

Dr Mike Nahan; Mr Dean Nalder; Acting Speaker; Mr Vincent Catania; Mr Sean L'Estrange; Mrs Liza Harvey;  
Ms Mia Davies; Mr Mark McGowan; Mr Matthew Hughes; Dr Tony Buti; Mr Colin Barnett

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## **SALARIES AND ALLOWANCES AMENDMENT (DEBT AND DEFICIT REMEDIATION) BILL 2017**

### *Appropriations*

Message from the Governor received and read recommending appropriations for the bill.

### *Second Reading*

Resumed from an earlier stage of the sitting.

**DR M.D. NAHAN (Riverton — Leader of the Opposition)** [2.49 pm]: I will resume from where I left off. I would like to make a few comments about some of the issues that were raised in the question time just finished and in previous question times, and of course the rhetoric from the government that brought down the budget. Everyone recognises that the Labor Party is in a difficult financial situation. It went to an election in 2008, 2013 and 2017 with a massive increase in expenditure. In 2008, it thought it had it. In 2013 it was warned about iron ore prices, which it ignored, and came down with the mother of all expenses. It went to the 2017 election, committed to Metronet and a raft of other expenditure and put out a report to the public, not to Treasury—it avoided that—and said, “Here’s our plan. It’s fully funded. It’s all costed. We’ve got it all covered.” It said it could afford it and pay down debt like a mortgage. It said it could eliminate the deficit over the forward estimates, not increase any taxes or charges, not impose a gold royalty increase and keep electricity charges at the forward estimates price. A month later, the government came up with this rhetoric that the books were so terrible that it could no longer do it. It did a con job on the public of Western Australia, and it is continuing with that.

The Premier of Western Australia is one of the most dishonest politicians that I have ever met. What he is doing in this budget process is still the same. For the record, I will outline what the budget does in deficit, debt and expending. The *Pre-election Financial Projections Statement*, which is a Treasury document, indicated as clearly as possible that the next government, which is this government, must have a debt reduction plan. The Labor Party went to the election and chose not to have such a plan. We had a plan, which we put forward, and it was rejected. The Labor Party offered no alternative. As a result, the Labor Party inherited the stock of debt at the time and saw the trajectory of where it was going. It was comfortable with that. It told the public that it had this under control but of course it did not. What we see in this budget is that each year, beyond the PFPS—beyond the situation that it inherited—the level of deficit and debt is continuing to increase. Each year the debt and deficit under the Labor Party’s policies go up. Over the first three years, the debt goes up by \$4.5 billion above what was in the PFPS. Above the situation it inherited, debt will go up by \$11.6 billion—a 36 per cent increase in debt under its watch. The government is blaming us for wrecking the budget. What has it been doing? It knew what the figures were and it came in with these policies. The reason debt will go up is that the government is spending too much on the promises it made. Government members keep saying to us, “How dare you ask us to break promises!” We are in a swamp of broken promises under this government. Everything it has done is broken—taxes and fees and charges. It is breaking promises across the board. The reason for that is that the policies it put to the public were untrue and it had to break them. Its task is to decide which ones to break. That is the choice it has. I know that; I knew it before the election. That is the clear case now.

The government is wrecking the budget. Especially since the phoney forward estimates, debt will not stop at \$43.6 billion because the government committed to a whole list of things that are not in the budget. The Ellenbrook rail line is not there, the Byford rail extension is not there and Karnup station is not there. Medihotels will probably be privatised. The Minister for Water loves that one. That would be a public–private partnership. Dare I say it but Serco will probably run it. The expansion of Joondalup is another privatised development but that is not in the budget. Geraldton Hospital, Bunbury Hospital, and Collie Hospital are not in the budget. The list goes on. All these promises are not there yet. Debt will go up by \$11.6 billion. That is the context we live in.

The government is trying to blame everything on us. The government is meeting the expenditure policy that it got elected on and it cannot afford it so it is trying to cut other promises, particularly no increases to taxes and other fees. Today we are dealing with something that the government brought on to fund its election promise—that is, to freeze the wages of highly paid public servants, parliamentarians and others. The government brought this on as part of a scam, in urgency. We have already dealt with this. There is nothing urgent about this at all. The government is overriding the Salaries and Allowances Tribunal, which it does not need to override because SAT froze the wages of parliamentarians and public servants for another year. It has a long history of adhering to the wages policy of the government of the day, which in this case is to freeze wages, so there is no need to do this.

I want to go through some of the anomalies that were not explained to us, and the exemptions that are of concern. I dealt with one. Another relates to the senior executives, particularly the chief executive officers, of government trading enterprises, including Racing and Wagering Western Australia, Synergy, Horizon Power, Western Power and the Water Corp. That is the big issue. They are exempted. Why? One of the justifications for this, as indicated,

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is that the highest paid public servant, according to the Premier—I think he is right—the CEO of RWVA, is exempted. Why?

Another exemption that is very strange is redundancy payments for members of Parliament. Why are they proposed to be exempted? I understand that the redundancy benefit is so many months of pay after so many terms. The government has frozen wages. Why does it want to exempt redundancy payments when they are based on salary and so many terms of service? Is the government proposing to change the terms of service? The wages are frozen. Is the government proposing or considering changing the payout rate per term? Members of Parliament would get three months' pay for one term, six months for two terms and I think nine months for three terms. Is the government proposing to change that? Wages are frozen. That is okay. Is the government thinking about changing the number of months that members get as redundancy pay? When we put it to the advisers, they were not sure. There will be a lot of redundancies after the next election, mainly on the government side. A lot of people will be leaving; there will be a lot of one-term members. Is the government considering expanding the redundancy arrangement for politicians; and, if so, why and how? It must be, otherwise it would not exempt it. It is not telling the public that it is thinking about giving an additional benefit to politicians who exit this place and they are going to be exempted from this freeze. Why?

There is another issue that again was not explained to us by the advisers yesterday. In the last few paragraphs of the advice, it states that once the freeze ends on 1 July 2021, the tribunal may not make a compensatory determination. In other words, it cannot go back and say, “You lost all this money during the period of the freeze” and give the government a lump sum to make up for it. However, upon terminating the wages and conditions after 1 July 2021, it can take into consideration the lack of increases over those four years and make a higher wage determination. In other words, it is allowed to make a great big back tax, and if it did that, there would be hardly any benefits to this. That is explicitly built into the bill. The tribunal can take into account changing the circumstances since the freeze commenced; for example, if the CPI increased by five per cent in total over the freeze, the tribunal could provide for remuneration increases of five per cent to be applicable from 1 July 2021. The Public Sector Commission probably provided that information to me. I assume the government is thinking that after this freeze it will give everybody a massive wage increase. That is what the government will be doing if it allows the Salaries and Allowances Tribunal to backcast. The government will allow it to backcast. The government did not tell the public that. It has not made that clear in its discussions. To be fair, the Public Sector Commission told us about that but it does not make sense.

**Mrs M.H. Roberts:** You'd better get off that grassy knoll sometime.

**Dr M.D. NAHAN:** Yes, yes. You have been in this place for a long time and your contribution is —

**Mrs M.H. Roberts** interjected.

**Dr M.D. NAHAN:** Yes, yes. You will be a here a long time, given your pension. If I were on your pension with your pension benefits, I would be here for a long time. But you know what? The amount of money you get for your pension is probably about double your wages: are you going to freeze that increase in pension? No. The government is freezing everybody else's allowances, wages and superannuation contributions. Is the Minister for Police going to stand and take leadership? Under this situation the Minister for Police will get an increase when no-one else does.

Several members interjected.

**The ACTING SPEAKER (Mr R.S. Love):** Members! Members!

Several members interjected.

**The ACTING SPEAKER:** Minister for Tourism!

**Dr M.D. NAHAN:** The Liberal opposition supports wage restraint, particularly on this one. We have real problems with the Premier overriding the SAT. It sets really significant standards of change and it will override other independent tribunals going forward. I suspect he will do that next. It particularly relates to judges and Parliament; that is, he will be determining the wages and conditions of the judiciary. That is what the Premier will be doing. We really have a problem with all these exemptions. I hope and trust the Premier will come and explain it, but in the usual way he will probably just bluster. I would like to move an amendment.

*Amendment to Motion*

**Dr M.D. NAHAN:** I move —

To delete “now” and insert after “time” —

after the member for Rockingham has moved his gold-plated and exorbitant entitlements in line with all members of Parliament elected after 2001, to ensure he, too, is sharing the burden of

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budget repair rather than expecting every single Western Australian other than himself to share the burden

Several members interjected.

**The ACTING SPEAKER:** Thank you, members. Have you finished your contribution, Leader of the Opposition?

**Dr M.D. NAHAN:** I have moved an amendment.

**The ACTING SPEAKER:** Yes, I am aware of that. We are just getting a copy done of the proposed amendment.

**Dr M.D. NAHAN:** Okay.

**The ACTING SPEAKER:** And the question will be that the amendment be agreed to. In the meantime, carry on. The member for Bateman has the call.

**MR D.C. NALDER (Bateman)** [3.02 pm]: I will speak to the amendment. This strikes right at the heart of leadership. I imagine that the Premier has taken a stance on the remuneration of senior public servants, members of Parliament and the judiciary as an example of leadership. I think taking this lead in looking at the remuneration of the most senior people in the state government warrants closer investigation of the leader of the state—the Premier of Western Australia—to provide a little closer examination of his actual remuneration. We question whether he really is taking a leadership role in ensuring that the measures he is applying to all members of Parliament, the leaders of bureaucracy and our judiciary, are applied equally to himself.

It is important to understand what makes up the remuneration. Every member of Parliament is on a base level salary. Irrespective of whether someone is the Premier, a minister or a backbencher, we are all on exactly the same base level of salary. For additional duties we receive a higher office allowance. What is not known by many people is that the Premier is on a different rate of remuneration than every backbencher who sits as part of the government. Excluding his higher office allowance, the Premier is on a different remuneration rate than every backbencher in government.

The question how this came about and why has it occurred. It is important to understand how these two remuneration levels could have been created. I think it is important for the members of this house who are voting on this bill and amendment to understand how this has come about. In October 2000 a private member's bill came before this house. The bill stated that the government wanted to change the remuneration standard and remove the pension scheme from all future members of Parliament. The bill intended that the new superannuation scheme would apply to all members from 1996 onwards. The bill made it voluntary for new members of Parliament between 1996 and 2000, and they were given the choice as to whether they stayed on the old scheme or shifted to the new scheme. The Premier entered Parliament after the 1996 election. He voted for the removal of the pension scheme for everybody other than himself moving forward. He chose to stay on the old scheme. We are talking about the leader of this state. He chose to continue to receive that, but voted in favour of having it removed for those of us who joined Parliament after 2001.

