

Division 1: Parliament, \$70 302 000 —

Mr S.J. Price, Chair.

Mrs M.H. Roberts, Speaker of the Legislative Assembly.

Ms K. Robinson, Clerk of the Legislative Assembly.

Mr R. Hunter, Executive Manager, Parliamentary Services.

Ms P. Traegde, Deputy Executive Manager, Parliamentary Services; Director, Member and Operational Support.

Ms B. Corey, Director, Information Services.

Ms E. Ozich, Chief Financial Officer.

[Witnesses introduced.]

The CHAIR: We are dealing with division 1, Parliament.

The estimates committees will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. I will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with these details. Some divisions are the responsibility of more than one minister. Ministers shall be examined only in relation to their portfolio responsibilities.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by 12 noon on Friday, 2 June 2023. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

Do we have any questions?

Mr R.S. LOVE: Madam Speaker, it is good to be able to have this discussion today and find out a few bits and pieces regarding the budget. One of the major issues at the moment is the accommodation for parliamentary staff and the switch to the new building over the road. I understand that most of the accommodation cost will be picked up by the Department of Finance. Is that correct?

The SPEAKER: That is right.

Mr R.S. LOVE: What will Parliament's contribution be towards the fit-out of the new premises, and when is it anticipated that staff will be completely moved?

The CHAIR: Madam Speaker, just before you respond to that, member, we do need some reference to a particular part of the division. The Speaker seems okay to respond to your question, so I will let the Speaker respond.

The SPEAKER: You are right, chair; normally, we would get a page number and a line number. The Leader of the Opposition is also right; this is one of the significant issues for us that has been in development over the last couple of years. It will hopefully come to fruition very soon, with the fit-out and people moving in. I will ask Mr Hunter to add something in a moment. Towards the end of the year, people will actually move in. I was advised some time ago that the top floor of the building would be available to the Parliament, which we did not originally anticipate. We have also been given associated fit-out costs for that space. It has also meant some internal changes in terms of financing, because in having that space, a couple of buildings that the Assembly and the Council leased previously were part of their budget, so that money will not have to go out there now. An allocation has been made to the Parliamentary Services Department through Treasury. I will ask Mr Hunter to give the member some more details. From my perspective, the project is going very well.

Mr R. Hunter: The project is due to be completed towards the very end of this year. We anticipate that we will be moving in around January, just after the parliamentary sittings conclude.

In terms of our contribution, which was the Leader of the Opposition's first question, it has been fully funded by the Department of Finance, with the exception of a contribution we are making for some of the IT components, which at this stage is somewhere in the order of \$70 000 to \$80 000. That is the extent of our contribution.

Mr R.S. LOVE: Madam Speaker, could you expand on the use of the top floor? You mentioned something about the top floor of the building. What will it be used for?

The SPEAKER: One of the floors will be exclusively for the Legislative Assembly and another floor will be exclusively for the Legislative Council. This will mean that more staff will be able to move to that building, which will free up space in Parliament House. As everyone is very well aware, the working conditions for staff here are cramped. Members of Parliament continue to share offices. Once space is freed up in this building, potentially

more members of Parliament will be able to have their own office here. From the feedback I have had, most of the staff who will have the opportunity to potentially relocate across the road are very happy to be moving into brand new fabulous premises. Again, in terms of the use, I am happy for Mr Hunter to add some more.

Mr R. Hunter: The top floor of the building became available about four months ago. We took the opportunity to accept that offer. It means that we can decamp some staff from Parliament House, which will free up more space for members' accommodation, particularly members' offices. That move will be a bit slower than the other three floors, which is a different scope. This scope means that around May, about a year from now, we will be trying to get hold of that top floor. The design work has only just commenced, so we are a little behind compared with the other floors. That project is being run by the Department of Finance.

Ms L. METTAM: I refer to page 41 of budget paper No 2, volume 1, and the second line under the service summary, "Provision of Information and Services". It shows funding falling from \$12.927 million in 2023–24 to \$12.591 million in 2025–26. What is the reason for the reduction in funding?

The SPEAKER: I will refer that question to Mr Hunter or Ms Ozich.

Mr R. Hunter: Can I just get that question correct? Is the member referring to a fall in the provision of information services?

Ms L. METTAM: From the budget year 2023–24 to the out year 2025–26.

