



The Hon Joe Francis MLA
Minister for Emergency Services; Corrective Services;
Small Business; Veterans

Mr Dean Nalder MLA
Chairman
Public Accounts Committee
Parliament House, Perth
WA 6000

Dear Mr Nalder

Thank you for your letter dated 7 October 2013 inviting me to make a submission to the Public Accounts Committee's inquiry into Amendments to the Public Sector Management Act (PSMA), specifically to detail my experience with Sections 45, 47 and 49 relating to appointments and removals.

An independent authority, the Public Sector Commission (PSC) is charged with the responsibility of fostering an effective, efficient and flexible public service, that is responsive to the needs of Government regardless of which political party or parties are in power.

It is the employer of chief executive officers in the senior executive service and is responsible for the administration of both the senior executive and the broader Public Service. Appointments and removals are a critical function of the Commission's role.

As Minister my experience with the above sections of the PSMA relate to the position of Commissioner of Corrective Services and the departure of Mr Ian Johnson APM and the appointment of Mr James McMahon DSC DSM.

Based on my experience to date, I have found the system established by the relevant sections of the Act to be both flexible and responsive to Government, while maintaining the necessary independence of the senior levels of the Western Australian public service.

Several weeks into my appointment as the Minister for Corrective Services, and notwithstanding Mr Johnson's significant service to the state, I expressed some concern to the Public Sector Commissioner Mr Mal Wauchope regarding the leadership and management of the Department of Corrective Services (the Department).

I understand my concerns were shared by the Commissioner who had formed the view that senior leadership change at the Department was necessary.

On 26 April 2013 I announced that Mr Ian Johnson would be leaving the position of Commissioner for Corrective Services, a position he had held for seven years. I stated *"Correctives services is one of the most difficult areas of government. We have new challenges facing our prisons and will embark on reforms to meet those challenges. It was mutually agreed that new leadership will best position the Department of Corrective Services to implement the necessary reforms."*

I further advised the House on 7 May 2013 *"...I had a number of issues, as I said, with the direction that the department was going. We have a number of different priorities that we want to take the Department of Corrective Services towards. I raised those issues with the Premier and with the Public Sector Commissioner. I was not part of the meeting; I was not in the room when the Public Sector Commissioner had the conversation with the former Commissioner of Corrective Services."*

While my concerns may not have been the immediate catalyst for action, it was clear to me that both the Government and the Public Sector Commissioner had reached similar conclusions regarding the need for reform and leadership change. However, the decision regarding the departure of Mr Ian Johnson was taken by the Public Sector Commissioner, in accordance with the PSMA.

It was an example of the PSC exercising its independent responsibilities and remaining responsive to the needs of the Government of the day.

With respect to the appointment of Mr James McMahon, I would note Mr McMahon, in his capacity as head of Chauvel Consulting Group, had contacted my office to discuss promoting and managing cultural change within the Department.

I instructed my chief of staff to meet Mr McMahon initially and I later met him on 14 August 2013. While the conversation was primarily about Chauvel Consulting Group's experience in cultural change, I formed the private view upon meeting Mr McMahon that he would be a competitive candidate for the position of Commissioner of Corrective Services.

Independent of his contact with my office, I was later advised that Mr McMahon had also been identified by the recruitment consultants as a potential candidate for the position and asked to apply.

This reflects well on the appointment process initiated by the PSC, and indeed the recruitment consultants, insofar as it identified and actively sought out the successful candidate.

At the completion of the process I was presented with three potential names for the position, including Mr McMahon. In a letter to the Public Sector Commissioner dated 9 September 2013 I made the following observation:

"I note all three applicants [are] highly qualified with impressive curriculum vitae. However, after careful consideration I am of the view that Mr James McMahon DSC DSM is the most suitable applicant."

As you are well aware, the Department of Corrective Services faces a range of cultural and structural problems and needs transformational leadership. Mr McMahon has demonstrated he has the necessary skills and attributes to lead, reform and rebuild the Department."

As a distinguished army officer, a merchant banker and a management consultant Mr McMahon has proved himself to be a uniquely successful and capable individual."

While I had formed the view that Mr McMahon was the most suitable candidate, the decision rested with the Public Sector Commissioner.

Although outside the scope of the Committee's inquiry, it is worth noting that Mr McMahon's appointment demonstrates the PSC's willingness to find suitable appointments outside the ranks of the Western Australian Public Service. This is to be encouraged.

The Western Australian public service serves the state well, however it would be further strengthened by the addition of highly qualified people whose careers have been outside the public service.

Where possible and appropriate I would encourage the PSC to continue to seek out and engage talented individuals from the private sector.

It is also worth recording that the PSC was a useful source of advice and support to my office in the wake of accounts of inappropriate conduct at DCS. Related to this the PSC also helped engage Mr Keith Hamburger AM and Ms Lee Downes to provide advice to the incoming Commissioner about reforming DCS.

If you have any more questions please do not hesitate to contact me or my Chief of Staff Mr Stephen Barton

Yours sincerely



HON JOE FRANCIS MLA
MINISTER FOR EMERGENCY SERVICES;
CORRECTIVE SERVICES; SMALL BUSINESS; VETERANS

14 NOV 2013