It is really interesting that there was little understanding of the impact on a member of Parliament's remuneration. Up until 2013 that had never been assessed. I have a copy of a paper presented to the Salaries and Allowances Tribunal, and I am conscious that members of both sides of the house were briefed on this paper. It goes through the financial impact on all future members of the removal of that scheme. This finds that for the average service period for a member of Parliament, it had the effect of halving the remuneration of MPs. So all those people who voted to remove it but keep it for themselves, in effect halved the remuneration of all future members of Parliament. The Premier is one of those people who voted. Because he started after the 1996 election, he had a choice. The legislation did not provide a choice for members who were there after.

Several members interjected.

**Mr D.C. NALDER:** What does this mean?

Several members interjected.

**The ACTING SPEAKER:** Minister for Tourism!

**Mr D.C. NALDER:** There is an interesting report in the Parliamentary Library. If anybody is interested in what happened and what the old pension scheme was, it is a report on parliamentary and judicial superannuation arrangements in Western Australia as of February 1998. There are three particularly interesting pages—pages 40, 41 and 42. It actually goes through how to calculate a pension and the commutation of a lump sum benefit under the old scheme. Once a member has been in the house for 20 years, they are entitled to 75 per cent of a backbencher's salary. Then for higher office, they have to have been in higher office for only 11 years to receive 75 per cent of those higher office payments. If we do the rough calculations, that would suggest that the Premier, if he left today, would receive a pension of around \$200 000 per annum for the rest of his life. He could commute

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that to a lump sum if he chose to. But that does not apply to everybody else in this house who joined since 2001. They are all on the same remuneration. As I said, for exactly the same role the Premier—this is excluding the role as Premier in the higher office—is on the equivalent of double the remuneration of an average age, average service period member of Parliament.

I fast-forward to the bill that has been presented today. The bill seeks to freeze the salaries of members of Parliament. We on this side do not necessarily disagree with that. However, we want to ensure that all members of Parliament are treated in the same way. We want to ensure that the leader of this state, the Premier of Western Australia, shows leadership —

**Mr P. Papalia** interjected.

**The ACTING SPEAKER:** Minister for Tourism!

**Mr D.C. NALDER:** — and applies the same —

**Mr P. Papalia** interjected.

**The ACTING SPEAKER:** Minister for Tourism, I call you for the second time.

**Mr D.C. NALDER:** We want to ensure that the Premier applies the same standard to himself as he is seeking to apply to the other members of this chamber. We want to ensure that the Premier is consistent in his approach and treats himself the same as he has treating you guys across the chamber and the rest of us in this house. This is not about members on this side seeking a benefit that is greater than the benefit that the majority of members on the government side are receiving. We want to ensure that all members are treated in the same way. I can assure members that under this bill, members are not treated in the same way. The remuneration of members who entered Parliament after 2001 will be frozen. That flows through to the superannuation entitlements of those members. However, guess what? Over this four-year term, the Premier will get a dramatic increase in the pension to which he will be entitled for the rest of his life. Based on the assumptions that were delivered to the Salaries and Allowances Tribunal in 2013, the Premier is on the equivalent of double the remuneration that will be paid to any future Premier of Western Australia. The Premier had the choice at that time to be on the same superannuation system as every other member of the Parliament of Western Australia, and he chose not to do that. The Premier is now the leader of this state. We expect the Premier to set the same standard for himself as he is seeking to set for every other member of this house. The Premier voted to remove those benefits for all members elected after 2001. We now want the Premier to show leadership and hop onto the same superannuation scheme as other members of this Parliament. We are not looking for the Premier to be on a worse scheme than the scheme other members are on. We want him to be on the same scheme. Should the Premier be on a superannuation scheme that is different from the superannuation scheme of other members?

**Mr D.T. Punch** interjected.

**Mr D.C. NALDER:** I have no idea what the interjection is about. We want the Premier to set a standard for himself that is consistent with the standard set for every other member of this house. I cannot understand how any member could vote against that. We want the Premier to be treated in the same way as any future Premier will be treated. If the Premier sets that example, we will applaud him and move forward. This amendment calls on the Premier to apply the same standard to himself as he is applying to every other member of this chamber. I think it is pretty clear. A vast amount of work was undertaken into the remuneration impact of the removal of the old pension scheme. The removal of that scheme has more than halved the net value of the remuneration of members of Parliament who were elected post-2000. The Premier voted for that to occur but protected it for himself. The Premier has set the standard. The Premier was happy to vote to retain a benefit for himself but remove that benefit from every other member of this Parliament. The Premier had the choice to put himself on the same platform. We are seeking for the Premier to make that choice and be treated the same as every other member of this Parliament. The Premier will still get the higher office allowance and all the benefits that go with that. We want the Premier to be on the same remuneration scheme as other members—nothing more, nothing less.

I support the amendment and look forward to the support of other members to ensure we have a consistent standard moving forward. Thank you.

**The ACTING SPEAKER (Mr R.S. Love):** Members, I have a statement to make. As a point of clarification, during the second reading debate on the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017, the question before the Chair has been that the bill be now read a second time. The Leader of the Opposition is proposing a reasoned amendment to this question in accordance with standing order 170 by deleting the word “now” and inserting after the word “time” the following —

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after the member for Rockingham has moved his gold-plated and exorbitant entitlements in line with all members of Parliament elected after 2001, to ensure he, too, is sharing the burden of budget repair rather than expecting every single Western Australian other than himself to share the burden

Therefore, the question before the Chair is that the word to be deleted be deleted.

**MR V.A. CATANIA (North West Central)** [3.16 pm]: I rise to support the amendment moved by the Leader of the Opposition. It is fair that all members in this place are on an equal footing. This is the point we are trying to make. I do not know why we are having this debate and why this bill moved by the Labor Party is so urgent when we have other legislation that needs to be dealt with, as the member for Roe brought up today. That is what should be dealt with. It taints members of Parliament in the eyes of the public when we have these sorts of debates. What taints members of Parliament even more in the eyes of the public is the hypocrisy in this place when the leader of one political party says that we need to freeze wages to save money, and he is on a superannuation scheme that the majority of Western Australians would dream to be on.

**Mr W.R. Marmion:** It's like winning Lotto!

**Mr V.A. CATANIA:** That is a very good point—it is like winning Lotto!

Members opposite are all good members of Parliament. I know that a lot of members opposite would love to be on the old superannuation scheme, which now applies to only a few members of Parliament. The conversations that we have in the corridors and the conversations we have had in the past have all been about whether it is fair to have a two-tiered system in this Parliament. I know that the member for Mandurah; Leader of the House agrees with that. How can one member of Parliament earn over \$100 000 a year more than another member of Parliament who is doing exactly the same job? I do not know how anyone in this house can accept that. I certainly do not know how anyone in the public arena can accept that. I would love to be on the old pension scheme, and I am sure other members would, too. However, it is not reality in the community. We need to reflect community expectations. The days have long gone when a member of Parliament can walk out of this place with a pension worth millions of dollars given their length of service or the higher office they have held. I do not think that is acceptable. I do not think that meets community expectations. We would all like to have a pay increase. We would not be human if we did not want a pay increase. Members on this side may agree with the bill when it comes to freezing wages. However, we cannot accept a situation in which some members of this Parliament will not be affected by the wages freeze and will be earning more money than other members in this place yet are trying to portray that they are good corporate citizens and good citizens of Western Australia.

Members opposite all have their heads down. They were jumping up and down before. Does the member for Bunbury support someone else in this place getting extra money while they move a bill to limit what other members are earning?

**Mr D.T. Punch** interjected.

**Mr V.A. CATANIA:** I do not know which electorates some of these members represent. Does the member for Collie–Preston, who is scratching his head, support the Premier earning a rolled-gold pension when the member for Collie–Preston has been in Parliament for 17 years? When are members opposite going to stand and say that enough is enough? The hypocrisy that exists in this place is incredible. We have seen it in the gold royalty and iron ore debates.

Several members interjected.

**Mr V.A. CATANIA:** Are you the rat? Are you the rat who took the photo?

Several members interjected.

**The ACTING SPEAKER:** Members! Silence.

*Withdrawal of Remark*

**Mr S.K. L'ESTRANGE:** Acting Speaker, there was a derogatory term attributed to the member while he was speaking and on his feet. I ask that that term be withdrawn.

**The ACTING SPEAKER (Mr R.S. Love):** I do not know whether I heard that.

**Mr S.K. L'ESTRANGE:** The member for Perth continuously called him a rat. I ask that that be withdrawn.

**Mr J.N. Carey:** I withdraw the comment that the member is a rat.

*Debate Resumed*

**Extract from Hansard**

[ASSEMBLY — Thursday, 12 October 2017]

p4750c-4770a

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**Mr V.A. CATANIA:** They may call me the rat, but I know who has the gold tooth, and that is the Premier. Let us get back to the hypocrisy that exists in this place. If members opposite do not support this amendment moved by the Leader of the Opposition, when we walk out of this place, they ought to hang their heads in shame. This hurts the reputation of members of Parliament.

**Mr J.N. Carey:** You will never be a minister. You were overlooked. You are overlooked for everything.

**The ACTING SPEAKER:** Member for Perth!

**Mr V.A. CATANIA:** Member for Perth, for the last eight years I have heard that. Back in 2009 I heard people say that I would not be a member in 2013. In 2013, I heard people say that I would not be a member after 2017. Members, I am still here and I am proud of what I have represented and what I have been able to do for my communities. Now government members have the chance to do something for Western Australia and ensure that, in their words, everyone bears the burden of the financial situation. Members should lead by example, get rid of gold teeth and ensure they put a proper filling in their teeth like everyone else has—unlike the Premier with his gold tooth.

**MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition)** [3.23 pm]: We do not want to labour this point for too much longer, but I will stand to make some remarks in favour of this amendment. We made it very clear during the urgency debate for this bill today that this legislation is a political stunt. This legislation is not going to achieve anything that the Salaries and Allowances Tribunal is not already doing. Clearly, this stunt is going to rapidly backfire on the Premier. Effectively, it will freeze the salaries of all members of Parliament for the next four years. All of us understand that. It is great retail politics. People in the community hate members of Parliament getting pay rises. But what they hate more is gold-plated pension schemes that allow members of Parliament to be paid year in, year out until the day they die. If they predecease their spouse, their spouse gets two-thirds of that salary until they die as well. That is the Premier's gold-plated scheme.

It should be noted that the Premier is not in the chamber now for his own legislation and nor are many members, although the opposition members are all here. The Premier is asking all of us to have our wages frozen and all those newly elected members of Parliament and members who have been elected subsequent to 2001, who are on a different scheme, to effectively reduce our super entitlement. There will not be any pay rises so, therefore, we will not be adding any more to our super and we will not receive any increases. He knows that even if this is wildly unpopular with his backbench, the retail politics will work. If the backbench decides to boot him out, he is all right, Jack. He has a fantastic pension. He will get paid, on our estimates, \$200 000 a year for the rest of his life at taxpayers' expense. We are saying to the Premier, quit the rhetoric. Do not talk the talk, walk the walk. Do the decent thing and move from the old parliamentary pension scheme into the modern superannuation arrangements like everybody else. That is a couple of million dollars of savings. We have been told today that a couple of million dollars matters. A couple of million dollars will go to this Premier, who is asking everybody else to have a pay cut because there will be no increases for other members of Parliament over four years. Our salaries will not keep pace with CPI. He is effectively asking us to take a cut.

