

PUBLIC SECTOR REFORM BILL 2009

Introduction and First Reading

Bill introduced, on motion by **Mr C.J. Barnett (Premier)**, and read a first time.

Explanatory memorandum presented by the Premier.

Second Reading

MR C.J. BARNETT (Cottesloe — Premier) [12.29 pm]: I move —

That the bill be now read a second time.

The Public Sector Management Act was enacted by the then coalition government 15 years ago and has since come under review on a number of occasions. Principal among these reviews have been a comprehensive assessment of the act conducted by Commissioner Gavan Fielding in 1996, culminating in 87 proposals; Dr Des Kelly's 1997 review, which largely supported those proposals; the 2001 Machinery of Government Taskforce review, chaired by Mr Stuart Hicks, which focused on structural issues and implicitly endorsed the earlier reviews; and Mr Noel Whitehead's 2004 review, which focused substantially on industrial relations aspects.

The Corruption and Crime Commission and the Ombudsman have separately criticised the disciplinary provisions of the act for being overly prescriptive and inflexible. However, to date, no substantive amendments have been made to the act. In the Liberal Party's government accountability and public sector management platform, issued before the 2008 state election, the government pledged to "restore the independence of the public sector." Central to this undertaking was the creation of a new position of public sector management and standards commissioner to serve as independent head of the public sector in Western Australia.

The establishment of a Public Sector Commissioner was announced on 30 September 2008 as an important first step in enhancing the independence, professionalism and integrity of Western Australia's public service. The setting up of an independent Public Sector Commission and the position of Public Sector Commissioner was one of the first acts of the Liberal-National government. Initially, the Public Sector Commission was established as a department, headed by the Public Sector Commissioner and operating independently of the Department of the Premier and Cabinet, from which it was effectively split, pending legislation to formalise the arrangement. The former director general of the Department of the Premier and Cabinet, Mr Malcolm Wauchope, was transferred to the position of Public Sector Commissioner.

The Public Sector Reform Bill 2009 underpins the Public Sector Commissioner's capacity to operate as an independent statutory body with general responsibility for management and administration of the public sector. The role of the Public Sector Commission will be to provide leadership to the public sector; build the capacity of the public sector; evaluate the performance of the public sector; develop public sector management policies and practices; drive public sector reform; and advance the diversity and accountability agenda, including enshrining in legislation the operation of the lobbyist register. The Public Sector Commissioner has, by way of delegation, to date performed practically all functions formerly administered by the Minister for Public Sector Management—with the most notable exceptions being those relating to employment of ministerial officers and the exercise of special inquiry powers.

Overall, there will be a more logical and integrated approach to ensuring both management efficiency, which is currently the responsibility, under delegation, of the Public Sector Commissioner, and appropriate standards of conduct and behaviour, which responsibility now lies with the Commissioner for Public Sector Standards. This direction was endorsed by Parliament's Public Accounts Committee, which, in its report of June 2009 into the new Department of the Premier and Cabinet and the Public Sector Commission, recommended consolidation of public sector management into a single office.

Another recommendation of the Public Accounts Committee, which will be implemented by this bill, was to provide capacity for the appointment of chief executive officers by the government of the day, but with such appointments limited to the term of the government. While it is expected that, in most cases, a normal selection and appointment process will proceed, the minister responsible for public sector management will be empowered to require the commissioner to appoint a person nominated by the minister. Such a requirement must be made transparently and accountably.

Disciplinary processes are to be streamlined by the bill. The current three-stage investigative process will be rationalised into a single process. In addition, the effect of resignation or transfer of an employee who is the subject of disciplinary action will be addressed. There will be the capacity for an employing authority to continue to pursue disciplinary proceedings notwithstanding the resignation of an employee or the transfer of an employee to other employment in the public sector.

The bill also addresses some minor technical anomalies within the current structure of the act which have become evident over time and which it is convenient to address at this time.

This government was elected on a platform of honesty and integrity. In its first 12 months the Liberal-National government has made significant progress in restoring community confidence in the public sector, including splitting departments where necessary to improve effectiveness of service delivery and clarify lines of accountability—for example, the departments of education and training, housing and works and planning and infrastructure; appointing a substantive Information Commissioner; and winding up the State Supply Commission. The establishment of the Public Sector Commissioner is a further positive step towards better government and a better state.

I commend the bill to the house.

Debate adjourned, on motion by **Ms R. Saffioti**.