Mr R. Hunter: We have been funded in the order of \$427 000 for the digital capability fund, which is a fixed four-year term. We are currently into our second year. After that, there is no guarantee that those funds will be available. That amount of money will drop off in the fourth year. Our hope is that we will be able to continue to acquire those funds and, therefore, there will not be a drop-off, but we cannot put it in the budget papers without a guarantee that the funds are coming.

Ms L. METTAM: Can Mr Hunter clarify the name of the fund? Did he say it is a disability capability fund?

Mr R. Hunter: It is the digital government capability fund.

[9.10 am]

Ms L. METTAM: Can the Speaker clarify what certainty is required to ensure that funding will continue?

The SPEAKER: Basically, the way the budget process works is that funds are allocated for a set time. In this instance, as Mr Hunter has outlined, it is a four-year program. In the area of digital government generally, there is obviously constant review. There is an Office of Digital Government. It would be fair to say that Treasury and the Office of Digital Government constantly review the needs of various government departments and agencies, and that includes Parliament. From Mr Hunter's explanation, there was a four-year commitment to developing this and we are in the second year of that. Parliament goes into the budget process and the Expenditure Review Committee process the same as other government agencies and departments. Right across all departments and budget areas, programs have a finite end date because the government commits to a two-year, three-year or four-year program and at some point in there, the decision has to be made whether to continue the funding. It is up to Parliament in a future budget year—maybe next year or the year after—to make the case for that fund to continue for a year or two or three or four more, or, alternatively, to apply for other funds to fulfil those needs if those needs still exist.

Mr R.S. LOVE: On page 35, there is an amount of \$124 000 for "2023–24 Streamlined Budget Process Incentive Funding" under "Spending Changes" and "Other". Could the Speaker explain what that budget process incentive funding is for and what that program is?

The SPEAKER: My understanding is that, generally, streamlined budget process incentive funding is available to most, if not all, agencies and departments. That is effectively to encourage agencies not to go back during the year after they have had a budget allocation for additional funding. If an agency does not put up for new projects and extra funding and so forth, effectively the incentive or reward is that it gets that amount of money. That is to encourage agencies to stay within their budget framework on an annual basis. I do not know whether Mr Hunter wants to add anything more. The Clerk would like to add some more.

Ms K. Robinson: At the moment, it is an additional two per cent of our budget. We have to apply for it and, as the Speaker said, it enables us to have an additional two per cent on top of our budget on the understanding that we do not then go back and ask for more. This is available to most other agencies. It does not appear in the out years because we have to apply for it every year. That is why it appears in this year and it is approximately \$124 000. We have earmarked that for member and staff development and training and consulting services relating to system improvements, so that is the sort of thing we would be using the money for in the next financial year.

Mr R.S. LOVE: Is this a one-off fund or does it potentially apply in future years as well?

The SPEAKER: This is available, as I understand it, each year, but each year it has to be applied for.

Ms L. METTAM: I refer to the outcomes and key effectiveness indicators on page 42 and I note that a number of indicators, such as “Average Member rating of infrastructure and facilities” and “Average Member rating of information and services” had an almost perfect outcome of 100 per cent in 2021–22 but fell in 2022–23 to the forecast 90 per cent. Is there any particular reason that these are trending down?

The SPEAKER: I do not know. Maybe the year after an election people are really happy just to be back here and then the gloss wears off a bit. But I am not quite sure how we came up with these percentage amounts, so I might see whether Mr Hunter or someone else wants to explain how they have been arrived at.

Mr R. Hunter: First of all, targets were established by Treasury and Parliamentary Services some 12 years or so ago. This is based on a survey. When members are surveyed for their satisfaction and they rate something as good or better, it counts as a tick, if you like. For “Average Member rating of infrastructure and facilities” or “Average Member rating of information and services”, we are saying that members have said it is good or better. It sounds like there is a fairly good satisfaction with information and services based on feedback. However, there might be a question about whether the survey methodology needs to be reviewed, because if it is good and people are not saying it is average, I am assuming we will get good scores consistently—which we are not unhappy with.

Ms L. METTAM: Of course not.

The SPEAKER: I think, potentially, in the first place, it is more about the cycle of where we as members are at.