The Premier should step into the twenty-first century and have superannuation entitlements that are consistent with those of every other person in the community and all his colleagues in this chamber. Walk the walk, Premier, who is not in the chamber. Move into the modern superannuation arrangements. He should get rid of those aged gold-plated entitlements and show the Western Australian community that he is personally prepared to help with the budget repair, just as he has asked police officers and nurses to do. The government is asking businesses to pay more payroll tax and householders to pay 11 per cent more for electricity. They are not getting a gold-plated pension scheme. The government is asking everybody in the community to take a hit except for the Premier. We are saying, modernise. The Premier is only 50 years old. Step into the modern superannuation environment and take a hit like the rest of us are for budget repair.

*Division*

Amendment put and a division taken, the Acting Speaker (Mr R.S. Love) casting his vote with the ayes, with the following result —

Ayes (16)

Mr C.J. Barnett  
Mr I.C. Blayney  
Mr V.A. Catania  
Ms M.J. Davies

Mrs L.M. Harvey  
Mr P. Katsambanis  
Mr Z.R.F. Kirkup  
Mr A. Krsticevic

Mr S.K. L'Estrange  
Mr R.S. Love  
Mr W.R. Marmion  
Mr J.E. McGrath

Dr M.D. Nahan  
Mr D.C. Nalder  
Mr P.J. Rundle  
Ms L. Mettam (*Teller*)

**Extract from Hansard**

[ASSEMBLY — Thursday, 12 October 2017]

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Noes (33)

Ms L.L. Baker	Mr M. Hughes	Mr P. Papalia	Mr D.A. Templeman
Dr A.D. Buti	Mr W.J. Johnston	Mr S.J. Price	Mr P.C. Tinley
Mr J.N. Carey	Mr D.J. Kelly	Mr D.T. Punch	Mr B. Urban
Mrs R.M.J. Clarke	Mr F.M. Logan	Mr J.R. Quigley	Mr R.R. Whitby
Mr R.H. Cook	Mr M. McGowan	Ms M.M. Quirk	Ms S.E. Winton
Mr M.J. Folkard	Mr S.A. Millman	Mrs M.H. Roberts	Mr D.R. Michael ( <i>Teller</i> )
Ms J.M. Freeman	Mr Y. Mubarakai	Ms R. Saffioti	
Ms E. Hamilton	Mr M.P. Murray	Ms A. Sanderson	
Mr T.J. Healy	Mrs L.M. O'Malley	Mr C.J. Tallentire	

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Pairs

Mr D.T. Redman	Mr B.S. Wyatt
Mr K. O'Donnell	Ms S.F. McGurk

Amendment thus negatived.

*Second Reading Resumed*

**MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition)** [3.31 pm]: I once again rise to speak to the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. We have already established that there is no urgency in bringing this legislation forward because it seeks, in effect, to have the Parliament endorse the actions of the Salaries and Allowances Tribunal, which already freezes salaries as required and has made decisions consistent with the government of the day's wages policies virtually since it was formed. The Salaries and Allowances Tribunal was formed back in 1975 by the government of Sir Charles Court. I would like members to be aware of what was formed in the first place.

Prior to 1975, there were different tribunals and processes in place for determining the salaries and allowances of ministers of the Crown, the Parliamentary Secretary to the cabinet, officers and members of Parliament, magistrates, special division officers of the public service, and other full-time statutory offices. Before the Salaries and Allowances Act was enacted, there were different processes and time frames for the determination of increases in salaries and allowances. Indeed, in the federal jurisdiction and in other states, because of the differing electoral timetables and processes in every state, an agreement was reached between the Premiers and the Prime Minister of the day to try to move towards a more consistent format in which an independent board was set up to determine the salaries and allowances of members of Parliament. In Western Australia prior to 1967, members of Parliament set their own salaries and debated them in the Parliament, which is hardly an appropriate mechanism in any event, and meant that at that time the remuneration of members of Parliament would always be politicised—not unlike the situation in which we find ourselves in this chamber today.

When Sir Charles Court set up the Salaries and Allowances Tribunal, he made a point of saying in his second reading speech that he believed it needed to be an independent tribunal composed of three members appointed by the Governor, one of whom should be appointed by the Governor to be the chairman of the tribunal. He also believed that a person occupying an office within the jurisdiction of the tribunal should be ineligible for appointment to the tribunal. He was very emphatic in his belief that the establishment of a single tribunal with the functions he outlined would eliminate the dissatisfaction and concern that had often been felt in the past because of the accidents of timing and inconsistencies of approach that were inevitable when the remuneration of separate groups of officials was being determined by more than one authority. He made the point during the second reading debate on the legislation that the reason for setting up the Salaries and Allowances Tribunal was to create certainty that members of Parliament could not have input into or control over the determination of their salaries; he also believed that it was inappropriate for members of Parliament to determine the wages and salaries of senior public servants.

That is the independent process that was set up and, in effect, this amending legislation interferes with that independent process, but it interferes with it in a way that, given the current economic climate, potentially does not go far enough. There are a lot of inclusions and exclusions in the legislation, including, for example, termination payments for members of Parliament; they are exempted from the freeze. The legislation also does not extend to government trading enterprises—corporations such as Synergy and Western Power. That is indeed curious. Western Power's annual report shows that in 2016–17 there were seven individuals in the executive who received salaries of between \$351 000 and \$655 000 per annum. Those salaries will not be subject to the freeze imposed by this legislation. I would have thought that if we are trying to be effective in reining in expenses growth, we would acknowledge that expenses growth often comes from Synergy, Western Power and other non-government entities. Indeed, as has been debated in this chamber before, Western Power is responsible for \$8 billion of state debt, and it certainly needs more investment if it is going to keep the poles and wires network

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up to an adequate standard. If we were looking at opportunities for Western Power to save some cash to put into its poles and wires network instead of into salaries and wages, we could apply the freeze to those seven individuals at the top who earn between \$351 000 and \$655 000 per annum; but they are not part of this legislation. I do not know if that is because the legislation was rushed or because there was a requirement to bring it on as a stunt this week because the government did not do the work required in the Legislative Council to get its gold royalty rate increase through. I do not know what the reason is, but it is not there. Indeed, if the government were serious about the need to restrain wages growth, one would think it would include those entities.

At Synergy, there are nine individuals in the executive who receive between \$354 000 and \$580 000 per annum. Synergy is our energy retailer and I am sure that all the mums and dads and the families who have been hit with bearing more than their fair share of budget repair, with an 11 per cent increase in the supply charge on their electricity bills, would appreciate seeing those senior executives doing their bit for budget repair and having their wages frozen; yet they are not included in this bill. Not one of those nine individuals earning up to \$580 000 a year will be subject to a freeze as a result of this legislation and there is certainly no freeze on electricity prices in Western Australia—they have been upped absolutely savagely.

The government has not done due diligence with this legislation. In the interests of trying to get the legislation passed expeditiously, it has not given the opposition any opportunity to scrutinise it to understand it. We have had 24 hours to consider this legislation. We convened a special party room meeting this morning to discuss this bill with a two-page briefing note. What a ridiculous way to run government—absolutely ridiculous. The government said that this legislation is important; it brought it on and declared it urgent. I do not know whether this bill will languish in the Legislative Council. I doubt that the government has done any work with the crossbench in the Legislative Council to get it through expeditiously. It will no doubt try to blame the Liberal Party if the bill fails in the Legislative Council, but the fact is that when the government has a minority position in a house of Parliament, it needs to do the work with the crossbench to get legislation through, similar to what Malcolm Turnbull and Hon Mathias Cormann are doing in Canberra. They need to work with the crossbench and make amendments to legislation if necessary so that that legislation is acceptable to everybody in the interests of getting it through so that the government can get on with its business. The government said that this measure is a key part of its budget repair strategy, yet it has not given the opposition or, indeed, any Legislative Council members the opportunity to scrutinise it and assist with budget repair. It is a bloody big call. Excuse me; I forgot where I was. It is nearly beer o'clock! It is a big call to ask the opposition to rubberstamp this legislation and pass it through Parliament urgently when the government has not done the work required to get that cooperation.

*Amendment to Motion*

**Mrs L.M. HARVEY:** I move —

To delete the word “now” and insert after the word “time” —

after the government amends the Parliamentary Superannuation Act to freeze any increases in pension benefits of those members elected prior to 2001 until 1 July 2021

**MR D.C. NALDER (Bateman)** [3.42 pm]: I refer to the issue of two different levels of remuneration for members of Parliament in this chamber. The findings of the Salaries and Allowances Tribunal and earlier analysis of changes to the defined benefits scheme show that people were of the view that it would be difficult to ascertain the financial impact because the impact on individuals would be different. It was not until 2013 that someone said that if we took an average age and an average service period, we could determine the average impact on a member of Parliament. It was found that their remuneration, taking the net present value of the pension scheme, would reduce by greater than 50 per cent. Effectively, the remuneration of members of Parliament was halved.

The Premier has rushed in the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. He has not allowed the opposition—I refer to both the Liberal and National Parties—time to scrutinise the bill to ascertain its merits or understand its finer details to ensure that we are comfortable with it. It is being rammed through the house.

One element of this bill is the financial impact that it will have on members of this chamber. We would expect that all members would be treated equally. Again, I reiterate that they are not being treated equally because of a decision that was made in October 2000. The freezing of members' remuneration does not apply equally to everybody.

[Quorum formed.]

**Mr D.C. NALDER:** A case in point is that although benefits for members who have joined Parliament since 2001 will be frozen, the pension entitlements of the Premier, who joined Parliament after the 1996 election, will continue to grow over the next four years, and they will grow quite excessively because of his high office.

It is interesting to do a bit of analysis and look at the 1998 report on parliamentary and judicial superannuation arrangements, which is in the Parliamentary Library. It shows that the increase in pension entitlements that the

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Premier will receive over the next four years will be in the order of what the members for Collie–Preston, Mandurah and Cockburn would be able to generate from their superannuation for their entire period in Parliament. The increase in pension entitlements that the Premier will receive over the next four years will be greater than or equal to what those members of Parliament can generate after 16 years of service. That issue is not attended to by the bill. I reiterate that the Premier is creating a different standard for himself from the one that he is applying to every other member of this house. He is calling for austerity measures and wants a freeze on members' salaries for four years. We are not necessarily opposed to freezing members' salaries for four years, but we expect members of this house to be treated equally. If the Premier wants to show leadership on this issue, he will accept the amendment so that the freeze will also apply to his superannuation pension entitlement. We are not asking him to remove it altogether and to lower himself to the same standard that applies to the rest of us. We think it would be good leadership if the Premier demonstrated to members of this house that he is no better than anybody else in his Labor government team. But, alas, he chose not to and voted against the measure that would have him treated with the same standard that applies to other members of Parliament. In moving this amendment, we want the Premier to apply austerity measures to himself and freeze the increase in pension entitlements that he will receive over the next four years. I think that is fair and reasonable. He will continue to get the pension, and even if he leaves after the end of the next four years, he will still receive circa \$200 000 a year. The members for Collie–Preston, Mandurah and Cockburn would not be able to generate what the Premier will receive from an increase in pension entitlements just over the next four years. We ask him to apply austerity measures to himself in the same way that he is applying austerity measures to the rest of the chamber and to put a penalty on his entitlements. He should show leadership on the issue and freeze the increase in his pension entitlements. That will go a long way to showing leadership in this matter.

