

Division 45: Registrar, Western Australian Industrial Relations Commission, \$11 845 000 —

Mr I. Britza, Chairman.

Mr P.T. Miles, Parliamentary Secretary to the Minister for Commerce.

Ms S. Bastian, Chief Executive Officer, Department of the Registrar.

Mrs L. Mathew, Chief Finance Officer, Department of the Registrar.

Mrs Y. Zhi, Acting Finance Manager, Corporate Services.

Mr P. Groves, Principal Policy Adviser to the Minister for Commerce.

Mr M. Connolly, Principal Policy Adviser to the Minister for Commerce.

[Witnesses introduced.]

[5.40 pm]

The CHAIRMAN: I call the member for Fremantle.

Ms S.F. McGURK: I recall asking this question last year, but perhaps we could get an idea of the number of applications that are being dealt with by the Western Australian Industrial Relations Commission, how that compares with past years and what sort of applications are being dealt with by the commission?

The CHAIRMAN: Member, could you give the page number for that question?

Ms S.F. McGURK: Yes, page 500, “Total Cost of Services”.

Mr P.T. MILES: I will pass the member’s question over to the chief executive officer, Susan Bastian, to give the detail and breakdown of the statistics, and also probably the costs of those stats.

Ms S. Bastian: Our current protracted figures for applications this year, as of today, are tracking at 727. From the figures from our database this morning, we have received 72 applications this month. Obviously, we anticipate that will also follow through next month. We estimated 922 applications for this year, so there is a slight decrease. We will be tracking around 800; that will bring the cost per application to 30 June to around \$6 500.

Ms J.M. FREEMAN: So, \$6 500 is the cost per application, what was last year’s cost?

Mr P.T. MILES: Is that the cost for last year’s application?

Ms J.M. FREEMAN: Yes. How has that tracked in the last couple of years?

Mr P.T. MILES: Last year, the cost per application was \$4 164, but last year there were a lot more applications—1 057.

Ms S.F. McGURK: Given that the first answer was 727, I thought Ms Bastian said that was year to date, but then she went on to say that she was estimating 922 for 2014.

Ms S. Bastian: We had estimated 922 applications based on, obviously, last year’s figures. At the date today, we currently have 722. We reported 702, but we now have 727 applications as of 21 May, being today. We received 72 applications this month and we anticipate the same number next month. In effect, overall, we are tracking around 800, I think, for the end of this financial year.

Ms J.M. FREEMAN: Last year, there were around 1 000 applications. The commission budgeted for around 900 and it will come in at around 800. Why the reduced number of applications?

Ms S. Bastian: We had taken on an increased jurisdiction in the area —

The CHAIRMAN: Ms Bastian, through the parliamentary secretary.

Ms S. Bastian: I beg your pardon; I am sorry. We had taken on an additional jurisdictional area in the Industrial Magistrates Court in terms of the Construction Industry Long Service Leave Payments Board. There had been a huge backlog that, at the time, it had not indicated and it had procrastinated with the amount that it would actually be lodging monthly. Based on those figures, we extrapolated that figure out. Those figures have not actually been maintained, but I do understand that there is potentially more to come. I cannot anticipate it—it is just a guess, really, ultimately, about what figures we are dealing with in this financial year.

Ms J.M. FREEMAN: When did the commission take on the increased jurisdiction from the Construction Industry Long Service Leave Payments Board?

Ms S. Bastian: I actually have not got the date with me. I should have thought about that, but it was early in the financial year last year.

Ms J.M. FREEMAN: Even when taking on a new jurisdiction early in the financial year, the commission still received fewer applications than in the previous years; is that right?

Ms S. Bastian: No, and I do not know whether Licy can give me dates. In effect, for the 2012–13 period, we had an increased number and that included the backlog of those applications coming through the Industrial Magistrates Court’s jurisdiction of 1 057. Based on what it had filed and what I understood it had said about its backlog, for the 2013–14 period, we extrapolated 922 applications. That is what I estimated we would have as applications. That has not come to pass. Currently, we have had 727 applications. Obviously, there are some still to come in to be filed. I am estimating around the 800 mark, based on what I am being advised, and that is the best estimate I can provide.

Ms S.F. McGURK: I asked about the nature of the applications, too. Are there any breakdowns about the sorts of applications before the commission?