Mr R.S. LOVE: Under cost of services in the Legislative Assembly’s income statement on page 37, it shows “Employee benefits” and year after year it has been \$25 million.

The SPEAKER: Which line number?

Mr R.S. LOVE: It is not a line number. It is “Cost of services”, “Expenses”, “Employee benefits”. There are no line numbers to refer to, but that is the line. For the number of employees that the Legislative Assembly has, it seems to be quite an extraordinary figure. It works out to nearly \$1 million per person. Could the Speaker explain how that figure is arrived at and what it represents?

The SPEAKER: That also includes members and staff, so it is not only our employees.

Mr R.S. LOVE: To clarify, that is staff of the members of Parliament as well?

The SPEAKER: It is the members of Parliament.

Mr R.S. LOVE: It is the members of Parliament.

The SPEAKER: We are not actually employees.

Mr R.S. LOVE: We are classified as employees under the budget.

The SPEAKER: We have to have some title, I suppose.

Mr R.S. LOVE: That is quite interesting.

The SPEAKER: From a payroll perspective, I suppose we are.

Mr R.S. LOVE: If members of Parliament are classified as employees, can the Speaker perhaps define the liability that the Parliament has towards their safety when conducting their business outside the Parliament?

The SPEAKER: I am not really confident that what the member is asking is a budget question. I think the member is really asking about potentially a legal opinion or something of that nature, so I do not believe the question is in order.

Mr R.S. LOVE: We have been having a discussion with Parliament around the liabilities of members of Parliament under the new occupational and health arrangements and also the liability owed to members of Parliament. In terms of a budget question, I think it may be that we need an understanding of what the responsibilities are if we are to set aside money for it. We have been trying to get to the bottom of that, but we have not been getting any straight answers.

[9.20 am]

The SPEAKER: I suppose all I would add is that just because the heading “Employee” is here, it does not necessarily mean that members of Parliament are legally employees as such. I think we would end up in quite a legal argument about that.

Mr R.S. LOVE: I am happy to leave it at that point.

Ms L. METTAM: I refer to page 43 of budget paper No 2 and the asset investment program. With regard to the asset investment program for Parliament, can it be advised what will be undertaken over the forward estimates? I note

parts of the building such as the water fountains are in disrepair and that the Department of Finance is funding the building across the road. Is there a list of projects that need to be undertaken that are yet to be funded?

The SPEAKER: The member is right. The asset investment program this year was allocated to things like air conditioning here at Parliament House. As members will have seen, there was also the sealing and lighting of car park areas. There was also the fountain lighting, electric vehicle chargers, the conservation plan, and various building works, repairs and maintenance et cetera. The smaller items we have spent on this year would be catering equipment and things of that nature. For capital projects for 2023–24, we are looking at IT and telephony replacement and the Legislative Assembly meeting room broadcast upgrade. We are looking to upgrade the division bells, for which the old system is very antiquated and in pretty dire need of replacement. We are looking at the accessibility to our parliamentary reserve. By “accessibility”, I am talking about disability access and the like. For example, if someone is parked on Harvest Terrace, to get to our front entrance they have to negotiate the stairs near what we refer to as the “fern garden”. It is proposed to have a disability lift going there to bring us up to standard. Having that external lift will improve accessibility. For that same purpose, there will also be some tactiles and a footpath from the upper parking lot. We are proposing a universal toilet on the ground floor. The first floor kitchen servery needs improvement. There are some other smaller items of IT infrastructure and the like.

Ms L. METTAM: What was the overall cost of the EV charging stations, including implementation? What are the costs associated with the accessibility lift or disabled access near the fern garden?

The SPEAKER: The accessibility lift, the external lift, the tactiles, the footpath et cetera from that upper parking lot are in the order of \$780 000. I think the member also asked about the EV chargers and fountain lighting—I have a group heading there. The electrical upgrade, including members’ car park lighting and infrastructure for EV charging, was \$325 000 over two years, and for 2022–23 that component was \$29 000.

Mr R.S. LOVE: I refer to page 36 of budget paper No 2 where there are the services and key efficiency indicators that support the operations of the Legislative Assembly. There is a total cost of service there in 2023–24 that is significantly lower than in 2022–23, at \$6.5 million last year and \$5.937 million this year. Is this simply the transfer of the accommodation to parliamentary services or is it caused by some other reduction in cost?