**MR V.A. CATANIA (North West Central)** [3.49 pm]: I have been doing a bit of research into this amendment and the Parliamentary Superannuation Legislation Amendment Bill 1999. That legislation was introduced by former Premier Mr Richard Court. I will read out the start of the bill's second reading speech. It is a very short bill—not too long. The second reading speech by former Premier Richard Court states —

This Bill introduces a number of changes to the superannuation arrangements for state parliamentarians; namely, closing the existing scheme to future members of Parliament; allowing certain current members to withdraw from the existing scheme and transfer to the new arrangements; transferring responsibility for changes to the rules of the existing scheme to an independent statutory authority, the Salaries and Allowances Tribunal; and empowering this independent tribunal to determine the level of superannuation for future members of Parliament and for any current members who choose to withdraw from the existing scheme.

I will not read out the whole second reading speech, but it continues —

Closing the existing scheme to future members of Parliament will require the introduction of new superannuation arrangements for such members and for any current members who choose to withdraw from the existing scheme. Only those current members who were elected at or following the 1996 general election will be eligible to withdraw from the existing scheme.

I think someone brought up before that anyone elected prior to the 1996 election was not eligible to withdraw. It continues —

In conclusion, the Bill honours a commitment the Government made to the people of Western Australia regarding closure of the existing parliamentary superannuation scheme. Importantly, the Bill resolves potential conflict of interest ... by transferring the responsibility for making changes to the existing scheme from Parliament to the Salaries and Allowances Tribunal.

That is very important, members. The responsibility was transferred to the Salaries and Allowances Tribunal. It continues —

I commend the Bill to the House and, for the information of members, table ...

It goes on. That was the second reading speech read by former Premier Mr Richard Court. If members look at *Hansard*, they will not see much debate on this legislation but there was quite a vigorous debate by the member for Willagee in opposition at the time, Mr Alan Carpenter, another former Premier. I will not go into it but he probably gave the lengthiest speech out of everyone on why the legislation needed to change to transfer the responsibility to the independent Salaries and Allowances Tribunal.

The now Premier, the member for Rockingham, made a contribution. Mr MacLean, the then member for Wanneroo, was explaining some of the things in the bill and the contribution that the member for Rockingham made at the time was, "You are not in the class of '96." He was referring to the fact that the member for Wanneroo at the time had been elected prior to 1996; therefore, he did not have to make the decision about whether to leave the superannuation scheme. The bill provided that members elected prior to 1996 did not have a chance to make

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that decision but members who were elected at or after the 1996 election could make that decision up until 2001. That was the contribution that the member for Rockingham at the time, the now Premier, made. I will put on the record for members opposite that this is not a dig at someone who does not deserve to have this superannuation scheme. It was legislated in 1996. Members could keep it if they wanted or pass it up.

Being a country member of Parliament, I am upset that our allowances change rapidly, without us even knowing. Just before December last year, the tribunal changed our ability to have a lease vehicle to getting an amount of money. I have argued this case and it is good to see the SAT people sitting at the back because they need to know that I represent the largest electorate in Western Australia, at just under one million square kilometres. This year I am on track to make 140 000 kilometres in my lease vehicle, which equates to about \$25 000 in fuel. The allowance that is now given to regional members is, I think, \$42 000 a year, and \$25 000 of that has to go into fuel. Given that I have one million square kilometres to cover, I cannot just drive around. I have to fly from Perth to Tom Price, Exmouth or wherever and I need to use hire cars. I have to take that hire car money out of that \$42 000. I reckon I probably spend between \$15 000 and \$20 000 on hire cars a year, just to be able to get around the electorate. That does not leave much to get a car. With cattle, camels, wild pigs and kangaroos—you name it—we need to have vehicles that are safe. The amount of \$42 000 a year may cut it for someone in the city who can run around five square kilometres, but when we have to drive on roads that are 600, 700 or 800 kilometres of dirt at every hour of the morning and night, we need a vehicle that has the best ability to protect us. The \$42 000 that is given to us, with \$25 000 in fuel this year and the cost of hire cars, just does not cut the mustard. It makes the job harder to do because we cannot represent our community. It makes the job harder because our safety is put at risk. I hope that the members of SAT who are sitting in the Speaker's gallery understand that.

The Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 will prevent SAT from looking at those anomalies that exist for regional members of Parliament who cover large electorates. It will stop the tribunal from reflecting on what members need to do their jobs, such as a simple thing like a vehicle. I say to the Premier and members opposite that it is all about ensuring that we can do our jobs on a level playing field so we can represent our communities. I get upset when I see legislation like this and decisions made by the independent tribunal that do not allow members of Parliament to do their jobs in a safe manner, which everyone expects. Whether people are a public servant or work for a community, they expect to have all the safety equipment they need on the vehicle that they use to travel around and do their job. These changes occurred under the previous government, not under this government, because it was an independent body that made the determination. This legislation takes away the ability for members of Parliament to say, "Hang on a second. We can't do our job. We cannot represent the community we were elected to represent because we don't have the tools." Being the member for North West Central, a car is absolutely vital to get around at all hours of the day and night, to get from the border of the Northern Territory to the coast and from South Australia and back.

There is a fundamental problem in being able to represent regional Western Australia with the tools we have been given under the Salaries and Allowances Tribunal. This legislation stops us from arguing our case with SAT, which has a duty of responsibility and care to make sure members of Parliament have vehicles and the necessary safety equipment in place to enable us to do our job. I expect that all members would agree to that. A lot of members opposite have been union officials who would stand up for their workers. If they did not have the tools they needed to do their jobs, they would be marching in the streets. As members of Parliament, the only marching we can do is to the Salaries and Allowances Tribunal. This legislation will take away the ability for us to say to the tribunal, "Hang on a sec; we're elected to represent our electorates but we can't do that with the tools you are providing us with." I know that regional members opposite understand this because it is a constant fight to ensure that we have the tools we need to represent our communities. The Speaker, the member for Albany, has them, as does the member for Collie–Preston. They have been strong advocates in making sure they have the tools necessary to represent their community. I am saying that this legislation prevents us from doing that. Perhaps the Premier can consider how we can be given those tools so that we can be comfortable in knowing that we can do our job. It is not about whether our pay is frozen; it is about ensuring that we can do our job. I hope the Premier can consider that because this legislation allows him to ensure that determinations reflect the ability of members of Parliament to do their job. All I ask is that conditions for members of this place be equal in allowing them to represent their communities. Conditions for members of this place are not equal—they are not equal. All I ask is that the Premier consider an amendment to ensure we can be given those tools—forget about the pay.

**Mr T.J. Healy:** There are plenty of tools!

**Mr V.A. CATANIA:** No; this is serious. Over the last seven months I have had to take my car to the panelbeater three times. Thank God, it was due to only hitting a kangaroo. I have always missed everything else by, as one would say, "a cockroach's".

**Ms A. Sanderson** interjected.

**Mr V.A. CATANIA:** There is the problem.

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Several members interjected.

**The ACTING SPEAKER:** Members! Thank you.

**Mr V.A. CATANIA:** As I said, read page 6577 of the bound volumes of *Hansard* of Thursday, 4 May 2000, which members can find in the Parliamentary Library. Read the debates by former Premier Alan Carpenter and of former Leader of the Opposition and former Treasurer Hon Eric Ripper. Read the one-liner that the now Premier made, "You are not in the class of '96." Read the debates! The party of members opposite—the party to which I once belonged—argued against superannuation entitlements.

**Mr J.N. Carey:** Flip-flop, flip-flop!

**The ACTING SPEAKER:** Member for Perth!

**Mr V.A. CATANIA:** The only flip-flopping is what the member for Perth does.

**Mr J.N. Carey:** Flip-flop, flip-flop!

**The ACTING SPEAKER:** Member for Perth!

**Mr V.A. CATANIA:** The Labor Party argued strongly for change to the superannuation scheme, and that affected the superannuation of members who were elected in 1996 and in 2001. I urge members opposite to use their sense and think about the hypocrisy that we reflect to the community when we create legislation like this that leaves us on an unequal footing. It has been a systemic situation among past governments and that is the case right now: if it does not suit me, I will not support it; because it suits me, I will now support it. That is what people do not like. I support the amendment.

**DR M.D. NAHAN (Riverton — Leader of the Opposition)** [4.04 pm]: This Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill freezes all allowances and wages for parliamentarians. In conjunction with freezing our salaries, it freezes our annual superannuation contribution increases. It freezes everything—salaries, allowances and superannuation contribution increases—except for those of a few people whose conditions are under the old scheme. The old scheme is complex but covers the Premier's conditions. Over the next four years, the Premier will receive a very large increase to the value of his superannuation through the defined pension scheme. The conditions of everyone whose conditions are not under that scheme will be frozen for four years as a matter of urgency. The Premier's superannuation will increase annually. We think that is unfair and we ask the Premier not to ditch the whole scheme, but to freeze it for the four years of the scheme until 1 July 2021. In other words, we ask the Premier, as an act of leadership, to put himself on the same footing as everyone else. He is saying that everyone must bear some of the financial burden. The annual increase to his superannuation is substantial. It is a large annual increase in value that he will receive for life or, if he wants to, he can cash it out. It amounts to large amounts of money and will go up each year. No-one else will get that. He is saying that everyone should share the pain and that all their allowances, superannuation and salary be frozen, except his. He is the leader. It is very simple. If members opposite vote against this amendment, they will be voting for him to receive payments that no-one else in this Parliament will get. Do members opposite think that is fair?

