

**Division 4: Public Sector Commission, \$25 723 000 —**

Mr N.W. Morton, Chairman.

Mr C.J. Barnett, Premier.

Mr M.C. Wauchope, Public Sector Commissioner.

Ms F. Roche, Deputy Commissioner, Accountability, Policy and Performance.

Mr D. Volaric, Deputy Commissioner, Agency Support.

Mrs A.J. Alderson, Chief Finance Officer.

Mr S.V. Calabrese, Principal Policy Adviser, Department of the Premier and Cabinet.

[Witnesses introduced.]

**The CHAIRMAN:** Leader of the Opposition.

**Mr M. McGOWAN:** I refer to page 87, "Oversight and Reporting". I am interested in information on Public Sector Commission investigations and inquiries. How many investigations were undertaken in the last financial year? How does the number compare with other years? What was the nature of those inquiries and can the Premier provide a breakdown?

**Mr C.J. BARNETT:** There have been a number of investigations under the Public Sector Management Act. That has proved to be an effective vehicle for investigations, particularly when they can be conducted in a reasonably short time rather than the alternative, which is a royal commission, which becomes an expensive and open-ended exercise. I am looking for the total list. Certainly, it includes the inquiry into St Andrew's Hostel and the Keelty bushfire inquiries. I will provide a complete list when I find it.

**Mr M. McGOWAN:** Maybe the Premier should provide it as supplementary information.

**Mr C.J. BARNETT:** No, we will find it now. In recent times there was the Boucher inquiry into allegations of leaks to the media from the Anti-Corruption Commission, November 1998; the Gunning inquiry into the Finance Brokers Supervisory Board, September 2000; the Douglas inquiry into obstetric and gynaecological services at King Edward Memorial Hospital, 2001; the Gordon inquiry into the response by government agencies to complaints of family violence and child abuse in Aboriginal communities, July 2002; the Hooker inquiry into the provision of services by the Department for Community Development in cases of child abuse, October 2002; the Hooker inquiry into the escape of persons held in custody at the Supreme Court —

**Mr M. McGOWAN:** I think I asked about the last financial year.

**Mr C.J. BARNETT:** I am providing a total list because I am being fully cooperative.

**Mr M. McGOWAN:** No.

**Mr W.J. JOHNSTON:** This answer is beyond scope.

**Mr C.J. BARNETT:** I am answering the question as I wish. I am going through and telling members —

**Mr W.J. JOHNSTON:** This is a budget estimates hearing. The Premier's answers clearly must relate to the budget. If he is answering questions that do not relate to the budget, what is his authority for doing so?

**Mr C.J. BARNETT:** I am answering the question in detail as I took the question to be, so I will continue.

**Mr W.J. JOHNSTON:** Only if it is in accordance with the standing orders.

**Mr C.J. BARNETT:** This is in answer to the question. I am giving members a complete list of public sector inquiries.

**Mr W.J. JOHNSTON:** That is not what the Premier was asked.

**The CHAIRMAN:** The Premier is answering the question.

**Mr C.J. BARNETT:** The list continues with the inquiry into the management of offenders in custody and in the community, November 2005. A further four special inquiries have been undertaken since that time, including the Keelty inquiry into the Perth hills bushfire, October 2011; the Keelty inquiry into the Margaret River bushfire, January 2012; the Blaxell inquiry into St Andrew's Hostel, August 2012; and the Stokes inquiry into the Peel Health Campus. That, I think, is the list.

**Mr M. McGOWAN:** Did the Public Sector Commissioner undertake any inquiries into the events of 22 and 23 February involving the member for Vasse; and, if not, why not?

**Mr C.J. BARNETT:** The inquiry was undertaken by the director general of the Department of the Premier and Cabinet. He shared his conclusions with the Public Sector Commissioner, the State Solicitor and other agencies. The inquiry was done by the director general of the Department of the Premier and Cabinet and I will not put words in the commissioner's mouth, but I think the commissioner was satisfied with that. If he wishes to comment, he can.

**Mr M. McGOWAN:** If the Public Sector Commissioner can undertake inquiries on a range of issues, as the Premier has just elucidated, why has the Public Sector Commissioner not been authorised or instructed under the Public Sector Management Act to conduct an inquiry into that matter, which goes to the heart of government and for which the director general of the Department of the Premier and Cabinet is clearly compromised?

**Mr C.J. BARNETT:** In what respect? That is an incredible accusation.

**Mr M. McGOWAN:** He is clearly compromised. He is not an independent officeholder conducting an inquiry into matters; he is the Premier's direct employee.

