

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

*Discharge of Order and Referral to Standing Committee on Legislation — Motion*

Resumed from 30 November on the following motion moved by Hon Alison Xamon —

- (1) That the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 be discharged and referred to the Standing Committee on Legislation for consideration and report by no later than Tuesday, 20 March 2018; and
- (2) the committee has the power to inquire into and report on the policy of the bill.

**HON JACQUI BOYDELL (Mining and Pastoral — Deputy Leader of the National Party)** [10.10 am]: When the house last met, we were debating the motion to refer the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 to the Standing Committee on Legislation. I was in the final stages of my comments on that referral motion, so I reiterate that the National Party will support the motion to refer the bill to committee.

On 30 November, during debate on this bill last week, the Salaries and Allowances Tribunal made its decision on members of Parliament's salaries. Now that urgency of time is no longer an issue, I think it is exceptionally important that the committee consider this bill. The determination has already been made, so I see no urgency in this bill. As other members discussed, issues with this bill have already been raised. The Premier himself has flagged an amendment that he would like the Legislative Council to consider before the bill is sent back to the Legislative Assembly. I think it is certainly within the realm of the committee to consider and take a more comprehensive look at the bill and report its findings and recommendations to the house when it resumes in the new year. With the amendment that is already on the table, the bill will have to go back to the Legislative Assembly anyway. I think that the house should do its job and refer this bill to committee for review.

I made some remarks on the crossbench's position of not supporting this referral motion. The argument I have heard so far from the crossbench during the debate is that this is a budget savings measure. Frankly, I am afraid that that argument just does not stack up. As was pointed out last week, the government will make zero savings with this bill because the independent tribunal has already done the job it was independently appointed to do. It has done a great job in considering the will of the government to look toward budget savings measures. It has already independently assessed the government's intentions and has delivered no change—that is, a pay freeze, which is exactly what the government intended. I have no problem with the government having priorities that it wants the house to consider. The government should have priorities, but I do not think that this bill is a priority because it is not time sensitive.

We have the opportunity for the committee to consider this bill and I think it is incumbent upon members to allow the committee to do its due diligence. On the one hand, the crossbench considers this bill to be a budget savings measure. On the other hand, it blew a massive hole in the government's budget with its disallowance motion on the gold tax just last week. Those are two very different decisions put by the crossbench within a week. If budget savings measures are really such a consideration of the crossbench, I ask it to put forward why it considers that this bill should not be considered by the committee appointed by this house and report to the house in a timely manner when we commence sitting again in 2018. It would be exceptionally disappointing if this bill were not to go to committee. We would not be doing our job to ensure that quality legislation is considered and assessed by this house. As I said, it will return to the Legislative Assembly anyway. At this point, in my view, the argument put by the crossbench is very hollow. I urge it to reconsider because it seems odd to me that it would have two such opposing ideas within less than a week on what may be considered a budget savings measure and what may be considered a politically opportunistic motion to the house. Unfortunately, that is a cynical view of what occurred last week. I put that on the record and I hope that some members of the crossbench will share their thought processes for not supporting a referral of this bill to committee because it is a budget savings measure. I would like to hear that argument. I thank members for their contributions. The National Party will support the referral.

**HON NICK GOIRAN (South Metropolitan)** [10.16 am]: Every now and again in politics and in Parliament certain things happen that can only be described as illogical. I fear that that is precisely what will happen at some point today. I can say that I have not spent an inordinate amount of time considering the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. In fact, I have spent next to no time considering this bill. That is the case because in my experience there are two types of members of Parliament—those who are very passionate about the scrutiny of legislation and those who could not give two hoots about the scrutiny of legislation. I understand that the passage and scrutiny of legislation is a laborious task and can be as dry as anything, but that is the core reason for our existence. Consequently, since 2009 it has been my practice to spend an inordinate amount of time looking at legislation for ways it can be improved. I have not spent a massive amount of time thinking about this bill because it seemed obvious when I first heard about it that it would go to the

**Extract from *Hansard***

[COUNCIL — Tuesday, 5 December 2017]

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Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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Standing Committee on Legislation, of which I am a member. I was not going to invest a massive amount of time in the lead-up because it seemed clear that I would be forced to deal with it at that time. Through the circumstances of last week, it has now become apparent to me that that is now an unlikely scenario.