Ms S. Bastian: Have I got those to hand? I think I do, if the member could just bear with me. Obviously, they go across the various jurisdictions of the commission in relation to unfair dismissals, contractual benefits, magistrates’ matters, new awards, new agreements, variations, conferences, the full bench and the Industrial Appeal Court. In effect, looking at the year to date, there were 68 unfair dismissals, 54 contractual benefits, 82 magistrates’ matters and one new award. There are nine agreements, seven variations, 35 conciliation conferences across a number of applications that have come forward, nine appeals and there is also a general category. I cannot define that, sorry, but there are 50 just general applications. That is what I have in front of me.

Ms J.M. FREEMAN: Is there any more detail on the one new award? I always find that fascinating, given that we are now in a federal system and the simplification of awards that has occurred over the last three or four years. Does the parliamentary secretary have any information on what the one new award will be?

Mr P.T. MILES: I can answer that very well. The one new award was actually the Pharmacy Guild.

Ms J.M. FREEMAN: That was not so much one new award as it was a recognition of being an organisation. Was that the case?

Ms S. Bastian: It was a registered —

Ms J.M. FREEMAN: A registered organisation?

Mr P.T. MILES: Yes.

Ms J.M. FREEMAN: So that went through as a registered organisation, not necessarily as one new award?

Mr P.T. MILES: It is in the statistics as one new award.

Ms J.M. FREEMAN: Pardon? Can I get that clarified through a further question?

Mr P.T. MILES: It is a long two questions, member!

Ms J.M. FREEMAN: We have a long time!

Mr P.T. MILES: Would the member like supplementary information?

Ms J.M. FREEMAN: I would like supplementary information because I understand the Pharmacy Guild has become a registered organisation—that is, different from being one new award. I know the difference, my colleagues know the difference and the parliamentary secretary knows the difference, so can I get supplementary information on that?

The CHAIRMAN: Do you agree to provide supplementary information?

Mr P.T. MILES: Yes, I agree, Mr Chairman, to provide it by way of supplementary information.

[*Supplementary Information No A27.*]

Mr P.T. MILES: I will provide the information about the Pharmacy Guild, the one new award that we have listed on our registered numbers.

Ms J.M. FREEMAN: A further question, and, we could keep doing it as a further question, really.

The CHAIRMAN: Is it a new question?

Ms J.M. FREEMAN: It is a further question to the parliamentary secretary. He went through the list of what the applications were, and I did not hear mediations, but I understood that the commission was offering mediations. Is that not the case any longer?

Mr P.T. MILES: Mediations to the commission?

Ms J.M. FREEMAN: No, mediations to the general public into disputes, and as part of enterprise bargaining agreements.

Mr P.T. MILES: The registrar did not say that, but I will ask Sue to answer that.

Ms S. Bastian: Yes, the commission still provides mediation within the Industrial Relations Act. Those mediations are not recorded as part of a statistic for the department, but for the commission. That is what the chief commissioner actually privately reports on, because they are all confidential. No parties are recorded; nothing is recorded in our departmental database, because that remains confidential to the parties.

[5.50 pm]

Ms J.M. FREEMAN: The commissioner records them but the parliamentary secretary must have a number for the ones that the commissioner does, and that would mean that there is more activity than appears in the current 800 that the commission is looking into. Is the parliamentary secretary able to say how many mediations occurred in the last financial year?

Mr P.T. MILES: I understand that information is in the commissioner's annual report.

Ms J.M. FREEMAN: Yes, it would be. I am asking whether Ms Bastian has it at hand.

Mr P.T. MILES: There is no log at all for these statistics, unless Ms Bastian has anything further to add.

Ms J.M. FREEMAN: Why is there no log for those stats? The reality is that anyone would question an organisation that increased the cost of an application from \$4 000 to \$6 500. I am not one of those individuals because I understand the importance of having the Western Australian Industrial Relations Commission. My question to the parliamentary secretary is: why would that not be included so that we can see the activity of an organisation that is included in the budget? The pay of the commissioner and all the commissioners is included in the budget. If they are doing that work, it should be included in the activities.

Mr P.T. MILES: The government considers the work of the Western Australian Industrial Relations Commission and the registrar's office vital. It is not something we are going to get rid of; it is not even talked about in government. Its level of funding is around \$11 million or \$12 million, and has been for some time. The average cost per item therefore goes up and down like a yoyo. We have to have that area of government and it is not something that we are going to take away. I understand what the member is suggesting in that if we add some other figures, it might make that figure look better from Treasury's point of view. However, the government and the Premier have made it clear that we need to retain the commission for not only public employees, but also small businesses that are in need of it.

