it is all about—to resource committees, to resource members and to resource staff properly to do our job.

With your point about committees, yes, there is a disparity in the workloads of various committees. We are well aware of that. We have the legislation committee that, apart from one referral, has virtually had no business. We have, as you say, the uniform legislation committee that has had lots of referrals. They are on a strict time line situation that increases the urgency for their work. Yes,



there is a disparity, and I think some steps have been taken. The Clerk may be able to explain a little more about the staffing of those committees.

**Mr Peacock:** You are certainly right; uniform legislation is one of those unique committees. Certainly, last year it would have had probably five or six bills before it at the same time. I think it would not matter how many resources you tried to put to that committee at that time; it still would not have been able to achieve that, because members physically have to read all that information and make decisions. So, that is another problem in itself. Certainly, throughout last year and this year, where resources have been required, we have put those resources in. As the President has highlighted, the legislation committee has not had bills referred to it, so those resources from that committee have been diverted to uniform and others. As I highlighted before, we have put in place two extra FTEs for committees, but I also make the point that we have the additional funding there for specialists, and that is where I think you really ought to be using those sorts of facilities, because you can bring in the people you need for that particular inquiry and they are there only for the term of that inquiry. It is a balancing act with staffing. You do not want to take on 20 staff for a year when you really need only 10 but 20 for points in time. My view is that the staffing down there is reasonable, but I think we should be using more specialists throughout the year.

**Hon LINDA SAVAGE:** I was going to follow on from that. I was not aware of that. So, there is a certain pool of money available for a committee to pull someone in in that way?

**Mr Peacock:** There is now, but there was not prior to December.

**Hon LINDA SAVAGE:** I was listening to you say that for uniform, given that they have moved now to a 45-day reporting. There is still the issue of bringing someone on board, because we often get very short notice when a bill gets to us. But I am interested to hear that. That is something to keep in mind.

**Mr Peacock:** As I was saying, with uniform legislation, obviously it has its standard staffing. What we have done, as you would know, is we have brought in other staff from other committees to help it out in those peak periods. That is the way the staffing will always continue to work. You will always move the staff to where they are required for the short-term requirements.

**Hon KEN TRAVERS:** There is another area in terms of resources that I want to briefly touch upon. My recollection is that, traditionally, the Chairman of Committees got some administrative support. When you were there, Barry, you would have got some administrative support. I know that was taken away, and I assume that was taken away at the time when basically we were cutting back to try to meet the budget, and I guess everyone had to do it. Is there any intention to return some administrative support? It would strike me that it is a position that has an additional workload over and above what other members are having to do. Out of any of this additional money, is there any capacity to return some of that traditional support that was provided to the Chairman of Committees? I do not know how far back it goes, but certainly as long as I have been here, it has always seemed to be there.

**Mr Peacock:** I might make the point that that particular FTE did not actually exist on our books. We were actually funding it from other resources over a number of years. That was one of the reasons that that sort of ceased at some point—when George Cash was there, in fact. We have written to the Chairman of Committees to seek some information about what resources he does need for that position so we can assist in that.

[7.25 pm]

**The PRESIDENT:** Can I just outline the history of that, as I understand it, because it began in about 1991, or something like that, when Hon Jim Brown was the Chairman of Committees and a deal was struck between Hon Jim Brown and the hierarchy at that time to provide an additional staff member. That is the genesis of it. I was the beneficiary of that in the four years that I was Chairman of Committees followed by Hon John Cowdell and then Hon George Cash for two terms—except

for about the last two years of Hon George Cash's second term of Chairman of Committees, it lapsed and he did not employ anybody. It sort of faded away from there. As the Clerk said, it never formally existed; it was an accident of history, if you like. I appreciate the Chairman of Committees does have extra responsibilities. We made a supplementary funding application to Treasury shortly after I became President for that funding to provide that position, but that was knocked back.

**Hon KEN TRAVERS:** That is particularly the case when it is a regional member, I have got to say. You would probably appreciate that more than most. There are so many other functions that you have to go to, often to delegate for the President. It has just struck me, just even in terms of sort of diary management and managing things in your electorate—I mean, other positions that tend to, be it ministers or whatever—that get brought to Perth to get that extra help to manage what goes on.

**The PRESIDENT:** We are working to allocate some time from one of the project officers to help out the Chairman of Committees. We probably have not worked right through that yet and got it moving, but that is the intention. The accountability part of it is that we, as the Legislative Council, cannot provide money for an officer doing electorate work; it has to be parliamentary work.

**Hon KEN TRAVERS:** No, but I guess liaising with your electorate because of your parliamentary duties would be part of it.

The other thing I wanted to turn to was page 53. You made the issue that if we had not got the supplementary funding, we would have been eating into our provisions for liabilities or leave liabilities, I think it was. Because we have just spent all the money you got and a bit more, I turn to page 53. It concerns me that even though this extra money has come in, it would suggest there in the "Statement of Financial Position" that we still expect to have an accumulated deficit that continues to increase over the forward estimates, and that we remain in total equity being a negative sum. Of course, this is an issue that we raised last year. In fact, when I go back and look at last year's budget, both those figures in terms of the total equity and also the accumulated surpluses are actually higher than were being predicted in last year's budget. I am yet to do my "accounting for non-accountants" course, and I am sure I will learn something there, but I would have thought that is not a good long-term practice to be in a position in which we have an increasing accumulated deficit and total equity being a negative. I am wondering whether you can make some comments about that.