I find it illogical that the government and other members of this place oppose Hon Alison Xamon's motion to refer this matter to committee. It may be the case that government backbenchers from the Australian Labor Party who are new members of this place may well think that this is some kind of political opportunity on my part to stand and speak on the referral motion. I would encourage those new members, at any time that they want, to look at the bills that were passed when my team was in government to see my position on the referral of matters to committee. There was not a member of this place in the government who was more enthusiastic about sending matters to committee and having them referred. I am on the record as saying that there should be a change to our standing orders so that the default position is that bills go to a committee for scrutiny unless someone moves a motion that a bill is an exceptional bill and because of extraordinary circumstances, there is not enough time for that to happen. I have said that previously and I maintain that view. I find it weird that we have a system in this place in which bills that are considered to be uniform legislation stand automatically referred to the Standing Committee on Uniform Legislation and Statutes Review at the conclusion of the second reading speech by the relevant minister and are considered for, I think, 45 days—someone on the committee might be able to help me. In any event, they are considered for a period of time during which that committee is forced to look at that particular bill. That is a good system. The strange part about that system is that only those bills get that special scrutiny; every other bill gets scrutiny only if somebody proactively moves a motion in the house and it is passed. I have said previously that I find that a peculiar aspect of the system. It is patently obvious that this bill should go to the Standing Committee on Legislation but, certainly, a whole stack of Labor government members do not support that view and some other members of this place have curiously suggested that they will not support Hon Alison Xamon's motion. I simply ask the question: why? Are you guys serious? I am being serious. I do not understand why the government will not support Hon Alison Xamon's referral motion. In all seriousness, I would welcome any member to stand and explain why we should oppose Hon Alison Xamon's motion. I cannot understand it.

If members cannot understand why that is the case, I will give them a few reasons. First of all, it is highly irregular for the government, which has responsibility for bills, to say, moments before a bill is passed in the other place, that it accepts that the bill is flawed. I am paraphrasing here, Madam President; I am not quoting from *Hansard*, corrected or otherwise. In effect, as I understand the sequence of events, the government said, "We accept that this bill is flawed and we're going to fix it in the upper house", and leave the job to us, knowing full well that the bill would have to be returned to the other place. That is peculiar and irregular and should immediately be a yellow alert to every member of the Legislative Council that this bill is a problem. I think, as a matter of principle, that the bill is a problem, but putting that to one side, the fact that the government that is responsible for the drafting and carriage of the bill recognises that the bill is flawed should be a yellow alert to members as to why it should be referred to the committee. Frankly—I will get to this a bit later—I am not even convinced that the amendment that the government proposes to move will do the thing that it thinks it will do. That is all right; we will spend time over the course of this week, and next week if needs be, or however long we need to get to the bottom of this. I am in no particular hurry. If members think that this is the standard of legislation that we are going to pass, I have a lot of questions to ask. I certainly hope that the government, which is very confident that this matter does not require any more scrutiny—the amendment is flawless and there cannot possibly be any more problems with it—is in a position to answer all our questions. We can do it that way, which is absolutely fine with me. I will ask the same number of questions in the committee phase as I would ask if the bill went to the Standing Committee on Legislation under the stewardship of Hon Dr Sally Talbot as chair of that committee. Why would I ask any fewer? I could not care less whether we do it here, but if everybody prefers a more expedient week, they should give the five members of the committee—Hon Dr Sally Talbot, Hon Colin de Grussa, Hon Simon O'Brien, Hon Pierre Yang and me—the task to go away and do it. Why would members oppose that? It will not affect the workload of any other member of this place other than the five of us. Members opposite might say that it is very important that the bill is passed this week; it is crucial that it is passed this week with the government amendments—its flawed bill and its flawed amendments. Why? So that we can get a message to whom? Once the bill passes this place, a message goes to the other place. But when do members think that it will hear that message? When do they think it will be read out? I have not heard from the Leader of the House that the government has any intention to recall the Legislative Assembly. If that is the case, Leader of the House, that is a totally different story, but I have not heard the Leader of the House or any of her colleagues say that that will be the case. In fact, I suspect that they do not want the Assembly to be recalled anytime soon because there are a few problems down there at the moment, are there not? There are more than a few problems with respect to one particular member. I understand that the Leader of the House does not want the Legislative Assembly to be recalled. Both she and I know—the backbenchers know perfectly well—that this is not an urgent bill.