*Division*

Amendment put and a division taken with the following result —

Ayes (16)

Mr C.J. Barnett	Mrs L.M. Harvey	Mr S.K. L'Estrange	Dr M.D. Nahan
Mr I.C. Blayney	Mr P. Katsambanis	Mr R.S. Love	Mr D.C. Nalder
Mr V.A. Catania	Mr Z.R.F. Kirkup	Mr W.R. Marmion	Mr P.J. Rundle
Ms M.J. Davies	Mr A. Krsticevic	Mr J.E. McGrath	Ms L. Mettam ( <i>Teller</i> )

Noes (33)

Ms L.L. Baker	Mr M. Hughes	Mr P. Papalia	Mr D.A. Templeman
Dr A.D. Buti	Mr W.J. Johnston	Mr S.J. Price	Mr P.C. Tinley
Mr J.N. Carey	Mr D.J. Kelly	Mr D.T. Punch	Mr B. Urban
Mrs R.M.J. Clarke	Mr F.M. Logan	Mr J.R. Quigley	Mr R.R. Whitby
Mr R.H. Cook	Mr M. McGowan	Ms M.M. Quirk	Ms S.E. Winton
Mr M.J. Folgard	Mr S.A. Millman	Mrs M.H. Roberts	Mr D.R. Michael ( <i>Teller</i> )
Ms J.M. Freeman	Mr Y. Mubarakai	Ms R. Saffioti	
Ms E. Hamilton	Mr M.P. Murray	Ms A. Sanderson	
Mr T.J. Healy	Mrs L.M. O'Malley	Mr C.J. Tallentire	

Pairs

Mr D.T. Redman

Mr B.S. Wyatt

Dr Mike Nahan; Mr Dean Nalder; Acting Speaker; Mr Vincent Catania; Mr Sean L'Estrange; Mrs Liza Harvey;  
Ms Mia Davies; Mr Mark McGowan; Mr Matthew Hughes; Dr Tony Buti; Mr Colin Barnett

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Mr K. O'Donnell

Ms S.F. McGurk

Amendment thus negatived.

*Second Reading Resumed*

**MS M.J. DAVIES (Central Wheatbelt — Leader of the National Party)** [4.11 pm]: I would like to make a short contribution to this —

**The ACTING SPEAKER (Ms J.M. Freeman)**: Members, if you need to have a conversation take it outside. That includes you!

**Ms M.J. DAVIES**: I will make a very brief contribution to cover the points made earlier in the debate on the urgency of the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. I will also reiterate some of the concerns the member for North West Central raised.

Several members interjected.

**The ACTING SPEAKER**: And you, member for Churchlands!

**Ms M.J. DAVIES**: I wish to point out that the National Party understands that no member in this house likes what it looks like inside and outside this house when we debate our own salaries. We should not be dwelling on it. But the arrogance with which this has been brought on and the urgency the Premier is saying this bill has has not been substantiated today. I reiterate that it is incredibly disappointing that, once again, we have not received a briefing on the detail of this bill. That would have given us an opportunity to perhaps canvass some of the concerns raised by the member for North West Central and others on how this could potentially impact regional members of Parliament. It is a serious concern.

Again, we understand that people do not like members of Parliament talking about our salaries and allowances. I think for the most part we are incredibly well remunerated for what we do, and we also have an understanding that we cannot operate outside the bubble the state is operating in. We do not have a question or concern in relation to that. But this decision may well impede allowances, particularly those of regional members of Parliament. We have raised this with the Salaries and Allowances Tribunal again and again. There is a constant conversation around, "Well, you may well have better communications these days, so you don't need to drive across your electorate." That is actually not the case. Members in small metropolitan seats understand the value of being able to have face-to-face conversations with their constituents. That is near on impossible in electorates the size of mine, North West Central, Roe and those of some of our other members, including that of the member for Moore. It takes an incredible amount of time to get across those electorates, and the allowances have to accommodate us being able to service the electorate. It is not about our personal gain; it is about being able to execute our duties as members of Parliament. That would have been one of the questions we would have asked if we had been given the courtesy of a briefing.

Again, I think we were offered a 15-minute briefing by the Premier's office after the debate had started in this house. If that is the standard this government wants to set around legislation in this house, it is a very, very poor one. I have to say that it is not shared by all cabinet ministers. We have previously been offered briefings by ministers, separate from the opposition, and we have taken them up. We take our roles very seriously. But what happened this afternoon is, quite frankly, a farce. I do not agree that we can do our job appropriately and discuss things that may have an impact on us doing our jobs properly in our electorates and being able to question and ask questions of the Premier and ministers responsible if we have not been given that opportunity to raise those questions.

Another thing drawn to my attention is that we are having a debate in the context of what has been discussed today around the superannuation of some of the members in this place, and the fact that the Premier is asking everyone to tighten their belts and doing it under the premise of reducing debt and this debt repair that is constantly pushed forward as the reason we all have to tighten our belts. Police officers are not getting pay rises, royalties for regions has had a whole raft of consolidated revenue shunted into it and our households are paying more in power and water fees, which has been threatened again. The threat from the Premier is that if the government cannot get its revenue measures through so it can pay for its election promises, it will keep hitting households more and make a grab for cash from the gold sector, and also payroll tax, which is one of the most insidious taxes. In any of the levers the government has to pull, that is a tax on jobs. That is in direct opposition to what this government came to power on, which was a mantra of "jobs, jobs, jobs".

We are all being asked to pay more for the fact that the Labor Party came to government without a financial plan, it still does not have a financial plan, and then we have this debate. It had a position on this prior to coming to the election. I am quite sure I recollect this was an election commitment that was debated prior to us having a new government in Western Australia. It has taken seven months, and we now have an urgent bill. It does not stand up

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or pass the pub test. The thing drawn to my attention just today is that while we are asking for all these revenue measures—we are all being asked to tighten our belt, and I have no problem with that; as a member of Parliament I am quite happy to contribute as long as it is about paying down debt and not about paying for Labor's extravagant election commitments—we have apparently had six additional staff offered to the Greens, One Nation, the Shooters, Fishers and Farmers Party and the Liberal Democrats. That equates to around \$600 000 for additional staff, and that to me stinks. That stinks. That seems to me to be the Labor Party cosying up to the crossbench. That probably explains why the government did not feel the need to come and talk to the National Party and brief us on the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017, because it had already handed over some money for some additional resources to the crossbench at a time when we are all being asked to tighten our belts. It is absolute hypocrisy, and I cannot believe that the backbenchers are happy for all that to occur and for additional funds to go to crossbenchers while we are debating this as a matter of urgency and we are asking households to pay more for their household water and power charges. They are likely to have to do that again, because this government has no financial plan. It really does strike me that every time this government is not able to meet some of the revenue measures it has introduced, it will go everywhere but not to the two companies in this state that could actually make meaningful budget repair. It will go everywhere but. We have had the Premier threatening households with further increases to their power and water charges and the Treasurer threatening to go for a bank tax that we all know will inevitably come back to the public. It will go everywhere except sit and have a sensible conversation with two companies that have benefited enormously from the support this and previous state governments have provided over many years, so that they can contribute to budget repair. It must be a meaningful contribution to budget repair, not the amount that is to be generated from all the mean and nasty revenue measures introduced in the budget; not the mean and nasty measures that have been introduced by this Labor government, none of which contribute to reducing debt.

**Dr A.D. Buti:** Is the gold royalty increase mean and nasty?

**Ms M.J. DAVIES:** The member has absently no leg to stand on, because there is no reduction in debt. Members opposite are out there peddling this myth that we all have to do more, and the government has asked for all these sectors to pay more so that there can be a reduction in debt. It is simply not true.

We have concerns about how this debate was brought on, and the fact that we have not been provided with a briefing. We absolutely have concerns about this constant myth being peddled to the public that this is all about reduction in debt, when it is actually about paying for the government's election commitments. The government made so many of them, and it is making no effort to mitigate the problem. I agree with some of the statements of the Leader of the Opposition. Metronet could be clipped back. The government could actually cut the cloth, but it will not, so it will come to mums and dads, businesses and the gold sector for an amount that does nothing other than help the government deliver on those election promises, and it is not good enough. It is absolute hypocrisy that we are here today. I agree with the member for North West Central that some real concerns have been raised about the effect the application of this bill will have on the ability of regional members of Parliament to adequately service their electorates. I look forward to some assurances from the Premier, or his advisers—I am not sure that they will be able to answer, because they did not seem to be able to answer the questions of the opposition in the briefing—and I would very much like some answers on how that might be dealt with because there is a concern.

**Mr M. McGowan:** Just so that you are aware, they are public servants.

**Ms M.J. DAVIES:** Thank you, Premier. You are incredibly condescending.

**Mr M. McGowan:** These people you are insulting are public servants.

**Ms M.J. DAVIES:** No insult—it is not their fault that they have not had the correct instructions or understanding about why this legislation was brought in. It is not their fault that they cannot answer the questions. It has been rushed through, when the government has had seven months. There is no disparagement of the public service. I have worked with many, and they have done their job, undoubtedly, but it is absolutely the Premier's fault that this debacle has occurred this afternoon, and we have had to sit here all afternoon debating something that, quite frankly, is probably unnecessary. However, we will do our best to make sure that this goes through, and we will try, in the time that we have been given, to understand the ramifications of this legislation. It would be very courteous of the Premier, given that no courtesy has been shown to date, if he could assure us that some consideration would be given to the issues raised by the member for North West Central, and some of the other concerns that we would have raised, had we had a briefing. We have some concerns that we have articulated, and we look forward to the response from the Premier as we go through the rest of this farce this afternoon.

**MR M. McGOWAN (Rockingham — Minister for Public Sector Management)** [4.23 pm] — in reply: I am pleased to respond on behalf of the government to the second reading debate on the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. I understand that a range of issues have been raised by the

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opposition. Just so that we clarify a few things, I said earlier, but I will repeat it for the record, that the Salaries and Allowances Tribunal is due to make a ruling on the salaries and allowances of members of Parliament by 30 November 2017, but it could be any time between now and then. On top of that, the tribunal makes up to 40 variations each year. It is therefore very important, if the government has a new policy, that we provide direction via this legislation prior to that date. Although there is anticipation amongst all of us that the Salaries and Allowances Tribunal would hopefully follow the government's wages policy in these things, it is important that we make these issues absolutely crystal clear, and that is what this legislation is all about. That is the reason it needs to be dealt with as soon as possible.

One of the opposition members, I think it was the Leader of the Opposition, said that salaries had already been frozen by decisions already made, and therefore the legislation was not needed. I have here the tribunal determinations for 2016. The increase was 1.5 per cent for the special division officers in the public service; for members of Parliament, 1.5 per cent; and the judiciary, 1.8 per cent. Therefore, in the three main areas covered by this legislation, the pay was not frozen.

**Dr M.D. Nahan:** That is 2016, right?

**Mr M. McGOWAN:** Is the member asking me about 2017? He is right; I will start with 2017. In 2017 the adjustment was zero for each of those areas—public sector special division, members of Parliament, and the judiciary. For 2016, in the special division of the public service, it was 1.5 per cent; for members of Parliament, 1.5 per cent; and members of the judiciary, 1.8 per cent. For 2015, it was zero per cent for each of those categories. For 2014, it was three per cent for the public service special division; 3.8 per cent for members of Parliament; and 2.5 per cent for the judiciary. In 2013 the increase was 2.6 per cent for the public service special division; 2.6 per cent for members of Parliament; and the judiciary 2.6 per cent. In 2012, for the public service special division, it was 3.25 per cent; members of Parliament; 3.25 per cent; and the judiciary, three per cent. In 2011 it was 3.6 per cent for the public service special division; members of Parliament 4.3 per cent; and there may well have been two increases in that year for the judiciary—three per cent and 3.5 per cent. There were increases in earlier years, but that takes us back six years. Just to be clear, over the past six years, in two years there were no increases, and in five of the other years there were increases varying from 1.5 per cent to 4.3 per cent depending on the position held.