**The PRESIDENT:** Can I ask Dawn to explain that?

**Ms Timmerman:** Certainly. I certainly agree that it is not a good long-term position, and following the estimates last year we did raise that issue with Treasury—asked the question. I guess Treasury tends to look at things from a whole-of-government perspective, so deficit lines in a particular agency, they are not overly concerned about. The issue directly relates to employee leave liabilities that have risen significantly over a number of years, both from the perspective of the hours of leave balances, but as pay rates go up, so does the dollar liability. I guess the situation is that if we were to be holding cash reserves to offset that liability, we would be having members complaining that we were not spending the money that we had available. I guess the situation in the past has been that we have needed whatever cash we have had in order to keep the services happening.

[7.30 pm]

Because the Legislative Council does not have any fixed assets—building assets—then the impact of those leave liabilities is significant to the bottom line, to the equity position. There are quite a number of other government departments that have a similar negative accumulated surplus position, but because they have substantial capital assets, the equity position is not a deficit.

**Hon KEN TRAVERS:** Just to make sure I understand, I will repeat back what I think I have heard and see whether I have it right. What you are saying is that it is basically leave liabilities that are causing that, and effectively what Treasury is saying is that if you are ever in a position where you

have to pay out those liabilities, they will provide you with the funding for that at the time; they are not going to give you the cash to spend on something else in advance.

**Ms Timmerman:** They are not going to give you the cash to have sitting in your bank account to offset the liability, yes.

**Hon KEN TRAVERS:** To offset liabilities. But are they saying that if in the bizarre situation that they all became due, or a substantial part of them became due at the same time, they would cover that for us, or are we going to have to sell the rest of our furniture back to Parliamentary Services to cover it?

**Ms Timmerman:** There is no guarantee that the funding would be made available; a supplementary funding application would need to be made in the year that was relevant. Small calls on that liability probably would be managed within the department's budget, but if there was a substantial amount in any one year, a supplementary funding application would have to be made. So the answer, I guess, is that there is no guarantee that that would be the situation.

**Hon KEN TRAVERS:** In fact—I have just noticed—I do not know that we actually do have enough assets to cover it. I have just been trying to see if there are any assets in there.

**Ms Timmerman:** No, there are not.

**Hon KEN TRAVERS:** There is nothing in there at all to cover it.

**Ms Timmerman:** Because the only assets the Council would have would be cash. To hold cash in the bank account to cover that liability would not be considered good management, because you would want to spend it on travel.

**Hon KEN TRAVERS:** The other two, obviously, are “Receivables” and “Other”. Are receivables generally your debtors—people who owe us money?

**Ms Timmerman:** Shall I continue to answer the questions?

**Hon BARRY HOUSE:** Yes.

**Ms Timmerman:** The receivables balance there is essentially the GST receivable, which is a statutory receivable for GST that was paid out prior to 30 June and receivable from the tax office. The other is prepayments, which are expenses that have been paid in June but relate to expenses into the new year. So, for example, if the motor vehicle lease period goes into the next year, you pay it in June, but you are paying for the month in advance. Sometimes the insurance payment is paid for the following year, but it is paid in June, so that is essentially what that is.

**Hon KEN TRAVERS:** It is anything that you have paid for in this year, but the service will be provided in the following year.

**Ms Timmerman:** Yes. An annual subscription, for example, may be paid for in June, but it is for next year's expenses.

**Hon KEN TRAVERS:** Maybe this is a good time, if it is okay with you, Madam Chair, to ask similar questions of the Parliamentary Services Department, in terms of its cash assets, receivables and other.

**Hon BARRY HOUSE:** What page is that?

**Hon KEN TRAVERS:** Page 64 of the *Budget Statements*. Obviously, cash is cash, but are their receivables all GST; and what is their “Other”, which certainly seems to have climbed quite significantly over the past couple of years?

**Ms Timmerman:** The receivables are just the GST and, again, “Other” is prepayments for payments in advance. The Parliamentary Services Department has more annual costs in relation to things like software maintenance agreements, annual subscriptions for library materials and those sorts of things, so that is why the figure is quite a lot higher than the Council.

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**Hon KEN TRAVERS:** What about money owing to the department by others? Where would that be showing up in the statement of financial position?

**Ms Timmerman:** That tends to be very minimal. The only income that either of the departments has of any note is where we maybe recoup expenses for costs that have been paid out. So, yes, for members who choose to access the printed *Hansards*—the bound *Hansard* volumes—we will recoup that cost from the members. The actual income for the year is very, very small, and so the receivable at year end is very small as well.

[7.35 pm]

**The PRESIDENT:** Sometimes functions that members—I am sorry, that is parliamentary refreshments.

**Hon KEN TRAVERS:** Where would the parliamentary refreshment account appear in these budget papers?

**Mr Bremner:** The PRR does not appear in the budget papers. PRR is run as a members' club and reports to the Parliamentary Services Committee.

**The PRESIDENT:** It is an internal fund, owned and administered for members.

**Hon KEN TRAVERS:** Where does it report?

**The PRESIDENT:** To the Parliamentary Services Committee.

**Mr Bremner:** It reports to the Parliamentary Services Committee. It is annually audited, and the audit report and the report of the Parliamentary Refreshment Rooms is produced at each quarterly meeting of the Parliamentary Services Committee.