**Mr C.J. BARNETT:** Once again the Leader of the Opposition tries to denigrate public servants, but I will let that go. The principal reason is that the inquiry was a police inquiry. The opposition has instigated a committee inquiry into the actions of the police. Let me say again that this government supports the police and their actions. The police inquiry was undertaken, charges were laid and the member pleaded guilty. He has resigned from his cabinet position. He has lost his licence, he has been fined and he may well have to pay part of the insurance cost. That is the inquiry. We did not want to in any way interfere with or compromise the police inquiry. The director general of the Department of the Premier and Cabinet has conducted his inquiry. He consulted the Public Sector Commissioner and kept him informed throughout that. He also consulted the State Solicitor. The Leader of the Opposition has made these innuendos, if you like, or accusations. Again I say to the Leader of the Opposition that if he has any evidence that he has not brought forward, he should do so. There has been a full police inquiry and a full court process. I will invite the Public Sector Commissioner to comment if he wishes, but that is how it has been done. Again, if the Leader of the Opposition has some evidence that I do not know about, he should bring it forward. The Leader of the Opposition has had months to do so. Would the commissioner like to comment on that at all?

**Mr M.C. Wauchop:** The employer of the chief of staff is in fact the director general of the Department of the Premier and Cabinet and disciplinary matters are handled by the employing authority.

**Mr M. McGOWAN:** Ordinarily. I am not referring to the charges by the police into any range of matters. I have a view that additional charges should have been laid by the police, as I think 91 per cent of Western Australians also have. Be that as it may, I am referring to the conduct of ministerial staff in ministerial offices including the Premier's. I do not think that the Department of the Premier and Cabinet and the director general, who is the Premier's direct employee, is the appropriate person to conduct any such inquiry. I think that the Public Sector Commissioner should use his powers under the act to delegate to another body, as has happened on numerous occasions as the Premier has just read out, to investigate those matters involving what communication went on between the Premier's office, his staff, other ministerial staff, Ms Turnseck and, potentially, the minister. I think that these are important matters of public administration. That is where I think the inquiry should be.

[4.50 pm]

**Mr C.J. BARNETT:** The Leader of the Opposition continues to imply and claim cover-ups and all sorts of behaviour. Again, I invite him to bring forward any evidence he has. This matter has been properly investigated. The police have made their inquiries, the director general has made his inquiries and conferred with the Public Sector Commissioner, and other agents such as the State Solicitor have looked at it. Again, the Leader of the Opposition continues to try to create this impression that there is some great cover-up. If he has information, for goodness sake, can he bring it forward? I have made a full statement in Parliament. The Leader of the Opposition continues to claim that people had knowledge when they did not. If he has some information, can he please bring it forward to Parliament? He has none. All the Leader of the Opposition is doing is in the gutter—trying to kick someone who is very unwell. That is his level.

**Mr M. McGOWAN:** There is plenty of evidence out there. The Premier supports and defends drink-drivers. That is all he is doing.

**Mr P. PAPALIA:** Lucky he did not hit a child.

**Mr R.H. COOK:** Someone could have been killed.

**Mr C.J. BARNETT:** Make the claim.

**Mr M. McGOWAN:** Defending criminality.

**The CHAIRMAN:** I thank the Leader of the Opposition; the member for Cannington has the call.

**Mr C.J. BARNETT:** The Leader of the Opposition makes these claims. I have never seen oppositions attack someone with mental health conditions, and the Leader of the Opposition will have no credibility on mental health issues from this day forward.

**Mr M. McGOWAN:** I have never seen a Premier defend criminality like this.

**The CHAIRMAN:** Members, the member for Cannington has the call.

**Mr W.J. JOHNSTON:** Thank you very much, Mr Chairman; if you can control the Premier, we can move on.

I refer to “Total Cost of Service” on page 87 of the *Budget Statements*. I understand from evidence given by Mr Wauchope to the Public Accounts Committee that he met with the Premier nine times in 2013. He also informed the committee that he kept no formal record of those meetings. I wonder whether it is good practice for the Public Sector Commissioner to meet with the Premier and keep no records. I also wonder, given that during that time the Premier restructured the public service in a significant way, how the Premier communicated with the Public Sector Commissioner the work he needed to do, given that he kept no formal records of those meetings.

**Mr C.J. BARNETT:** I confer on a regular basis with the Public Sector Commissioner, as I do with other CEOs of agencies I am responsible for, on machinery-of-government changes, recommendations on senior appointments or whatever. That is just how a government works. What does the member want—minutes of meetings or something? I am sorry that does not happen.

**Mr W.J. JOHNSTON:** Yes, that is exactly what we want. I am trying to establish what sort of show the Premier runs here. He had nine meetings, which is entirely appropriate, with the Public Sector Commissioner during a period in which he made significant changes to machinery of government, and no records were ever made arising from those meetings. The Premier made significant changes to the machinery of government and no records of the meetings were made, so I ask again: how did the Public Sector Commissioner know what he needed to do arising out of these meetings with the Premier?