The SPEAKER: Yes, that is largely the cost of transfer of accommodation. Accommodation costs for the premises we have been utilising across the road have effectively been paid out of the Assembly funds. Under the new arrangement for the new building, those funds will be paid for by the Parliamentary Services Department, so it is not a really big difference; it is about who is allocated the money from Treasury to pay those accommodation costs. There will also be some marginal differences there in terms of the public sector wages policy and things of that nature, but the biggest component there is just that change in the financial arrangement so that rent is not paid by the Assembly in the future but by PSD.

Ms L. METTAM: I refer to page 44 and “Country Schools Travel Subsidy” under the heading “Details of Controlled Grants and Subsidies”. The actual for 2021–22 was only \$2 000 compared with \$5 000 for all the years of the forward estimates. Can it be confirmed that the reduction was due to the impact of COVID and can it also be advised how much of this subsidy is utilised in a normal sitting year?

Mr R. Hunter: The subsidy is when we give a school contribution towards bus costs. That particular year, 2021, was obviously a COVID year and there were fewer people travelling so the budget was significantly less, but the budget returns to \$5 000. We generally see that whole \$5 000 expended, and it will probably be reviewed again depending on the patronage we get from schools in country areas.

Ms L. METTAM: Is this subsidy likely to ever be oversubscribed? What happens in that circumstance?

The SPEAKER: There is sufficient flexibility in the general budget area that if, for example, demand was much higher in a particular year, we would look at providing additional money because, as a general thing, we are very keen to have our Parliament accessible and to have student groups through here, and we are particularly keen to have regional students able to come to Parliament House and make use of those funds. The demand is relatively closely monitored. Most of the school tours are booked well in advance, and given that we are talking about a relatively small amount of money here, there is sufficient flexibility for us to meet a little extra demand if there is any. If there was a lot, in the following year we would hopefully allocate money for that purpose.

Mr Chair, I am at the committee’s disposal, but I point out that some time before 10 o’clock, the Parliamentary Commissioner for Administrative Investigations will need to be invited in if members have questions for him.

Ms L. METTAM: I refer to page 37 of budget paper No 2 and the line item “Employee Benefits” under “Income Statement”, which shows the total costs for 2023–24 are \$25.779 million for 28 employees, which equates to \$920 000 per employee per annum. Could it be explained why the salary benefit costs are so high, and are leave entitlements managed?

The SPEAKER: Again, in this instance, that line item covers members of Parliament. It also covers the actual leave entitlements for Legislative Assembly staff.

Ms L. METTAM: I did not catch the second part of the Speaker's response. It also captures —

The SPEAKER: The leave entitlements of the Legislative Assembly staff.

[9.30 am]

Mr R.S. LOVE: I turn to page 43 and the asset investment program for parliamentary services. It refers to furniture and equipment and heritage conservation, and there is an estimated total cost of \$3.3 million, with \$500 000 a year provided over a number of years. Is this aimed at a defined project, or is this just expenditure on, shall we say, the maintenance of heritage aspects of the building?

The SPEAKER: As with any heritage building, we could probably spend a limitless amount of money here. The maintenance costs of a building of this nature are very, very high. We have a spending envelope that we are effectively managing within, and that job falls largely to Mr Hunter. The \$500 000 a year is money that we did not previously have. That was first allocated last year. For the first time, that has enabled the Parliament to have a maintenance fund to do some projects. Would we benefit from having more money? Yes, we would, but I will leave it to Mr Hunter to say some more.

Mr R. Hunter: The \$500 000 is directed each year towards heritage conservation types of works. It has enabled us to dedicate some of our maintenance budget towards these projects. It could be stonework, travertine, doors, furniture, air conditioning or a number of other things that are heritage related, which means we can defer some of our original \$1 million capital funds to critical things such as IT infrastructure.

The SPEAKER: I think perhaps the thing to clarify here is that this money is not going on some kind of heritage beautification project. This is a heritage building, and these are fairly essential repairs to the fabric of the building.

Mr R.S. LOVE: The next line down is "Infrastructure and Equipment—Asset Refurbishment and Replacement Program".

The SPEAKER: Are we still on page 43?