**Hon KEN TRAVERS:** Right; so that is completely operated separate to these accounts.

**Mr Bremner:** That is correct.

**Hon KEN TRAVERS:** Would the staff come out through this budget?

**Mr Bremner:** No. Parliamentary Services provides the staff and the infrastructure for catering operations at Parliament House. In respect of food, drink and other consumables, they are all purchased by the Parliamentary Refreshment Rooms and they are charged for by the Parliamentary Refreshment Rooms. The basis of that charging is cost plus 10 per cent. So there is an overhead picked up in the Parliamentary Services' budget for catering staff and infrastructure, and some catering services; however, the food component and the alcohol et cetera are all through the parliamentary refreshment rooms.

**Hon KEN TRAVERS:** I must say that it is amazing. You learn something new every day that you are here. Do the suppliers who supply it realise that they are not supplying to Parliament? I mean, who underwrites it? I know what you have said; that it is cost plus 10 per cent. But if something went wrong and that club, as we are describing it, was to suddenly get into debt and not be able to meet its debt, who picks up that?

**Mr Bremner:** The Parliamentary Refreshment Rooms is an entity in its own right.

**Hon KEN TRAVERS:** So is it an incorporated association? Or have I joined a non-incorporated association and accepted liability without realising it?

**Mr Bremner:** No, the Parliamentary Refreshment Rooms is just that. It is run as a members' club.

**Hon KEN TRAVERS:** But it is not an incorporated association.

**Mr Bremner:** No; it is not an incorporated association.

**Hon KEN TRAVERS:** So each of us who are members of it by way of having a direct debit for our payments would, I suspect, be considered to be members of it. Or is it just the President and the Speaker who are considered to be the members?

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**The PRESIDENT:** No, no.

**Hon KEN TRAVERS:** I am interested to see who is going to get the liability here!

**The PRESIDENT:** Everybody is responsible!

**Hon KEN TRAVERS:** I know that I am laughing, but it is actually quite a serious issue. I would have thought that the people who deliver items, food and what have you would believe that they are delivering to the Parliament and that they would be covered by the Parliament, and I suspect that —

**Mr Bremner:** The Parliamentary Refreshment Rooms runs a completely independent cheque account for payments. All accounts for that entity are rendered to the Parliamentary Refreshment Rooms, And the Parliamentary Refreshment Rooms, via the joint Parliamentary Services Committee—as it changes from time to time; depending on which Parliament we are at—undertakes a monitoring and control function for the Parliamentary Refreshment Rooms. That is all —

**Hon KEN TRAVERS:** So you do monitor that as Parliamentary Services then.

**Mr Bremner:** We certainly do. The finance area of Parliamentary Services sends out accounts and pays accounts on behalf of the Parliamentary Refreshment Rooms. All accounts are listed and at each Parliamentary Services Committee meeting; those accounts are formally passed for payment by that committee.

**The PRESIDENT:** So in effect there are some services in kind provided by Parliamentary Services.

**Hon KEN TRAVERS:** I understand that.

**The PRESIDENT:** And the Speaker and myself are joint co-chair for that committee.

**Hon KEN TRAVERS:** Yes; I understand the Parliamentary Services Committee concept. But the other thing I find interesting is how do you even get a chequebook if you are not an incorporated association; that is, how do you pass the necessary tests to be able to have a bank account?

[7.40 pm]

**The PRESIDENT:** I am told there is no problem.

**Mr Bremner:** We have always had one, and every time we have run out of cheques, our bank provides us with more.

**The PRESIDENT:** I think it is historical precedent that has been going for about 120 years.

**Hon KEN TRAVERS:** One of the reasons I am interested in this is that there are rumours sweeping the Parliament that there are a couple of accounts that are significantly overdrawn. I do not know whether that is true or not—that there are a couple of accounts where people have run up debt. I did not even know you could run up a debt; I have always had mine on direct debit, which is why I have always probably assumed it was a part of the Parliament. Is it correct that there are some significant amounts outstanding to that club?

**The PRESIDENT:** I will just note generally that my understanding is that 89 out of the 95 members of Parliament have direct debits from their accounts, and they are settled on a monthly basis. There are another six members who have different arrangements at their request, and they are entitled to do that if they wish. There has been some discussion at the Parliamentary Services Committee about the issue. I do not know any names of those six at all, but to my knowledge there is no significant amounts of money outstanding. Russell might like to add something in addition to that.

**Mr Bremner:** All I would and could add to that is that at the last meeting of the Parliamentary Services Committee, my recollection of the financial statement that was tabled there was that the

amounts of moneys owing to Parliamentary Services more than 60 days in arrears was fairly insignificant.

**Hon KEN TRAVERS:** Is that there may have been a problem in the past and it has been fixed up now, and that is where the concept has come from? It could also have been former members, as well as current, could it not?

**Mr Bremner:** Yes; former members, current members and staff are all eligible to have an account with the parliamentary refreshment rooms and to use parliamentary catering.

**Hon KEN TRAVERS:** And there is no-one who has a significant amount outstanding or has had a significant amount outstanding in recent times? I am not asking for back when Norman first arrived or anything like that!

**The PRESIDENT:** I was in fact contacted by a media operator a couple of days ago with some sort of allegation along those lines. I have made some inquiries, and there is simply no substance to that at all. There is no significant amount outstanding at all by any individual or collectively, really. It is not a major amount.

**Hon PHILIP GARDINER:** The mystery to me is just who is funding the working capital. Where is the funding for the working capital? For example, if we are paying for the arrival of drinks or food, we are paying before we actually get the revenue from whoever is having the party. Who is providing that funding? Where does that funding come from?