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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Interestingly, the Parliament website sets out the history of this bill and its passage through Parliament so that Western Australian citizens can understand when it was debated, who has done what and so on and so forth. It is very interesting that this bill was declared urgent in the Legislative Assembly. The Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 was an urgent bill. It was a top priority for the government. It was introduced into this place and it is still a top priority because it is the first bill that we are dealing with this week. In the final week of the Legislative Council in 2017, what is the first bill we are debating? It is this urgent bill, the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. That is fine; the government controls the agenda. If the government says that this bill is its top priority, I do not have a problem with that. But it is illogical to say that this is an urgent bill this week so that we can send a message to a place that will not even be there until February. That is nonsense, members. Government members sit there and own the government's decision. What happens in their caucus? Is everyone silent there as well or do people actually express a view and say, "Look, leader". I will tell members how it worked in the Liberal Party room when we were in government. There would be an annoying member like me on the backbench who would jump up and say, "With all due respect, Premier, what we are doing is crazy. Can we reconsider this?" It is very unpleasant to do that. As I have said before, it is a pain to be a pain. I understand all that, but it is important. The only opportunity that government backbenchers get is in their caucus. It is their key responsibility during this term of Parliament. I have been there for eight years. I know what it is like and I know it is tough, but you have to do it; otherwise this kind of rubbish goes on and all of a sudden we are in a situation in which the government's urgent priority in the final week is this bill, which we will not send to a committee but we will try to pass some amendments. Apparently, the Leader of the House will have all the answers for us when we get to the committee stage. The government is making this bill its top priority so that it can send a message to a place that is not going to be there until February. If that is not illogical, government members are welcome to rise to their feet and explain to me something more ridiculous.

Frankly, I do not have any confidence in the legislative skill of this government. I have no confidence about that. This is the government that brought to this house the so-called no body, no parole bill. Do members remember that legislation? The Premier said that it was a kick in the guts for that particular bill to be referred to the committee. That is fine. The Premier of the day, like anybody else under our Westminster system, is quite entitled to express his view. He thought it would be a kick in the guts to victims if that bill was sent to the committee. He is entitled to express that view. If a member was to express that view, they would certainly hope that the bill was flawless and that there were no mistakes in the bill. What happened? The committee chaired by Hon Dr Sally Talbot, of which I am a member—I am the deputy chair—reported to this house. It said, "Guess what? The government forgot about manslaughter claims and that a prisoner might be mentally incapacitated during the term of their time in jail and might be unable to be subject to one of these parole provisions." But that was a kick in the guts according to the Premier and it should not have gone to the committee. Thank goodness it went to the committee. Thank goodness Hon Dr Sally Talbot and the committee did a good job. Eventually, when that bill, which, by the way, members, is on our notice paper —

**Hon Darren West:** We're not talking about that bill; we're talking about this bill.

**Hon NICK GOIRAN:** I understand that but I am explaining why —

**Hon Darren West:** They're quite narrow, debates about referral.

**Hon NICK GOIRAN:** The member is absolutely right.

Several members interjected.

**Hon NICK GOIRAN:** Yes, it is; this is about a referral.

Several members interjected.

**The PRESIDENT:** I am actually listening to the debate and I know that Hon Nick Goiran is going to focus on the referral matter in front of him.

**Hon NICK GOIRAN:** Thanks, Madam President.

As I was saying, this is about the theme of why I cannot trust the government's legislative skill and why this bill needs to be referred to a committee. I gave the example of the no body, no parole bill. I note that that particular bill is listed on our daily notice paper. Correct me if I am wrong, Leader of the House, but I do not believe that that bill is intended to be brought on for debate this week. This is the kind of illogical stuff that just baffles me, Madam President. This bill was very important to the government. Apparently, it was a kick in the guts to victims that it was even sent to the committee. The committee has now done its work. We have provided recommendations on how that bill can be improved, and the government has not even brought it on for debate. This is weird, weird stuff. Instead, the government's top priority on Tuesday morning—we are here at 10.00 am on a Tuesday when we do not sit normally because the government wants extra time—is to bring on the Salaries and Allowances

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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Amendment (Debt and Deficit Remediation) Bill, which the government has its own amendment to. It is absolutely baffling trying to understand what is going on with the government's legislative agenda.

As I said, I do not have any confidence in the government's legislative skill. The second example I am going to give is the First Home Owner Grant Amendment Bill. We went through a laborious process, but we got there in the end. The government showed no interest whatsoever in referring that bill to a committee because, of course, it was a flawless piece of art that could not be criticised. In the end, the government had to move some amendments to the bill. It went down to the other place, and we got the message back last week, if I recall correctly. Members, I say all this because that is precisely the role of this place. It is a good thing that these things happened. It is a good thing that the no body, no parole bill went to the committee, was scrutinised and recommendations were made. Eventually, should that legislation come on for debate at the government's behest, and should it pass, it will be better legislation for that. These are good things. But the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 is apparently not worthy of referral to the committee. It can only be unworthy of referral to the committee if there are no problems with it, yet the government concedes that there are problems with it.