Obviously, the Salaries and Allowances Tribunal, as members have said, is an independent body, and can make its own determinations. Our view is that this is an unfortunate piece of legislation. I would prefer not to be standing here dealing with this legislation, but I will tell the house that Treasury suggested this to the government. It was Treasury's idea to ensure that the most senior people, and perhaps the most public people in the public sector, which is the judges, politicians, CEOs and the like, set the right example. Treasury proposed this to us as one of the early budget savings measures, and although it raises \$16 million to \$20 million, as one of the early budget savings measures it was a good way to show the public sector workforce that those people at the top were setting the right example. It was not something that the government dreamed up. Treasury came to us with this idea. When people say that salaries were already frozen, they were not. As I said, in the course of the last six or seven years, there were two years in which they were and five years in which they were not. The Deputy Leader of the Opposition referred to the fact that it is an independent process.

**Mr W.J. Johnston:** That is right.

**Mr M. McGOWAN:** Yes. That is a good point, member for Cannington. It is an independent process. It would be nice if we could leave the existing arrangements in place. However, as I have said ad nauseam, it is important that we set the right example for the wages of members of Parliament, the judiciary and others, particularly because of the government's new wages policy. It is an independent process under the Salaries and Allowances Tribunal. We want to ensure that outside of government control, a wage increase is not given to people at the top that people at the bottom do not receive. We could have done what the Deputy Leader of the Opposition suggested and leave it alone—advised the Salaries and Allowances Tribunal of our wages policy, and hoped it would follow that policy. However, we have decided that is not the right course of action and we need to set a clear example early on, and that is what we have done.

The Deputy Leader of the Opposition said on the one hand that the independent process is good, and on the other hand she said—I wrote down the words—that it does not go far enough. I think the Deputy Leader of the Opposition is referring to why local government has not been included in this bill. It was originally our intention to include in the bill chief executive officers and elected councillors in local government. As the former Premier will attest, I kept asking the drafters where the legislation was at and about certain things that we wanted to see happen. The advice that kept coming back to me was that the deadline was fast approaching when the Salaries and Allowances Tribunal would need to make a decision about wages, and that if we were to include local government in the bill, it would delay the drafting of the bill. I was advised that it would be complex and require technical

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amendments to the Local Government Act 1995; and, in any event, it would have no impact on debt and deficit for the state government. I therefore advised the drafters to leave local government out of the bill and deal with the main game, which basically is the area for which taxpayers, as opposed to ratepayers, are responsible.

I was advised further that under the Local Government Act, councillors can be remunerated in a range of ways. The tribunal may determine a per-meeting fee or an annualised fee for attendance at council meetings. Those fees are mutually exclusive. Local government councils have discretion to choose to apply one or other of those fees. This applies also to some allowances for CEOs and a number of fees, allowances and expenses for elected council members. Therefore, if the bill were to freeze remuneration for CEOs and elected council members, it would need to address the discretion available to local government councils to choose between the different ways of remunerating councillors and CEOs. That is a complex issue, because some councillors are paid an allowance and others are paid a meeting fee. Therefore, in order to remove that complexity from what should be a relatively simple piece of legislation to deal with debt and deficit remediation at the state government level, I advised the drafters of the bill to leave out local government. That was the reason behind that.

The bill is clear in relation to officers who are in the special division of the public service. The Deputy Leader of the Opposition suggested that we widen the bill to incorporate other people. We had to draw the line somewhere. We elected to select the people at the top, if you like. I regard members of Parliament and ministers in the same category as those people. We therefore made the decision to deal only with that group of people. We could cast it as wide as doctors in hospitals or principals in schools. Some doctors in hospitals are paid significantly more than all of us here. It is difficult to determine where to stop and how to define it. We left some of those things alone, because, as we know, simplicity and ease in drafting is sometimes better than trying to deal with all sorts of situations.

The member for North West Central raised the question of an anomaly such as a vehicle issue that might cause a danger for a member of Parliament. The explanatory memorandum states —

New subsection 10E(3) provides that the regulations may prescribe a kind or class of remuneration to which section 10E does not apply. This provides a mechanism of exclusion by way of prescription, to provide flexibility, should the need arise or future circumstances so require.

If there is an obvious example of unfairness, or a person's health and safety or life is at risk because of an anomaly, the case should be brought to the government's attention, and we could exclude that circumstance from the law by way of regulation and allow the Salaries and Allowances Tribunal to deal with that issue. That should provide sufficient flexibility for special cases, and I think that is a fair thing. That is currently provided for in the act. If members of Parliament make a good case, I will be more than happy to deal with it.

I do not intend to deal with personal issues about members in this place. A member or former member's personal circumstances should not be targeted via a specific law or regulation. I suspect most members of Parliament would agree that dealing with the personal circumstances of individuals is not a wise way in which to legislate.

That covers, as far as I can tell, the substantive issues raised by the opposition. We still have the third reading debate if members want to raise further matters, and that will enable me to get advice from my advisers at the back of the chamber.

**Dr M.D. Nahan:** What about the senior executives of government trading enterprises?

**Mr M. McGOWAN:** What is the Leader of the Opposition's specific question?

**Dr M.D. Nahan:** Are they covered?

**Mr M. McGOWAN:** Page 9 of the explanatory memorandum lists the people who will be covered. As I understand it, the two most senior executives in the government trading enterprises will be covered by the legislation. I am happy to provide more detail during the third reading debate or during consideration in detail if that is what members want to do. However, we need to bear in mind that we still have a lot of things to deal with today and time is getting away from us.

I also flag that a small amendment may be put in place in the upper house to clarify the issue of catch-ups at the end of the period in June

**Dr M.D. Nahan:** You are flagging an amendment already?

**Mr M. McGOWAN:** Governments often amend legislation.

**Dr M.D. Nahan:** You want us to pass something and you are flagging an amendment!

**Mr M. McGOWAN:** That is not unusual in Parliament.

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**Dr M.D. Nahan:** You moved that this be made an urgent bill and now you are flagging an amendment before we have even passed it.

**Mr M. McGOWAN:** I am happy to stay here all night. I am trying to be as conciliatory as possible. Parliament often deals with amendments —

**Dr M.D. Nahan:** Not before you pass the bill. Put the amendment in here.

**Mr M. McGOWAN:** Issues come up and I am happy to stay here, but I suspect most members do not want to do that. The upper house has a role and I am happy for that to be dealt with in the upper house. If members opposite want to go into the consideration in detail stage, fire away. I am more than happy.

Several members interjected.

**The ACTING SPEAKER:** Members!

**Mr M. McGOWAN:** I am happy to go into the consideration in detail stage if members want to.

**Dr M.D. Nahan:** I thought it was urgent. Amend it.

**Mr M. McGOWAN:** I am happy to go into the consideration in detail stage if members want to. That is up to members opposite. We want to make sure that there is clarity for the Salaries and Allowances Tribunal at the conclusion of the pay freeze with any catch-ups. The purpose of the bill is to avoid catch-up pays. We want to make sure that that is absolutely clear in the legislation. I am happy to go into the consideration in detail stage. There might have to be some suspensions of standing orders and the like to deal with it here or we can deal with it in the upper house. It will come back here and we can debate it then. There are easy ways of dealing with this. It is up to members. As I said, I love Parliament. I love being here, so I am happy to stay here and debate because I find it enjoyable, but then I look at the member for South Perth and he looks like he is fading away! Maybe he wants to go home to bed. That is a question for the opposition. It is really up to members opposite.

Question put and passed.

Bill read a second time.

Leave granted to proceed forthwith to third reading.

*Third Reading*

**MR M. McGOWAN (Rockingham — Minister for Public Sector Management)** [4.41 pm]: I move —

That the bill be now read a third time.

**DR M.D. NAHAN (Riverton — Leader of the Opposition)** [4.42 pm]: I want to say a few things about this process. First, the Premier came in yesterday and said that the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 is urgent. The Premier admitted today that all the people covered by this legislation already have their wages frozen. The Premier stated that an issue for parliamentarians will be covered sometime in November, but he did not provide any evidence of it. I cannot find it on the Salaries and Allowances Tribunal website. I guess I have to accept that view. The Premier twice ruled out amendments we suggested to make sure that everybody's salaries, allowances and superannuation were frozen, except his own. The Premier ruled that out twice. Then the Premier came in with that speech. We asked the Premier about the senior executive officers and the Premier gave a waffly response. The Premier said that he will respond to that in his reply to the third reading debate and we expect the Premier to do so.

The Premier said that the amendment we raised might be made in the upper house. In other words, the Premier brought in a half-baked bill and declared it urgent. Before the second reading debate was over, the Premier concocted another amendment that he cannot deliver to this house. The Premier said that it may go to the upper house. That is absolutely pathetic. We have had a long debate in this community about the salaries of public servants, but most of it—I can remember on my watch—has been about the senior executives in the electricity industry and also Racing and Wagering Western Australia. The Premier cannot answer whether they are covered by this bill. When the Premier sold this to the community, he particularly highlighted the chief executive of RWWA's \$600 000-plus salary. He is not covered by this bill. I admit that it is complicated, but he is not covered. This is urgent. The Premier is leaving out some of the people whose salaries are of most concern.

Let us put it into context. The Premier reported to the media last week that he would bring in this bill urgently. The Premier did not tell us. Yesterday, the Premier give us a briefing in which we did not see the legislation. The Premier did not give the National Party the courtesy to talk to it at all. Its members have to vote. Then we received a briefing and a range of issues were not discussed. The Premier stands and gives us a perfunctory statement about what the bill will do. Do members know what he knows? Nothing. He says that this bill was brought to us by Treasury. Treasury suggested that to me when we were in government. They also repeatedly suggested to me that

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we override the Industrial Relations Commission. We looked at what that would mean. We did not accept it. Governments govern; Treasury does not. Treasury is the minister's advisers. The government makes the policy. This is the government's decision. Do not try to blame it on Treasury. The government decided to do this. But then standing up here, almost finishing his second reading reply, the Premier says, "Oh, by the way, we might have an amendment." When asked what it is, he told us to wait and see in the upper house. Then he babbled about something towards the end. I know what the problem is. We highlighted it.