Ms J.M. FREEMAN: My question probably builds on the parliamentary secretary's comments and is about the federal government's proposed white paper on Federation. Part of the issue for the commission in its operation is that the changes that occurred in the implementation of the fair work and workplace relations legislation took an enormous number of people away from the commission and the state. My question comes under the "Total Cost of Services" line item on page 500. Has the government given any consideration to bringing back to the Western Australian government some of those responsibilities for industrial coverage?

Mr P.T. MILES: No. The government is not going to give away anything further. I know that other states have done that but we are definitely not going to do that. However, those companies that have gone over to the Fair Work Act will stay there; we will not bring them back.

Ms J.M. FREEMAN: Further to that, in the current review of the Commissioner for Equal Opportunity and the operation of the commission, is there any proposal to bring the commissioner under the Western Australian legislation?

Mr P.T. MILES: I have not heard of any. Obviously that is not part of this division at all but comes under the Attorney General. There has been no discussion at all about this area in any meeting I have had.

Ms S.F. McGURK: My question relates to the previous one and again to the "Total Cost of Services" line item on page 500. I note that an increase is projected out in forward estimates. It is not a huge increase but there is an increase in the total cost of services. What planning has the commission done for possible changes to state legislation, and for the state government's wages policy and the impact it might have on the commission's work?

Mr P.T. MILES: The state wages policy, I guess, does not have any direct relationship here, other than when somebody goes to the commission to seek a determination. Some of the cost increases in the budget are because of re-leasing for the commission to stay in its current location. I think it is in a great location. I understand the commission has four floors and we want to keep the commission in that place. At this stage we are very happy to see the registrar and the commission remain there; therefore, some of the re-leasing costs will come into play. I think a couple of thousand dollars extra have been allocated for that. I will ask Licy to give us some more detail on those numbers.

Mrs L. Mathew: The total appropriation, if the member looks at the amount shown as expenditure for 2013–14, is due mainly to accommodation costs. In workforce reform we had an additional reduction in salaries of \$225 000 in 2013–14 and a funding escalation of \$110 000 in 2015–16. So, \$12 442 000 is basically just an increase in costs, and although we are budgeted for that, we try to keep the costs much lower. As the member can see, in 2012–13 we had only \$10 million for expenses and we strive to keep our expenses much lower.

Ms S.F. McGURK: I was a bit surprised to hear the parliamentary secretary say that he did not think that the government's wages policy would have any impact on the commission. If the government has an unrealistic wages policy on the expectations of its employees or the ability of its employees to keep pace with the cost of living, I would imagine the possibility of increased disputation in the public sector, which would reasonably be the jurisdiction of the state commission. I was therefore surprised to hear the parliamentary secretary say that. Also in the legislation currently before the house there are changes to guidelines that the commission will be required to take into account when arbitrating over wage disputes in the public sector. Can the parliamentary secretary confirm that the government expects no change to the commission's work as a result of changes to government policy or legislation?

Mr P.T. MILES: I said that because obviously the agency has operated quite effectively for some time since the introduction of the Fair Work Act in 2009–10 and the budget has stayed pretty much the same. We have to keep a minimum number of staff there regardless. I therefore think that any extra workload will be quite easily handled.

Ms S.F. McGURK: That is what I thought.

Mr P.T. MILES: I will ask Susan to perhaps elaborate a little further, but I understand that most of it is quite static.

Ms S. Bastian: In answer to the member for Fremantle's question, we currently have six commission members and they have established support staff. That number has not been affected in any way by any FTE staff reduction. The number will be maintained. The current workload that is potentially anticipated, therefore, will be able to be absorbed in that current allocation of work.

Ms J.M. FREEMAN: I am going to go and tell them all that the parliamentary secretary said they were not doing enough work!

Mr P.T. MILES: But it is also that the wages policy of the government is quite reasonable, so I think most people are very happy to have it.

Ms J.M. FREEMAN: That is a very polite way of saying that they have latitude to take a lot more disputes!

The CHAIRMAN: Thank you, members!

The appropriation was recommended.

Meeting suspended from 6.00 to 7.00 pm