**Mr Bremner:** The working capital is a working capital balance within the parliamentary refreshment rooms itself.

**Hon PHILIP GARDINER:** I understand, but who is funding that, or what is the funding of it? Who provided either the equity or the loan funds for that in the original circumstance?

**Mr Bremner:** We are probably going back to late nineteenth century in respect of that.

**Hon PHILIP GARDINER:** So it has accumulated funds from that point.

**Mr Bremner:** It is accumulated funds. We work on the basis of cost plus 10 per cent, and out of that notional profit, if you like, there is a gradually increasing working capital amount, but there is also a host of expenses that come out of that every year—members' Christmas party et cetera

**Hon PHILIP GARDINER:** But the 10 per cent covers that, and it keeps on building enough into it.

**Mr Bremner:** Yes, and that is why we have 10 per cent margin.

**Hon PHILIP GARDINER:** I understand. Thank you.

**Hon KEN TRAVERS:** This has got me completely intrigued now. I do need to clarify, because I guess we get this all the time. When we say "significant", we are talking about no more than \$1 000 or \$2 000. I know I have on a monthly basis run up \$500 there.

[7.45 pm]

**Mr Bremner:** As the President indicated, I think he quoted the figure of 89 out of —

**Hon KEN TRAVERS:** Yes, but the amounts of any one individual are no more than \$1 000 or \$2 000—that sort of figure—when we say excessive.

**Mr Bremner:** Yes, certainly; it is well south.

**Hon KEN TRAVERS:** That then raises the question for me: if that club is selling alcohol, who holds the licence? Sorry to start throwing this up, but this has just got me fascinated now.

**Mr Bremner:** I would suggest the Parliament does not need a liquor licence.

**Hon KEN TRAVERS:** It makes me feel more comfortable that it is back to the Presiding Officers who carry the liability then.

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**Hon LJILJANNA RAVLICH:** I want to ask a question on behalf of Hon Liz Behjat. It relates to the Parliamentary Services Department. I am assuming that, for a lot of the services that you provide, particularly when functions are taking place and members have groups up here for those functions, you work on some sort of a cost-recovery basis.

**The PRESIDENT:** Cost plus 10 per cent.

**Hon LJILJANNA RAVLICH:** Cost plus 10 per cent.

**The PRESIDENT:** Sorry; I had better let Russell explain it.

**Mr Bremner:** Depending on the nature of the function being held at Parliament House, there are a number of different permutations, but I guess the basic ones are if it is a function being held up here during normal working hours when we have staff on duty who are available, it would normally be costed out at cost plus 10 per cent. If, however, it extends after hours, we would charge a surcharge for any staff costs we were to incur, plus any hire of equipment or anything of that ilk.

**Hon LJILJANNA RAVLICH:** All right. Really, the question relates to the hire of equipment. Hon Liz Behjat's question is: why do we have to pay for the hire of equipment; for example, \$250 for the hire of speakers and a lectern when in fact they are already there? I must admit, if you are hiring them out at \$250, that is more than cost recovery plus, because you could probably go out and buy a lectern for \$150 anyway. Likewise, in terms of the hire of the speakers, you must be making a fortune on your speakers. I think I will get a set of speakers myself and maybe go into business. It does seem extremely high, and \$250 just for the hire of a lectern and speakers does seem to be a bit extreme.

**The PRESIDENT:** Could you explain the rationale?

**Mr Bremner:** Yes. My only comment would be that the staging, the lecterns and the speakers get replaced from time to time, and we need to recover the costs of that equipment. How that actual amount was calculated or why it was calculated, I could not say. I can only presume that it was calculated out on the average number of hires over a period of time for the life of the speakers, say.

**The PRESIDENT:** Can I just respond, too? I have actually seen some of the figures quoted for various functions, and I must admit I have raised my eyebrows in relation to some of the quotes for some of these additional items. I think it is fair to say that we might have a look at that to see what the actual logic is and the actual costings behind those figures.

**Hon LJILJANNA RAVLICH:** Mr President, when we put it into the context that this is the house of the people, what we really should be doing is trying to encourage people to come to visit these houses. When it gets so cost prohibitive for a member to do so, I think we are all worse off for it. So I very much appreciate you having a review of that cost structure in relation to the hire of equipment for facilities.

[7.50 pm]

**The PRESIDENT:** I think you make a fair point. We have worked very hard over the two years I have been President—and I know it has happened before my time with governments of all political persuasions—to try to improve our facilities here. We are very short of meeting rooms and function facilities particularly. If we had much better facilities, on those terms alone it would certainly make it much easier and more cost-effective for us to invite the people into Parliament, as we should do in principle.

**Hon LJILJANNA RAVLICH:** Mr President, you know that I am a selfless person and I am here to represent the constituency!

**The CHAIR:** If there are no questions from other members in the chamber, I will stick with the members on the front row. Hon Ken Travers.

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**Hon KEN TRAVERS:** People have always said I should have been in the front row; I have never understood that, though! I do not know that I could go to quite the level of saintdom that Hon Ljiljanna Ravlich deserves!

There has been a traditional backlog of work on Parliament House, both in terms of general structural maintenance, and also occupational health and safety. Where are we up to in clearing that backlog? I notice there is still some money there for the maintenance backlog, but it is down to \$500 000 a year. Is that sufficient to maintain the building in a way that it does not deteriorate?

**The PRESIDENT:** Russell might like to explain what that \$500 000 specifically is going to used on, and I will then make a couple of general comments.