The problem is listed in the briefing notes from the Public Sector Commission—that is, under this legislation the Salaries and Allowances Tribunal is prevented from doing catch-ups and making up the difference and the lost money during the four-year freeze, but it is not. Clearly, it would consider raising wages after the freeze to compensate for the lack of increases over the four-year freeze. The government probably identified that flaw. It knew about it before. We cannot believe that it did not. But it is worried about the public sector optics. This is all about the people in the press gallery, not here. This is all about getting people up there to report in the media the Premier's little stunt. He now knows he cannot sell to the community the idea of a catch-up by parliamentarians in particular. He said that maybe we should do something. That is so sloppy and shallow. It is pathetic. But that is our Premier.

By the way, this bill is going to go to the upper house. If the upper house takes its task as the house of review seriously, it will look at this legislation and think that it has flaws all the way through it. It will go to a committee. I am not in control of that, but it will go to a committee if the Premier has an amendment such as that. The Premier also mentioned chief executive officers of local governments. That is complex—hell yes! From the Office of Shared Services experience, we know that dealing with the pay and conditions across the public sector is complex. That was the basic flaw of Shared Services, so I directed it to eliminate dealing with the CEOs of the councils. He cannot answer the question about the CEOs of the government's biggest agencies. He has an amendment because the media might worry about that and he is trying to say, "Hurry up! I will stay here forever. It is coming closer to the end of Friday; get it out." The Premier is rushing this bill. This is one of the worst examples of parliamentary legislation overriding an independent tribunal to freeze wages and conditions for a raft of people who already have had their wages frozen. The Premier does not know what he is doing and he is not answering the questions. It is absolutely pathetic, and he is the Premier. He is exempting himself, in part, from this process through his special superannuation scheme that will accelerate significantly over this freeze. That is the government we have and the people of Western Australia will see more and more of this over the next three and a half years.

**MR S.K. L'ESTRANGE (Churchlands)** [4.49 pm]: I rise to speak to the third reading of the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017—a bill that was introduced yesterday with a clearly unnecessary sense of urgency. I want to reiterate the points we would like the Premier to take into consideration with regard to how we see this bill progressing.

First of all, it needs to be understood and acknowledged by the Premier that the Parliamentary Liberal Party of Western Australia understands full well that the government has 41 members and we have 13, and that this legislation will pass quite comfortably through this chamber for the government. But that does not give the government a licence to rush through a piece of legislation that is frankly unnecessary, given that the Salaries and Allowances Tribunal, an independent authority, makes determinations on the executive salaries of judges et cetera anyway. As the Deputy Leader of the Opposition pointed out earlier, it deliberates and makes its decisions based on the government of the day's policy agenda. That is what it does; it looks at the policy agenda very carefully and always has, so to rush this legislation through today is frankly an abuse of Parliament.

The Liberal opposition supports wages restraint, so let there be absolutely no argument on that issue. We support wages restraint, but we are very, very concerned about the government overriding an independent statutory body—in this case, the Salaries and Allowances Tribunal. As a mature democracy, this Parliament long ago realised that there needed to be an independent body for determining the wages and conditions of those in government and the judiciary. This bill changes that, and that is something that all members in this place need to think carefully about.

If this bill is passed, the Premier will effectively be in charge of the wages and conditions of members of Parliament and the judiciary; that is effectively what this bill will do. It is removing that power from an independent statutory body, and giving it to the Premier. I am not convinced that the people of Western Australia will be comfortable with that. It will take some debate, no doubt.

The old saying that all power corrupts but absolute power corrupts absolutely is something that we should all be mindful of, because each little piece of legislation that vests more and more power and authority in the Premier and away from independent statutory bodies is a slippery slope for the Parliament of Western Australia.

**Mr W.J. Johnston:** Are you voting against the legislation?

**Mr S.K. L'ESTRANGE:** We are voting to support wages restraint, minister.

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**Mr W.J. Johnston:** So you're voting against the legislation?

**Mr S.K. L'ESTRANGE:** Let me continue my speech.

**Mr W.J. Johnston** interjected.

**The ACTING SPEAKER (Ms J.M. Freeman):** Minister, I note that you rushed back to your seat from over there, and up until that point of the debate, the member had the floor. Can we let the member continue to have the floor, thank you, minister.

**Mr S.K. L'ESTRANGE:** The Salaries and Allowances Tribunal has always acted on the policy settings of the government of the day and, as we have heard today, it has already frozen the salaries and conditions of the people whose salaries and conditions this bill proposes to freeze. It has already done it, so we know that there was no urgency today. We know that this was nothing more than a political stunt to grab a headline, but I do not believe the people of Western Australia are that silly. I believe that they will see that this bill could have been debated and passed later this year and that the Salaries and Allowances Tribunal would have watched that debate closely. It would have said, "Okay, there's a debate in play; we won't make a determination because the government of the day has a bill moving through the Parliament to take this off us." Does the government really think the head of the Salaries and Allowances Tribunal would have actually thought, "Oh, let's quickly give all judges and senior public servants a pay rise before the Premier and his government get this bill through"? To think that that could have happened is ludicrous. We know there was no urgency to this today. We know that.

We also know that other Parliaments have looked at this issue closely. I refer to an article that was published in the *Sydney Morning Herald* back in 2011 headed "Federal politicians' pay will be set by independent tribunal". It states —

The government argues these changes will provide more transparency and independence in setting parliamentarians' remuneration by placing the level of MPs salary with the tribunal.

We are taking a retrograde step with this legislation. The government has the numbers and the mandate to govern, and we support wages restraint, but we are cautioning the new Premier and his new cabinet that they are embarking on a new path linked to the wages and salaries of judges, senior public servants and members of Parliament.

I refer now to a 1999–2000 federal Parliament research paper published by the Department of the Parliamentary Library's Information and Research Services titled "Remuneration of Members of the Parliament of Australia", which states —

The remuneration of Members of Parliament has always been a contentious issue. The last government-appointed inquiry into parliamentary remuneration, the Kerr Committee, which reported in 1971, recommended that parliamentary salaries should be determined by an independent tribunal.

Again, this is nothing new. Although this bill has been introduced in the guise of budget repair measures, people have looked at this issue long and hard for some time. The paper continues, further along —

It was intended that the work of the Remuneration Tribunal would de-politicise the issue of parliamentary remuneration and conditions.

Unfortunately, we have taken a step back in time to re-politicise the setting of wages and conditions for judges, senior public servants and members of Parliament. I say again: nobody on this side of the chamber argues that there should not be wages restraint in these difficult economic times, and we accept that the people of Western Australia are doing it tough out there in the economy and that wages growth across the state is pretty much at around zero to 1.5 per cent. We accept that. There is no argument from us that there is a need for wages restraint, but we caution the government that it is actually going against all the advice given over the last 40 years with regard to this matter. The government is choosing to do this; what precedents will this set, and what path will it send us down?

It concerns me that this legislation had to come on today and be made urgent. The government went to the election on two clear platforms: a jobs and growth platform and a debt reduction platform. I have already explained that this legislation is not urgent because the Salaries and Allowances Tribunal would not make a determination knowing that this legislation was part of the government's agenda, but the government has brought it on as urgent, ahead of its own budget. It has actually pushed its own budget back from moving through this place to deal with this bill as a matter of urgency. Surely the government's budget is more urgent. The Labor Party went to the election saying that debt reduction would be a key focus if it were to win government, yet the government has pushed its own budget back to debate this topic. I think the government has put itself in a very dubious place.

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The other significant issue the Labor Party took to the election was jobs and growth. It has read a jobs bill in to this chamber, but it has not yet been debated. If the government is serious about the people of Western Australia and is concerned for their welfare —

**The ACTING SPEAKER (Ms J.M. Freeman):** Member for Churchlands, I would just like to point out the scope of the third reading debate. The scope of the debate is more restricted than debate at the second reading stage, and is limited to the contents of the bill—that is, the matters contained in the clauses and schedules of the bill. It is not in order to open or repeat debate on matters discussed during the second reading or consideration in detail stages. I just bring you back to the bill, if you could do that.

**Mr S.K. L'ESTRANGE:** Thank you, Madam Acting Speaker. I probably did digress because I am concerned that we are debating a bill that I do not think is urgent or cuts to the chase of significance in terms of budget repair for the people of Western Australia, which is the context in which this Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 was brought into this house. I do not think it is urgent, and we should have been debating the budget first before we got onto this. The Salaries and Allowances Tribunal would have fully understood the agenda of the government to make sure that it did not do anything to usurp the government's authority and its policy settings.

I will conclude this third reading contribution by saying, first and foremost, that the Premier had an opportunity today to show true leadership on this issue when he was presented with two amendments. He could have said, "I, too, will make sure that my remuneration package is in line with all the remuneration packages of my backbench." We are not talking about his additional Premier's allowance; we are just talking about his remuneration package. We accept that Premiers work longer hours than other people in this place, as do ministers, and they get an allowance to compensate for that. I am not saying that we should equalise everybody's pay here, but he had the opportunity to ensure that the settings for his remuneration were the same settings used for his backbench.

**Mr P. Papalia** interjected.

**The ACTING SPEAKER:** Member! Continue, member for Churchlands.

**Mr S.K. L'ESTRANGE:** We were looking for that leadership and we did not get it.

**The ACTING SPEAKER:** Member, can I just bring you back to the bill. You did not get the amendment through, and it is a third reading contribution. Minister, I am bringing the member back to the bill.

**Mr S.K. L'ESTRANGE:** The second point I wish to raise is that it is an unnecessary bill. We know that it sets a precedent for Parliament to set the salaries and conditions of judges, and we do not know exactly how that will play out into the future and the impact it could have. This bill will overturn the safeguard of the independent Salaries and Allowances Tribunal and put the McGowan government in charge of the wages and salaries of the judiciary, and the dangers of that do not need to be overestimated.

Finally, the Salaries and Allowances Tribunal has in the past, does now and will continue to watch closely and listen to the policy settings of government before it makes its determinations on those salaries. There was no need for this bill to be introduced to change the wage restraint policy settings of the McGowan government. But we understand, as I said earlier, and I will conclude on this point, that the government has a mandate to govern. It has 41 members in this place so the bill will move through here pretty quickly. However, the fact that the Leader of the Opposition towards the end of the second reading debate realised that the Premier said that he may make an amendment to the bill in the upper house tells us that the drafting of this bill probably was not scrutinised closely enough by the Premier and his cabinet. The fact that we were briefed on this only yesterday means that we have had no time to discuss it with industry, economists, the Salaries and Allowances Tribunal or any of the bodies or key stakeholders that will be impacted by this legislation, so we could not go into consideration in detail. How could we go into consideration in detail for a line-by-line analysis of this bill when we saw it for the first time only yesterday and the Nationals did not even get a briefing? We are now left with a government that has the majority to allow this bill to go through. We can only guess at whatever was in the amendment that the Premier talked about earlier. Maybe when he gives his third reading reply speech today, he can table that amendment so that, at the very least, we can review it and understand what it was about—after this bill has moved through this place. Maybe he does not have that amendment that he talked about and it has not yet been drafted. Maybe the answer to the question that was posed today by the Leader of the Opposition is not there because the government did not thoroughly inquire into its own bill.