Apart from the fact that it is patently obvious that this type of bill should go to a committee, the government has form in poor management and drafting of bills. We know that the government has had other bills that have required amendment. I therefore put to members that absolutely nothing is lost by referring this bill to the committee for scrutiny. Interestingly, when Hon Alison Xamon was on her feet moving this motion to refer the bill to a committee, the tribunal in question, the Salaries and Allowances Tribunal, was busy publishing its latest determination. Members need go no further than the first line of the preamble in which the Salaries and Allowances Tribunal provides a very convenient summary of its determination. It states —

- No increase in remuneration or allowances provided to Members of Parliament

That immediately takes out the urgency of the bill. If it is the case that the government is concerned that maybe the Salaries and Allowances Tribunal will shiftily make a determination and increase the salaries or allowances members of Parliament, they need not fear that because the tribunal just handed down its determination on 30 November 2017.

If I were on the government bench now, I would say, "Yes, that's true." Interestingly, nobody else has said that yet. But of course the bill does more than to try to freeze members of Parliament's salaries and allowances; it also seeks to deal with other officeholders, who were not subject to the tribunal's determination of 30 November. Does the government have such distrust for the tribunal that even after this determination it still fears that between now and, let us say, March next year, when Hon Alison Xamon suggested the committee report back, it thinks the tribunal will quickly sneak in some more determinations; that the tribunal will quickly do something for the judges, for the Governor and the senior office holders, because it is so untrustworthy? Seriously, is that the government's proposition? I think that we can proceed with a fair and reasonable degree of confidence that the tribunal will not try any tricky business between now and March.

I have already mentioned that it baffles me that members could oppose five members of this place undertaking some extra work between now and March that will not affect the other 31 members of this place. I am one of the five members, and I am quite happy to do the work. But I can only do the work if the bill is referred to us. If members do not want me to do the work, that is fine; I have plenty of other things that I can do, too. Madam President, as I have already mentioned, the Legislative Assembly is not due to sit until February anyway. Again, maybe the government is very stressed about Hon Alison Xamon's motion because it states that the committee should report back by Tuesday, 20 March. It will sit on the notice paper for a week, we will have a debate and annoying members like me will make comments about the bill, then it will have to go back down to the Assembly anyway, so maybe all this will not happen until April—and? The law would not change until April. What is the issue?

Remind me again, members, what the issue is, because no-one has made a case so far. It is not my intention to speak at length on this referral motion. It had not even been my intention to speak on the bill because, as I said at the outset, I assumed that this was one that I could afford to park to one side because I will be forced to look at it when it gets to the committee anyway and a mountain of other legislation and things require attention. However, it now appears that that will not be the case, so I thought that it would be appropriate to record my remarks now on why this matter ought to be referred to a committee and express my disappointment with members for taking a contrary view on that. I am perplexed that there has not been a weight of support in the Labor caucus to say to the leadership, "Guys, we got this one wrong; let's send this one off to a committee." As for the position of some other members of this place who have indicated that they will oppose Hon Alison Xamon's motion, I simply do not understand it. I think it is illogical, with all due respect to them. Of course, they are entitled to take whatever position they want. Members can always do that on any bill, but it is very strange. I do not want to speak at length,

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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because if we are going to scrutinise this bill in the house during Committee of the Whole, my view is let us get on with it.

**HON TJORN SIBMA (North Metropolitan)** [10.41 am]: Like the previous speaker, my colleague Hon Nick Goiran, I did not intend to speak to this motion for referral either. I did not think that it was a particularly substantive piece of legislation. As a new member of Parliament, I have not completely lost touch with the general public from which I come, and I have formed the view that not only do people in this place see the purported urgency of this bill as a curiosity, but the public does too, if only for the fact that last Thursday the Salaries and Allowances Tribunal determination was pretty clear. It determined that there would be no pay increase for MPs, bearing in mind general fiscal conditions in Western Australia. If any decision or milestone were to negate the purported urgency of this bill, it would be a decision by the independent tribunal, and it has proved that point. Members of the Labor backbench seeking to know how long we will be here this week have also approached me. I do not know the answer to that question, but I thought that we might be going home a little earlier if we kick this one into touch. I do not know why we are here. This is complete lunacy. It is easily done. It is absolutely no skin off the government's nose. I do not think it would dishonour or embarrass the government if it withdrew it. It would be sensible recognition of the facts as they are. We do not need this bill. The urgency is not there. The other place will not deal with it until February at the earliest, and more likely March. We will not have the result that the government wanted to concoct politically. It will withdraw it. It will move on to other urgent business and give that priority.