Mr R.S. LOVE: I refer to page 43 under works in progress and the asset refurbishment and replacement program. I know that a number of the offices on the east side at least have been renovated already. How far is that program advanced and when will it be complete?

The SPEAKER: Sadly, it is a long way from being complete. The member will be well aware of the parts that have been done, but it is a long, slow process. I will let Mr Hunter talk on the detail.

Mr R. Hunter: Everybody wants to have that work done. It is just a matter of priority. This year, we are not going to be focusing on air-conditioning upgrades, which trigger the room renovations. When we do the air-conditioning upgrades, we tend to strip back the walls, run all the cabling again, obviously the air conditioning goes in the ceiling, and then we recarpet, paint and put in furniture. Our air-conditioning program goes over 10 years. The next stage is stage 7, so we have a few stages to go. I suspect that people who are currently sitting in offices that are not refurbished will probably not get them done for about two years.

Mr R.S. LOVE: I refer again to that asset refurbishment and replacement program. I notice that there is a number of works of art around the Parliament. Is that where the funding for that artwork comes from, or is there a separate pool for that funding?

The SPEAKER: There is a separate allocation. I will ask Mr Hunter or one of the staff to refer to that.

Mr R. Hunter: The allocation for art is very small. Each of the parliamentary departments—the Legislative Assembly, the Legislative Council and the Parliamentary Services Department—puts in \$20 000, so we have about \$60 000 a year contributed towards art or art projects. The rest of the art is through relationships we hold with Edith Cowan University or Murdoch University. Sometimes we get even better deals with other people, so we get a bit of art to display; otherwise, there is no dedicated allocation. It just comes out of our operational budget.

The SPEAKER: On that, I will say that the President and I have tried to make the most of getting art on loan from elsewhere. As the member will recall, in my corridor, for example, we have had an artwork there for the last two years, and we have recently had that replaced. That is on loan from the Art Gallery of Western Australia, which has very kindly agreed to loan both those artworks, and it would seem that it is minded for the foreseeable future to replace that artwork from time to time, which is very good for us. Likewise, there is a lovely artwork in my suite that is on loan from Edith Cowan University. The exhibition that is currently in the Edith Cowan foyer and those wings of this floor has been generously loaned to the Parliament by Janet Holmes à Court for a period, and the President and I have also spoken with other galleries and universities that have significant art collections. Quite

a number of people and organisations have shown a willingness to display some of their artwork here, so that is very fortunate for us.

Mr R.S. LOVE: Page 44 of budget paper No 1 shows the income statement for parliamentary services. I refer to “Income” and “Other revenue”, which is at zero; there is no other revenue being received. Where does the department record the business that is undertaken in the running of the dining room, canteen, bars and the like? How is that business accounted for if it is not in these documents?

The SPEAKER: I will ask Mr Hunter to respond.

Mr R. Hunter: Is the question related to the revenue that we receive from the dining room, cafeteria and bars et cetera?

Mr R.S. LOVE: Those three services, yes.

Mr R. Hunter: That is not the subject of these estimates, but I will answer the question. The context is that the parliamentary refreshment rooms is a separate entity that has been running for over a hundred years. Essentially, the income from those outlets goes back into the parliamentary refreshment rooms, and we work on cost plus 10 per cent. We never see revenue from those outlets in our budget books.

The SPEAKER: The member is very welcome to come along to our Parliamentary Services Committee meeting, at which members ask a lot of questions about the catering, the charges and all that. From memory, I think we meet about every two months.

Mr R.S. LOVE: Are the staff who are involved in the provision of those services reflected in these statements as income?

The SPEAKER: Yes, they are.

Mr R.S. LOVE: Why does the department selectively put in the costs of the employees, but not the returns from their efforts? I am not quite sure why that system has revolved over the last hundred years.

[9.40 am]

The SPEAKER: Yes, it is the system that has been in place for a very, very long time. Generally, the staff who are employed here have always been part of our budget and our process here. The food and beverage services have been paid for by members, and Mr Hunter has referred to the cost plus 10 per cent. The argument has been raised for over 20 or 30 years, that I am aware of, as to why these things are separated. My understanding is that the view is that the actual costs of food and beverages should not be paid for in any way out of the public purse, so that money has to be collected from members of Parliament, but the cost of employees has always been met by the Parliament.

The appropriation was recommended.