Firstly, I worry about why this bill was urgent. Secondly, I wonder why the briefing process was so rushed. Thirdly, I wonder why no due process has been afforded to the Legislative Assembly to critique this properly. We are now left with the Premier to table his amendment, if he has it, in his third reading reply speech so that the bill

can move through this place and go to the other place. Hopefully, those members can get some further information and be in a position to debate and critique this bill properly.

**MR V.A. CATANIA (North West Central)** [5.04 pm]: I want to reiterate some of the commentary that I made before about regional members of Parliament. I am glad that the Premier said that proposed section 10E of the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 has the ability to look at anomalies that could cause harm or injustice to members of Parliament. While we have people from the Salaries and Allowances Tribunal in the gallery and the Premier in the chamber, I want to reiterate that we need to ensure that everyone has the ability to work in their electorate in a safe and proper manner. All that I ask for to come out of this piece of legislation is that the Salaries and Allowances Tribunal, under the Premier's leadership, who now has control over what happens with the tribunal, does what is right and protects members of Parliament while doing their job and allows the constituents whom they represent to access their member of Parliament; that is all that I ask for. This is a conversation that I have with my wife and kids: "Dad, why are you leaving at one o'clock in the morning? Why are you going and not coming back until three o'clock in the morning after a day of driving, and have you got your will in order?" That is a conversation that members just do not want to have. I urge the Premier and the Salaries and Allowances Tribunal to do what is right and fair, and to enable regional members of Parliament to have the tools to do their job, as the city members of Parliament have. I have just under a million square kilometres to cover in my electorate around regional Western Australia. The member for Moore has the same issues, as do the members for Central Wheatbelt, Roe and Kimberley, in particular, who is probably in the same boat as I am. We risk our lives travelling all through the night and day, by car, to get to a meeting 600 or 700 kilometres away, and then we try to get back to see our loved ones because regional members of Parliament do not get to see them often. What has been presented by the Salaries and Allowances Tribunal is unfair when it comes to a motor vehicle allowance or charter allowance. We cannot do our job with what has been proposed. Since this is an urgent bill, I urgently ask the Premier to step in and right the wrongs. I urge the Salaries and Allowances Tribunal, which meets next week, to ensure that it protects the ability for members of Parliament to do their job and travel safely throughout their electorate, because that is not protected under the current rules. All I can say is that this is an urgent matter that looks after members of Parliament and their wellbeing so that they can return safely to their families. I do not want to see any harm come to any member of Parliament, but with the way things are set up, something will happen, and we do not want that to be the avenue of change. I want the Salaries and Allowances Tribunal and the Premier to know that this is an urgent bill with issues that need urgent attention, or else there is the potential for problems into the future.

**MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition)** [5.08 pm]: I am not going to labour the point but I would like to make a few remarks in closing. I am astonished at the process that we have seen here today. The Premier, in his reply to the second reading debate, flagged that he has an amendment. The legislation was given to us yesterday but a briefing was not made available to us. We have been sitting in the Parliament all day debating this legislation, and the Premier now flags that he has an amendment and does not even show us what it is to try to get our concurrence to pass the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 through this place. I am astonished! That is the contempt with which the Premier treats this Parliament. For those backbenchers who are new and have not been in this place long, that is an unusual process. Generally, amendments to legislation are passed as a result of opposition scrutiny and scrutiny through the proper processes of Parliament, in which, if a flaw is found in the legislation, an amendment is put during consideration in detail and it is passed. The process we now have means that this legislation will go to the Council and, because an amendment has been flagged, I suspect it will likely send this bill to a parliamentary committee. An amendment being flagged after the bill has passed this place, before it has been given proper consideration, is a red flag to the members of the Legislative Council. It considers itself a house of review. It will look at that as tardy work on behalf of the Premier. I do not know whether we are seeing a complete failure in understanding how to prosecute a legislative agenda or a complete failure in a stupid strategy—a stunt being pulled by the Premier thinking, "I know what to do. I'll try to wedge these guys, this Liberal opposition, into running with this wages restraint. I'll bang them about the head about budget repair and pull this stunt to bring half-cooked and underdone legislation into the Parliament." By the Premier's own admission, it is flawed.

Let us go back through what has happened here. We were told at very short notice that this legislation was going to be read in and the Premier was going to declare it urgent. We were challenged by the Premier and told that we would be budget wreckers if we did not rubberstamp this legislation. We have cooperated with this process. We established that there was no urgency. In his second reading speech, the Premier himself read out all the Salaries and Allowances Tribunal determinations that proved that it had made zero increases in salaries or had made increases consistent with government policy. That proved absolutely that the legislation was not required. The SAT had been doing exactly what the government had been flagging on wages policy for the last few years. Why did the Premier say that this legislation was urgent and he needed to bring it in here? I think it was flawed. The Premier gets a D minus for legislation and for not getting his homework done. He gets an F for strategy. The

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stupid stunt that he pulled backfired today and now he looks like a complete fool. He does not know how to craft legislation or bring it to this place. He has shown how utterly arrogant he is in treating us with contempt and treating the Nationals with contempt—he did not even give them a briefing. He brought in legislation that, by his own admission, fails and needs to be amended. Now it will go to the Council and I hope that the Council sends this to a committee to teach the Premier a lesson on how to do his work properly. I really do! It will not have any impact whatsoever on the SAT determinations.

*Point of Order*

**Mr M. HUGHES:** I know that I am a novice in this place but should we not be talking about the bill rather than the process? I thought we had got over that.

**The DEPUTY SPEAKER:** The member is free to refer to what she referred to in the second reading debate in the third reading debate.

*Debate Resumed*

**Mrs L.M. HARVEY:** Perhaps the member for Kalamunda thinks similarly to the member for Darling Range; that is, that I should not be a working woman and that I should be letting my husband go off in the car and I should stay at home and look after my kids. Maybe that is the problem! Is that the problem?

Several members interjected.

**The DEPUTY SPEAKER:** Sit down! Members do not stand up in this chamber and yell across the chamber. Member, I think that what you are saying is inappropriate. Get back to the third reading debate, please.

**Mrs L.M. HARVEY:** Thank you, Deputy Speaker. I do not have much more further to add except that the Premier has a hostile —

*Point of Order*

**Dr A.D. BUTI:** I seek the Deputy Speaker's ruling. As we know, under standing orders we cannot cast aspersions on another member's character in this chamber. I think that what was said of the member —

Several members interjected.

**Dr A.D. BUTI:** Members are supposed to hear points of order in silence. What was said by the member for Scarborough of the member for Darling Range and to the member for Kalamunda definitely casts a negative aspersion on their characters. I would ask the member for Scarborough to withdraw those.

**Mrs L.M. HARVEY:** Further to the point of order, Deputy Speaker, I was referring to comments the member for Darling Range made in this place in his speech on Tuesday night. In that speech he made reference to one of the government's plans for his electorate. I cannot quote it directly, but he said that he needed a train line, I think it was, because he needed a congestion-busting initiative for the men in his electorate who are caught driving the one family car when they go to work while their wives and children are at home.

**The DEPUTY SPEAKER:** I am going to interrupt you. This is not a point of order. I think that we have moved on in this discussion. I would like the Deputy Leader of the Opposition to rise again and contribute to the third reading debate.

*Debate Resumed*

**Mrs L.M. HARVEY:** Thank you, Deputy Speaker. In closing, I think we will be on a very disappointing run for the next four years if the Premier is going to lead with this kind of treatment of the Parliament. We have seen it twice now. We saw it with the dangerous sexual offenders legislation that had no urgency once it left this place. That was a stunt to get the Attorney General's backside out of a sling, quite frankly. That stunt has been pulled again because the Premier failed to negotiate with the crossbench in the Legislative Council to get the gold royalty through. He has pulled a stunt with this SAT legislation, saying that it is urgent and needs to be brought in for immediate budget repair. We know, and by his own admission the Premier has proven, that it is not required. These two stunts showed total disrespect for Parliament and the opposition members of Parliament. A pattern has been set here that can only be a very good thing for us in 2021.

**MR C.J. BARNETT (Cottesloe) [5.16 pm]:** I will be very brief. As the Deputy Leader of the Opposition has said, this has been a pure stunt. The new members in this house have just had a wasted day. They have just lost a day of their lives that they will never get back.

**Ms M.M. Quirk:** If this is so important, why did the opposition not go into consideration in detail?

**Extract from Hansard**

[ASSEMBLY — Thursday, 12 October 2017]

p4750c-4770a

Dr Mike Nahan; Mr Dean Nalder; Acting Speaker; Mr Vincent Catania; Mr Sean L'Estrange; Mrs Liza Harvey;  
Ms Mia Davies; Mr Mark McGowan; Mr Matthew Hughes; Dr Tony Buti; Mr Colin Barnett

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**Mr C.J. BARNETT:** That is an interesting interjection—and right on cue. Why did we not go into consideration in detail? We offered to go into consideration in detail because the Premier had foreshadowed an amendment. Opposition members said, “Okay; move the amendment. We will go into consideration in detail. Move the amendment and then this house would be finished with it.” But we did not have the amendment. We asked for a copy of the amendment and gave the Premier the opportunity of going into consideration in detail and moving his amendment and presumably, if it was an appropriate one, passing it. But he did not do it! Why did he not do it? I suspect that it is because he does not have the amendment. I suspect that it has not been drafted. If that is the case, he could have said so. That is fair enough. Sometimes errors in bills are discovered on the way through. If the government were really serious about getting this through quickly, it would have moved the amendment or, if it was not ready to move the amendment because of drafting issues—which might be credible—it should have simply adjourned the debate, moved the amendment on Tuesday, completed the third reading and got it, as a complete bill, to the upper house. The government would have done that if it was urgent but it has not done that. It will go to the upper house where it may go to a committee. It will have to come back here and may be debated again. There has been no real urgency and no display of urgency. This is a day that new members will never get back.

**MR M. McGOWAN (Rockingham — Premier)** [5.18 pm] — in reply: I thank members for their contributions. I will make it absolutely crystal-clear to the house that the amendment we will move in the upper house clarifies a clause to ensure that the Salaries and Allowances Tribunal, as of 1 July 2021, will not be able to take account of the consumer price index in the period between now and then and will not be able to engage in back pay or catch-up payments. It absolutely clarifies the situation because I do not want the people of Western Australia to have any indication whatsoever that there could be any prospect of that sort of thing happening. That will be moved in the upper house, which is quite standard behaviour. To clarify, the pay freeze will apply to a range of executive officers in government trading enterprises. They are Synergy, Western Power, Horizon Power, Water Corporation, Bunbury Water Corporation, Busselton Water Corporation, Western Australian Mint, Fremantle Port Authority, Southern Ports Authority, Mid West Ports Authority, Pilbara Ports Authority, Kimberley Ports Authority, Racing and Wagering Western Australia, Western Australian Land Authority and Western Australian Treasury Corporation.

Question put and passed.

Bill read a third time and transmitted to the Council.