**Mr C.J. BARNETT:** Because I told him; it is called a conversation.

**Mr W.J. JOHNSTON:** I need to clarify that the Premier thinks it is acceptable that he has meetings about important issues like the restructuring of the public service without expecting any minutes to be kept of those discussions.

**Mr C.J. BARNETT:** If there is first a conversation about a decision about a restructuring of the public service or an appointment of a director general, those issues end up as a cabinet submission with supporting documentation—that is the public record.

**Mr W.J. JOHNSTON:** So in 30 years’ time, we will get to find out what happened, but in the meantime there are no records kept.

**Mr C.J. BARNETT:** The member knows who has been appointed and he knows which structural changes have been made to government; there is no mystery there.

**Mr W.J. JOHNSTON:** How do we know that the Public Sector Commissioner acted appropriately from the Premier’s instructions if he has not kept records?

**Mr C.J. BARNETT:** Because if we make a decision, for example, to restructure or amalgamate a department, it ultimately becomes a cabinet submission and a decision of government. It becomes public when we see the person appointed or the agencies amalgamated; there is no mystery.

**Mr W.J. JOHNSTON:** But no records are kept?

**Mr C.J. BARNETT:** There is a thing called cabinet.

**Mr R.H. COOK:** Does this not go to the core of integrity and transparency of government? Why would a situation be allowed in which a decision made within government cannot be tracked—just providing some sort of black box process out of which pops a decision? Is that really the way we run the big business of an organisation as large as government?

**Mr C.J. BARNETT:** It is the way it should be.

**Mr W.J. JOHNSTON:** What—no records?

**Mr C.J. BARNETT:** I would probably have 30 or 40 meetings a week, mainly with government officers. A typical meeting, if you like, with the commissioner, would be about something like what we are currently looking at—the amalgamation of the Mental Health Commission with the Drug and Alcohol Office. That is a real example; legislation is about to come forward. We have discussed that. I have raised the issue with the commissioner, and probably the minister had previously. I raised the issue in a meeting; I asked for any advice.

He may well offer that at the moment or he may, in more probability, talk to the agencies and then in due course, all going well, a cabinet submission is prepared. It goes to cabinet, the decision is made and the changes are implemented. That is how it works. There is no great mystery there. I cannot believe this line of questioning; it is sillier than the last one.

**Mr W.J. JOHNSTON:** So the entire process can happen with no formal agenda for the meetings, no record of the decisions made, no record of what the commissioner was told to do and no record of the advice to the Premier from the commissioner—none of those things are recorded—and yet the Premier thinks that is okay.

**Mr C.J. BARNETT:** Because it only becomes effective once it has been to cabinet and cabinet makes a decision.

**Mr W.J. JOHNSTON:** That is just extraordinary. No other business in the world would operate on such a lackadaisical and incompetent basis with no agenda, no minutes, no record of the Premier's instructions to the commissioner and no record of the advice given by the commissioner to the Premier, and the Premier thinks that that is okay.

**Mr C.J. BARNETT:** It is normal practice.

**Mr R.H. COOK:** It is not.

**Mr M.H. TAYLOR:** I refer to the second dot point on page 85 of the *Budget Statements*. I wonder what types of programs and initiatives are being developed and delivered through the Centre for Public Sector Excellence.

**Mr C.J. BARNETT:** I think it is very important that there is excellence in the public sector and the number of programs —

**Mr W.J. JOHNSTON:** Apart from keeping notes!

**The CHAIRMAN:** Thank you, members.

**Mr C.J. BARNETT:** I think it is very important that there is excellence in the public sector, and the number of programs in recruitment, staff development, professional development and the like. Mr Wauchope as Public Sector Commissioner has been strong on this, and I will ask him to make some comments on some of the programs underway.

**Mr M.C. Wauchope:** The centre was set up in February this year and has five basic objectives. One is to get a capable and sustainable workforce to meet future needs; two is to have highly competent public sector leaders; three is to have robust public sector government arrangements; four is to increase representation from diversity groups; and five is to have sector-wide knowledge sharing. It is responsible for the Aboriginal employment strategy, the disability employment strategy, the employment enhancement of young people in metropolitan and regional areas, the capability initiatives for key occupational groups, particularly the human resources and policy and finance areas, and lastly it is responsible for the leadership and management programs, including the development of contemporary learning initiatives under the banner of leadership and management essentials. I have a board to assist me in this and it is comprised of a number of CEOs from within the state public sector, the government trading enterprise area and local government. Essentially, the focus is on blended learning—that is, having a 70–20–10 principle of development, with 70 per cent of the development being on challenging assignments in the workplace, 20 per cent coming from relationships and others, and 10 per cent on formal learning and training. As I said, we are encouraging the public sector to be part of that to help build and design programs and to help deliver them.