**Mr Bremner:** The \$500 000 tranche we get every year is the total capital funding that has been provided to us by government. We have to utilise those funds for essential and urgent building maintenance; we have to use it for essential and urgent IT infrastructure and system maintenance; and also any other matters of capital importance, such as Reporting Services sound equipment and general facilities around Parliament House et cetera. The last report that we had about backlog maintenance at Parliament House was that it was approaching \$10 million. We have repeatedly put up substantial budget bids to governments of all persuasions, and to date none of those has been successful in addressing the quantity of backlog maintenance, restoration and renovation that a heritage building deserves.

**The PRESIDENT:** In general terms, can I say that we have all worked very hard at trying to convince Treasury and government of the current situation in terms of this building as a heritage building and as one of the state's most important institutions; and also looking towards the future in terms of workability. For instance, Parliament leases space in five separate buildings around the area, and it is quite disjointed, really, in some aspects. We have put our case very strongly, both on the issues mentioned by Russell, and also in terms of future upgrades and buildings to coincide with this building. The latest attempt at that was spectacularly unsuccessful. At the last budget, we were allocated that \$500 000, and that was it, without any supplementary budget. But the reasoning from Treasury was that it wanted to consider our needs in a holistic way and not in a piecemeal way. I can accept, with my fingers crossed, that the holistic way is being seriously look at in terms of a master planning exercise that we have been involved in. That master planning exercise is not owned by us. It was set up by the Premier, and it is owned by the government as its document. We hope that all those things will come together to give us the additional facilities we need and to attend to all the issues associated with what Russell was talking about.

[7.55 pm]

**Hon KEN TRAVERS:** I guess that the thing that I am particularly concerned about with a building of this age is that if you do not do the maintenance, the cost is—I see two areas; one is if you can develop your own buildings that replace those that you lease and it is cheaper to build your own, then we should be doing that, and the second is that if we are not doing the maintenance on this building, when you do a business case on it, you realise it is costing you more not to do it than to get ahead of the game. What I am hearing is that we are not ahead of the game. In the long term, it will actually cost the state more by not doing it than by doing it.

**The PRESIDENT:** Absolutely. I also have a list in relation to the maintenance backlog. It is quite an extensive list, totalling about \$11 million. That does not include the forecourt and fountain structures at the front of the building.

**The CHAIR:** I am interested to know what the details are.

**The PRESIDENT:** Perhaps Russell can run through it.

**Mr Bremner:** Catering infrastructure upgrade: our kitchens downstairs are approaching 40 years of age and we have done minimal work down there due to a lack of funding over the years. Upgrading broadcasting TV system and cabling for digital transmission: we are moving to digital television in



2013. The parliamentary broadcasting system is an analogue system and we estimate that, at the very cheapest, to introduce digital broadcasting we are looking in the region of \$380 000. However, if we were to do it in a similar way to what three other Parliaments have done, which is called internet protocol TV, which links all the bell systems and a lot of the communications systems in the Parliament, you are looking at about \$1.5 million. Office air conditioning program: we currently have the situation where the majority of members' offices are individual split system air conditioners. Some of those date back 14 years. We are getting to the stage where it is difficult to find spare parts for some of them. The additional complication there is that the type of gas they use is no longer permitted. So if we were to replace them, we would have to replace the pipe work. That involves taking ceilings out of corridors and channelling pipe work in.

**Hon KEN TRAVERS:** Can we just go back to opening the windows?

**Mr Bremner:** We are looking at about \$3.5 million for that. The east side of the building requires retiling, at a cost of about \$250 000. We still require, and we spent in the previous financial year about \$1.3 million on, a major electrical upgrade. That funding was much appreciated. However, the actual cost of the electrical upgrade, when it went out to tender, was closer to \$1.8 million, so we are still about \$500 000 short of that, so we had to cut back the tender and cut our cloth to make our suit. Stoneworks: we have 1904 vintage stonework, which, from time to time, the water starts to permeate through. You might recall that several years ago, over a couple of years, we actually had the four aspects of Parliament House covered with scaffolding while we had significant stonework redone. We estimate that several hundred thousand dollars worth of stonework needs to be done. The Victorian Parliament is doing a similar stonework restoration of their Parliament, and that is costing them in the order of \$15 million over five years. There are a number of flat-roof areas in the Parliament that are covered by a waterproof membrane. That membrane degrades and breaks down over time. It only needs a slight nick, and all of a sudden it becomes permeable by water. So we need to replace that membrane from time to time. We are looking at probably a couple of hundred thousand dollars to do that.

**Hon KEN TRAVERS:** I suspect that is a classic case of if you do not do it, you could be up for a couple of thousand dollars worth of carpets and equipment.

**The CHAIR:** I think I noticed buckets in the last heavy downpour.

[8.00 pm]

**Mr Bremner:** Yes. Every time we have a downpour, we have problems. The general builders' work and repairs around here would probably quite easily cost a million dollars. When resurfacing the driveways we had to put in a fire ring main. The main forecourt of Parliament house has a black macadamised strip running parallel to the east side of the building down the middle where that pipe work was sunk into the ground. There are some rather large trees close to the northern and southern driveways of Parliament House that are causing roots to come up, and the driveways are starting to break down and are coming close to being occupational health and safety tripping-type hazards. The amount of painting and varnishing et cetera for timber restoration is a constant headache. A couple of years ago, for the first time in 40 years, we cleaned the marble in the main foyers, the stairway areas and around the corridors and the buildings. But we found at that stage that it was breaking down and starting to come away and fracture because of age. Similarly, to this day, some of the light fittings introduced in 1964, when the eastern side of the building was added, remain unearthed. We replaced a large number of light fittings in the last summer recess but we have considerably more to replace and we are hoping for the funding for that because of the earthing issue.