**Hon Peter Collier:** Then we can get the health practitioners through.

**Hon TJORN SIBMA:** The Health Practitioner Regulation National Law (WA) Amendment Bill drops off the list, comes back onto the list, and drops off the list again. I would prefer to listen to debate on that bill than this referral motion, but here we are.

I acknowledge that there is a curiosity in this bill and I think that it is worthy of evaluation by a committee—that is, the parenthetical adjunct to every piece of legislation that in this case indicates that it is about debt and deficit remediation. The government thinks that it must stamp this bill as debt and deficit remediation. The merits of that claim are worth some investigation. I do not think that it is the case and I wonder whether someone in the Parliamentary Counsel's Office would have remarked to the instructing minister about whether that was necessary, but there it is.

To colleagues here, particularly those on the crossbench, who have formed the view that this does not merit referral, I say this: the Salaries and Allowances Tribunal was established to make determinations for a very good reason, particularly the determination of politicians' pay. If we hold to the principle that members in this place need to set examples to the public and that the integrity of the system needs to be preserved, I do not think that we should embark on the path by which politicians, in essence, establish their own pay. Although it is proposed that we take a haircut, the precedent established by such a move works in the opposite direction too. If these members are concerned about the preservation of institutional integrity and the separation of powers, which is largely what being a conservative is all about, they should look askance at legislation such as this that attempts to limit the remit, the independence and the capacity for institutions such as SAT to make the kinds of determinations that, in part, it was established to make. It is not as though SAT is an unprofessional body. It has 42 years of established practice. At the very least, it would be worth examining whether the kinds of problems to which I allude here are substantiated by the substance of the bill under consideration. Even if we were a little worried about that notion, it would be sensible to refer it to the committee.

For new members such as me, this debate also touches on the very nature of this house. The Legislative Council was established to review legislation. It is a house of review and the functions of review are executed—not completely, but in part—through committees established by the Council. If members want to abrogate the purpose of this Council and the role of committees, they should stand in opposition to this referral motion. However, I do not think it is a sensible place to start. It will do absolutely no damage to the state's finances if we refer the bill because the established time line is that this bill will go back to the other place and no decision or determination will be made until February or March at the earliest. There is no urgency. This purported urgency should be investigated. Obviously, the government has the capacity to determine the order of business and towards the end of the year, it has a great anxiety to prove that it has moved enough business through to merit its position. Bring it on, but that is not the point.

As my friend Hon Nick Goiran alluded to, this is completely illogical. We are being asked to pass an urgent bill for which there is no urgency. The proposition is that we refer the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 to the Standing Committee on Legislation for investigation. We have done that a number of times this year on a number of, to be honest, more substantively important pieces of legislation that actually affect people's lives. This legislation, my friends, is window-dressing. It is, to use a saying of the age, virtue

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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signalling. It is “Operation Hair Shirt—look at us; we’re taking a pay cut, but we’ll cut you and you and you, and the judiciary, and we’ll tell the SAT how to do it.” That is not a very sound precedent upon which to embark.

I also find it curious that we have before us a piece of legislation that tramples on the integrity and independence of the Salaries and Allowances Tribunal to deal with a matter that is not urgent and to address a problem that no longer exists, by virtue of SAT’s determination last week, while other priority measures of remediation across the public sector are going unaddressed.

If debt and deficit remediation is the actual purpose of this legislation, it should also be the focus of other public sector renewal policies, adjustments and reorganisations. I reflect upon one that the Premier made prior to the election regarding the establishment of whole-of-government key performance indicators. He was going to hold directors general of major agencies responsible for achieving those key performance indicators. Furthermore, the government was going to tie a portion of directors’ salaries—up to 20 per cent—to the achievement of those key performance indicators. During the estimates hearings, I and others inquired as to where these key performance indicators were. If these were the metrics the government was going to use to drive efficiencies and accountability in the public sector and to ensure that people do not get paid more than they deserve, where were they? After nearly nine months, we still have not seen them. If we want to drive substantial and systemic efficiencies and accountability and get better value for money throughout the public sector, that is actually not a bad place to start; I actually thought the Premier was onto the right thing. It is how we could drive longer term, sustained change, but there has been nothing. Not a single KPI for any DG has been made publicly available, and there is still no process by which the achievement or non-achievement of those key performance indicators can be linked to remuneration for chief executive officers of agencies, and agency CEO salaries are at the heart of this also.