**Mr M. McGOWAN:** I have a question on this, but I just wanted to make sure we get the last 30 or 40 minutes on State Development, that is all.

**The CHAIRMAN:** I am happy to work with the will of the committee, but we are starting to run short on time.

**Mr M. McGOWAN:** I have one last question on this section and then we can go to the other ones. I refer to “Public Sector Leadership” on page 85. How many director general positions—directors or CEOs—across the public sector are currently vacant, which ones, and for how long have they been vacant? Exactly how long has the director general for Health position been unfilled, and does the government plan it being unfilled permanently? How many members of the senior executive service are there currently; and how many SES positions are vacant?

[5.00 pm]

**Mr C.J. BARNETT:** I am sure the director general will be able to give the accurate figures. I understand that there are eight or nine vacant positions at present, which is not unusual; indeed, 18 positions were vacant at the end of the previous government. I am particularly concerned that it has taken some time to find a director general of Health, which has not been through a lack of effort. In the meantime, Professor Bryant Stokes is doing an

excellent job as acting director general. The seeking of a permanent director general has been reactivated. There were some unusual circumstances that meant that some applicants who would otherwise have been suitable were not able to take up the position because of personal reasons at the time. It has been difficult. I will ask the commissioner to detail the current vacancies and inform us of the number of vacancies that have been filled recently.

**Mr M.C. Wauchope:** At 11 April, there were nine acting chief executive officers. The agencies concerned were the Goldfields–Esperance Development Commission; the Department of Health; the Department of Environment Regulation; the Department of Culture and the Arts; WorkCover WA; the Department for Child Protection and Family Support; Perth Theatre Trust; the State Supply Commission; and, the Department of Treasury. At 8 May, there were 504 senior executive service workers. The Premier covered the situation with the director general of Health position, for which we are recruiting. Of the other positions I mentioned, we are very close to completing the recruitment process for the Department of Culture and the Arts and the Department of Environment Regulation.

**Mr M. McGOWAN:** One question was not answered: how many SES positions are currently vacant?

**Mr M.C. Wauchope:** We do not have that information.

**Mr M. McGOWAN:** Can I seek that information by way of supplementary information?

**Mr C.J. BARNETT:** I agree to provide information about the number of vacant SES positions.

*[Supplementary Information No A11.]*

**Mr R.H. COOK:** I understand that recruitment for the position of director general of Health was suspended at one point. Is it currently suspended?

**Mr C.J. BARNETT:** It has been re-activated. We are having another go.

**Mr R.H. COOK:** When does the Premier anticipate that process to be completed?

**Mr C.J. BARNETT:** It is underway now.

**Mr R.H. COOK:** When does the Premier anticipate that process will be completed?

**Mr C.J. BARNETT:** Hopefully, we will have someone appointed before the end of the year; I hope that is the case. We regard it as a matter of urgency to do so.

**Mr R.H. COOK:** The former director general gave notice in December and advertising went out in March with a view to recruiting by July, or in the early to mid months of the year. When did the government advertise and when does it expect the process to be completed?

**Mr C.J. BARNETT:** It is recommencing. I will ask the commissioner to outline the stage we are at.

**Mr M.C. Wauchope:** At this stage we are not intending to readvertise; rather, it is more around continuing an executive search. Some people we are interested in who were not available previously might now be available. We are aware of some people whom we might be able to get back into the field who were previously not in a position to consider the position. We do not know how long that will take. Obviously, it is a matter of who might be interested in putting up his or her hand.

**Mr R.H. COOK:** Given that the government has failed to recruit someone to the position over many months, has the salary and package been reconsidered and increased?

**Mr C.J. BARNETT:** In my view the salary and package is an attractive one. It is more a matter of whether the position suits potential applicants' stage of life or their career and family circumstances. There have been a couple of cases in which people who were deemed to be suitable have pulled out of the process. There has been a bit of bad luck. To be the director general of Health in Western Australia with all the major new hospitals coming on is clearly a big job—but what a fantastic time to be the director general of Health! The position holds a lot of appeal and with Aboriginal health issues and the like, a huge number of professional challenges and rewards would come from it.

**Mr R.H. COOK:** I think it has the same life as a forward turret gunner! It is a difficult position to be in.

**Mr C.J. BARNETT:** I understand the humour, but I think it is a bit miserly because a person could be a director general or senior health administrator with some pretty stable and predictable situations —

**Mr R.H. COOK:** Until the last three!

**Mr C.J. BARNETT:** I know, but people do like challenges and it would be a professional challenge to be director general of Health, with Fiona Stanley Hospital and the new children's hospital coming on, research links and the diversity of Western Australia. People will go to challenges—do not underestimate them.

**The appropriation was recommended.**