Also, we probably need at least \$2 million for a significant security upgrade for Parliament House. The only way we can secure Parliament House is by making some major changes to entrances et cetera and introducing some other security measures around Parliament House. As the President said, that does not go near the work needed on the fountains, which have been closed for the past

six years. Concrete is still spalling off it. Aesthetically, I will let members form their own view of what it looks like down there. We have had it closed from time to time because of falling concrete. When it has become dangerous, we have taken a lot of loose concrete off. We have it inspected at least biannually by an engineer to ensure safety, but the water has created problems. In the forecourt near the flagpoles, the concrete blocks on the eastern side above the fountains and above the plant room have all started moving and becoming depressed, so some significant work is required there.

**Hon KEN TRAVERS:** I am glad I asked; I wanted to be cheered up before I finished estimates for the week!

**Mr Bremner:** That is what I call the maintenance backlog at Parliament House. That does not take into account any type of refurbishment of the general areas of Parliament House or refurbishment of member officers and such like to try to turn it into a more useful building, if you like.

As the President said, we still have the basic situation with lack of member accommodation, where two and in some cases three members share an individual member's office.

**Hon KEN TRAVERS:** I am in a three-member office, I know what it is like, although I am happy with my colleagues.

Is there any asbestos in the building? The area that worries me is the forecourt, which I would have thought was built when asbestos was used in various ways. If there is any asbestos in that building and it is decaying, I wonder whether it is a problem. I am not an asbestos expert. Have we done an analysis to check whether there is any asbestos around the building?

**Mr Bremner:** We have certainly done a major review of Parliament House for asbestos. At various stages over probably the past three years we have closed various parts of the building and removed asbestos as per the requirements to take it out. As far as I am aware, there is no more asbestos. However, the longer you work in this building, when something goes wrong and you have to delve behind the scenes a bit into the brickwork and things like that, the more you find out. There are very few plans and drawings of a building of this age, so quite often you do not find out the problems until you get to that level of detail. I would hesitate to say no, there is no asbestos in Parliament House, but I think to the best of our knowledge and the best of our ability to actually check, we have managed to identify and remove that which we know of.

[8.05 pm]

**Hon KEN TRAVERS:** Does that include that forecourt area?

**Mr Bremner:** I am not sure; I would have to check.

**Hon KEN TRAVERS:** Can we get that on notice as well?

**Mr Bremner:** Sure.

[*Supplementary Information No D1.*]

**Hon KEN TRAVERS:** My final question is: do the new offices across the road for the Premier have any implications for the Parliament land? I do not know how far our boundaries run, what we own and control and whether or not there are any implications for parking. Basically, are there any implications for the Parliament of the new offices for the Premier going across the road?

**The PRESIDENT:** In the sense that the parliamentary precinct may include all of that area. There are couple of definitions of the parliamentary precinct at the moment. One, the broadest definition, covers all of that Hale area, Malcolm Street and a large area incorporating some of the buildings in West Perth, but it is not legislated. The finer definition of the parliamentary precinct is just the immediate surrounds of this building and the parliamentary reserve—just this side of Harvest Terrace. That is one of the issues that I believe we have to get clarified, and other Parliaments have actually got parliamentary precinct legislation to clarify exactly what is the parliamentary precinct and what is not.

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**Hon KEN TRAVERS:** But the parking area across the road, are you saying that that is not in control of the Parliament?

**The PRESIDENT:** The staff car park?

**Hon KEN TRAVERS:** Yes.

**Mr Bremner:** The land you are calling the staff car park is under the control of the Parliament of Western Australia, yes, and there has been no indication that that is going to change at this stage.

**Hon KEN TRAVERS:** And the building otherwise known as the “Summer Palace”?

**Mr Bremner:** No, the building known as the “Summer Palace”, and all other buildings on that West Perth area are under control of executive government. The “Summer Palace” is Department of the Premier and Cabinet controlled.

**The PRESIDENT:** The plans that we have seen for the relocation of some elements of executive government up to Hale House will involve an upgrade, as I understand it, of “Summer Palace”. Hopefully it will disappear forever, because it is a very ordinary piece of accommodation.

**Hon KEN TRAVERS:** I think the Liberal Party tried to get rid of it a couple of years ago, didn’t they?

**The PRESIDENT:** Somebody tried to burn it down and somebody foolishly stopped them! I suppose the only thing I can say in addition is that the Parliament has done some work with executive government and the City of Perth in developing this whole precinct, and in that way, yes, we are linked in every way. I am not at liberty to announce any of that at the moment, but what we are seeing with the proposals for the Premier’s and other ministers’ accommodation across the road are part of a bigger picture, if I can say it like that.

**Hon KEN TRAVERS:** I guess it is more a case of the specifics of that parking area for instance. I would have thought that that has an implication for the redevelopment of Hale House for security and a whole range of other areas, and I wondered whether or not there is an issue—if they want it for their own parking, because I do not know where the Premier’s staff are going to park under the proposal. And there are the security issues of it and also the potential for the staff parking over there—to be quite honest I reckon if the Premier’s office is over there, you are going to have a rally a week. They will not come here; they will just go there. And where are they going to rally? They are going to rally in the area immediately in front. So there becomes potentially a whole range of issues from the Parliament about what we do with our staff parking. I would have thought that the other big question was where the staff for the new Hale House park, for instance. Are they going to be wanting part of that for their own parking? Those are the sort of implications I was trying to find out. I would have assumed that it would have some impact.

[8.10 pm]

**The PRESIDENT:** We have not been informed of any of those issues. At this stage we have no reason to believe it will impinge on Parliament. If we do get a request, then we will have to look after the Parliament’s interests; that is our job. We will ensure that we cater for parking for members and staff.

**Hon KEN TRAVERS:** I do not know where the Premier’s staff are going to park, to be honest.

**Hon MATT BENSON-LIDHOLM:** After listening to the President talk about pyrotechnics and also taking on board what Russell said, I think there is a need for a full and open safety audit of the whole precinct. Maybe it has been done. We talk about cars, traffic and the number of buildings off site with staff and members crossing roads and issues relating to an ageing building such as the amount of timber in it. This a historic precinct with lots of history and, heaven help us, if we ever had a fire—I hope we never do—the sort of things that could happen in a precinct like this are fairly scary. Hon Ken Travers talked about the possibly of asbestos in the building, and no-one seems to

know. We are addressing problems on an ad hoc basis and when bits of concrete start peeling off a wall or a building, we address that. Is it time for a full and open safety audit of this entire precinct?

**The PRESIDENT:** The Parliament has done that work for the parliamentary precinct and the parliamentary reserve. For instance, Russell read out that long list of maintenance backlog, plus we have a whole series of documentation that we could produce immediately to executive government to outline the current situation at the Parliament—the buildings and the parliamentary reserve—and, at the same time, inviting executive government to help us overcome those things. We cannot generate money ourselves.

**Hon MATT BENSON-LIDHOLM:** That is true. However, from what I heard we are still grabbing bits and pieces of information from all sorts of areas. I might be wrong, because it is not my area of expertise, but maybe we need to do something like that at this point in time because things need to be documented and presented. I refer in particular to the comments on asbestos in the building, and I do not think people really know the answer. That information may be contained somewhere within the bowels of Parliament House; however, I would like it to be brought together in one package. I may be wrong and other members might not share my sentiments, but it sounds as though there needs to be some coordination—or maybe we can take it a step or two further, as Mr President just suggested, and present those concerns to executive government.

**The PRESIDENT:** Within the master planning exercise that I alluded to, we have presented the history and the current and future needs as comprehensively as we can. I might say that the Parliament was better organised than some elements of the bodies that were involved in those discussions. A lot of the essential groundwork that Hon Matt Benson-Lidholm referred to has been done and has been presented to executive government. We are anxiously awaiting the executive government's decision followed by an allocation of money.

[8.15 pm]

**Hon MATT BENSON-LIDHOLM:** A big bucket load of money!

**Hon PHILIP GARDINER:** In the budget, there is no item for the Auditor General. The Auditor General reports to the Parliament. In any traditional corporation, you have an internal audit that audits that executive but reports to the board, which is the same as we have here. We have an Auditor General who reports to the Parliament through the reports he delivers to the Parliament. But there is just that smallest element of conflict of interest, because his allocation in the budget, of course, comes from the executive, when, really, it should come under, I would have thought, the combined lower house and upper house, which I know these do not represent. I would have thought that that is a restructuring that is worth consideration for the future.

**The PRESIDENT:** I just point out that Parliament's allocation comes from the executive as well.

**Hon PHILIP GARDINER:** Yes. Everything in the end comes from the executive, but the force of argument for how much is required for the Auditor General's funding should really be coming from Parliament, not from the executive.

**The PRESIDENT:** Perhaps the Clerk has some information.

**Mr Peacock:** Under the Auditor General Act when it was passed in 2006, there was a provision put in there that there would be a joint standing committee of this Parliament that would review the actual budget of the Auditor General. That is currently on our notice paper for consideration for the establishment of that joint committee.

**Hon PHILIP GARDINER:** So it is already in the course of consideration in that case.

**Mr Peacock:** It has been for five years.

**Hon PHILIP GARDINER:** And its impediment?

**Hon KEN TRAVERS:** If Dawn was not sitting where she was!

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**The PRESIDENT:** It is the will of Parliament, I would suggest.

**Hon PHILIP GARDINER:** The will of Parliament?

**The PRESIDENT:** Ultimately, that is what it comes down to.

**Hon KEN TRAVERS:** I will move the motion!

**Hon PHILIP GARDINER:** I will second it!

**The CHAIR:** I will ask a couple of questions because we are talking about the building and the costs of maintenance. I was also interested in the running costs and particular issues to do with energy auditing and sustainability and water use, paper use and whatever. It has been a while since I have asked questions in that area. Do we have a sense of whether we are becoming more efficient and more sustainable as an operating unit and have you got statistics on that over the last few years to indicate where we are at? I guess that ultimately might also be a cost saving to the running costs of the house as well—or it should be.

**Mr Bremner:** One of the key strategies of Parliamentary Services for the last couple of years has been in the area of sustainability. Looking at the three particular aspects, one is water usage, another is energy and the third one is just general waste management and recycling. As far as water usage goes, yes, our water figures are down considerably. As far as energy usage goes, they are probably keeping level, but I would suggest that is more to do with the fact that we have had a couple of very hot summers in a row. Also, we have introduced air conditioning in both chambers over the past five years.

**The CHAIR:** Which I imagine is really hard to be efficient, having air conditioning of this design.

**Mr Bremner:** I might add in respect to water and in respect to energy usage, neither of them is reflected in substantial or, in some cases, any savings at all because of the increased cost of utilities.

[8.20 pm]

**The CHAIR:** But you would have saved on what would have been an increased bill if you had not.

**Mr Bremner:** That is correct. We have done a lot with the gardens to make them waterwise. We have done a lot to change scheme water to bore water. We have cut down watering regimes. We have put timers on. Waterwise plants et cetera, taking all the lawns out—water we are on top of. As far as energy usage goes, we have put photovoltaic cells on the roof, which now provides all the hot water on the western side of the building and the gymnasium. We have also done a great deal of work in trying to make the —

**The CHAIR:** Photovoltaic to heat the water—would you not be using a solar hot water system?

**Mr Bremner:** Sorry, a solar hot-water system. We have recently looked at photovoltaics and we were considering whether we wanted to go down that route, but the investment is horrifically expensive and we just do not have the dollars for it for the return.

**The CHAIR:** Need a simple feed-in tariff.

**Mr Bremner:** As far as energy usage, this building is very difficult to make energy efficient because we have an open courtyard; we have open corridors. The corridors are not air conditioned. As I said before, the majority of the member's officers are individually air conditioned. Lights—we do not have a central HVAC-type building management system. We cannot just turn all the light off; they have all got to be individually done. Because members are going in and out of their offices all the time, whereas in a normal open-office arrangement environment, you can close down whole floors and things like that and make them energy efficient—very, very difficult to do when you have separate cells in Parliament House.

As far as waste management and recycling goes, some of the areas—I have the details if you are interested. We recycle all our wet waste from the kitchen, all our garden waste, all our general

office and building waste is all recycled, all our grease traps are recycled, paper is recycled, toner cartridges, cardboard and glass, plastic bottles, aluminium tin cans, juice, milk containers, all our cooking oil and fat from the kitchen area, printer facsimile and photocopy cartridges. We are doing as much as we can with recycling. It is a constant education process though. We are not a building that is occupied by a static population; we have members coming and going and things like that. A lot of our recycling activities and energy saving activities are geared towards the staff that occupy Parliament House and the annexe buildings, but also we try to introduce some energy savings and recycling as far as members are concerned and member services via, say, the kitchen et cetera.

**Hon KEN TRAVERS:** I only had one question and that was for the Clerk. Why do you not seek the same satisfaction rating as the Legislative Assembly does from its members?

**Mr Peacock:** Just repeat the question.

**Hon KEN TRAVERS:** I said why does the Legislative Council not seek to have the same level of satisfaction from their members as the Legislative Assembly does in terms of its performance?

**Mr Peacock:** In regards to 90 per cent?

**Hon KEN TRAVERS:** “Average member rating for procedural advice”, page 50, all of ours are 80 per cent and they are seeking 90 per cent. I would have thought we could do it far better.

**Mr Peacock:** I might say that figure was established a few years ago. The first point I make is we have only had an annual report since 2005 and at that time I was the one that wanted to introduce performance indicators. That was decided between Treasury and the Auditor General as to what was a reasonable figure to set. I think you are right. From my point of view, we should be trying to get 100 per cent at all times.

**Hon KEN TRAVERS:** I am confident we can do better than they can.

**Mr Peacock:** Obviously, we are going through that process at the moment to gauge members’ level of satisfaction in the various areas. In the next annual report it will be interesting to see if we do reach that. At the moment the minimum is what we have got set there and can be reviewed, obviously, by the department.

[8.25 pm]

**Hon KEN TRAVERS:** I think in the past we have talked about that whole issue of trying to standardise things, even though we are different, and trying to get it so that you can actually compare across. I do not know where that work is up to, but I do think it is important to try to have that standardisation across the Parliament.

**Mr Peacock:** I guess we have probably gone further than the Legislative Assembly in that sense because we do break ours down into committees and the house and that sort of thing. I guess we are trying to expand on our reporting.

**Hon KEN TRAVERS:** And they bribe their committee members by putting on really flash morning teas for them as well!

**The PRESIDENT:** It is probably an appropriate time—I was going to say this in conclusion—to, on the record, express my appreciation for the staff who service the Legislative Council, and the Parliamentary Services Department. We all know that the Clerk has had a difficult year, and under those circumstances Malcolm and Nigel have done an outstanding job, in my view, in terms of the Legislative Council; and from the Parliamentary Services Department, Russell and Rob, in particular, are very competent, capable people. Dawn Timmerman services all three departments of the Parliament in an outstanding way, such that I think, for the third year in a row, the Parliament financial accounts were given—what was the name of it?

**Ms Timmerman:** We had two years in a row.

**The PRESIDENT:** I made it sound a little bit better!

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**The CHAIR:** We are heading for a third!

**The PRESIDENT:** We got a gold stamp from the Auditor General.

**Hon KEN TRAVERS:** You would not get any disagreement from anyone here.

**The CHAIR:** Are there any further questions? If not, we can knock off; I just thought I might mention that!

The committee will forward any additional questions, if there are any, to you, Mr President, in writing in the next couple of days, together with the transcript of evidence, which will include any questions on notice—I think there was only one. Members, if you have any unasked questions, please submit them to the committee clerk when we finish this evening. Responses to these questions will be requested within 10 working days of receipt of the questions. Should you be unable to meet this due date, please advise the committee in writing as soon as possible before the due date; the advice is to include specific reasons as to why the due date cannot be met. Thank you very much for your assistance this evening, and we will close this hearing.

**Hearing concluded at 8.27 pm**