I also note another avenue of underperformance in respect of debt and deficit remediation in the public sector: compensation payouts to chief executive officers or directors general of departments who, for one reason or another—sometimes by mutual agreement and sometimes by some other form of agreement or non-agreement or determination—are relieved from their positions as heads of those agencies. Post-election, the Premier relieved somewhere in the order of 18 directors general from their positions by virtue of independent decisions or machinery-of-government changes and the like, and was somewhat disappointed and annoyed at the scale of payout for those people. I thought that was interesting, since the Premier has spent 20 years in public life in Western Australia —

**The PRESIDENT:** Member, I am just going to interrupt you and encourage you to focus your comments on the matters in front of you about the referral of this bill. I have been listening to you and had a quick refresh of what is actually in the motion in front of us, and I think you are probably wandering off on a frolic of your own.

**Hon TJORN SIBMA:** Madam President, I will be guided by your remarks and come very swiftly back to the motion under discussion here.

I stand in support of the referral of this bill to the committee, if only to test the claim that the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 is about debt and deficit reduction, about setting an example and about being held accountable to the public for performance. There is absolutely no problem in referring this bill to a committee; it will not affect the sound governance of the state, it will not jeopardise financial remediation, it will not drive a return to surplus and it will not reduce debt if we pass it to a committee. I strongly urge support of the motion as moved by Hon Alison Xamon.

**HON MARTIN ALDRIDGE (Agricultural)** [10.56 am]: I rise to make some remarks in relation to the motion moved by Hon Alison Xamon on Thursday of last week’s sitting, and in doing so I indicate that the National Party will support the motion.

I want to go into a number of areas relevant to the motion before us, the first being the context of the business the house will be dealing with this week, because that is relevant with regard to the amount of time this house has available to it to fully scrutinise this bill. Members will have received on Friday, as I did, an email from the staff of the Legislative Council indicating in the weekly bulletin the business that we will be dealing with this week, 5 to 7 December 2017. Unless I am mistaken, there are some seven bills listed on the weekly bulletin, five of which the Legislative Council has not even commenced consideration. I find it interesting that we are to consider such a large number of bills in the last three sitting days, notwithstanding the agreement reached in this house last Thursday to extend sitting hours today and tomorrow to provide more time to the government to deal with its legislation. Discharging this bill and referring it to the Standing Committee on Legislation is, I think, quite sound, given that the government clearly has quite a number of bills it wishes to progress this week. I think that is unachievable, but, nonetheless, discharging this bill and referring it to the Legislation Committee would assist us by not only improving the bill, in my view, but also allowing the government to try to pursue the passage of the remaining six bills, which I nevertheless think is still highly unlikely to be achieved.

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy  
President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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On Thursday of last week, the Leader of the House moved a motion without notice to suspend standing orders with regard to our sitting schedule for this week. She made a number of comments in that motion, one of which was —

This motion reflects the agreement that has been reached behind the Chair about how we will deal with the remaining legislation that has been agreed will be progressed to completion by the time we rise on Thursday, 7 December.

I have spoken to the Leader of the National Party who told me that there is no agreement, certainly not from our party, to pass the seven bills listed on the weekly bulletin.

**Hon Sue Ellery:** Yes, there is.

**Hon MARTIN ALDRIDGE:** There is agreement around the sitting schedule, noting that the motion that was read into the house last Thursday does not reflect the agreement behind the Chair—as was pointed out during the debate—on that motion. Interestingly, as a member of this place, I did not receive a copy of that motion prior to it being read into this place without notice on Thursday morning. There was also some commentary in the Leader of the House’s address about perhaps sitting later on Thursday to deal with further business. I would put to the Leader of the House that if we were to extend the sitting beyond what was agreed by this house on Thursday, I would need to be convinced, as would my party, of the time-critical nature of the seven bills listed in the weekly bulletin to do so, particularly in light of the fact that we are going into recess for some three months. Perhaps an alternative that might be available to this chamber would be to amend the sitting schedule for 2018 so that we return in February. Madam President, I know that you are wondering where I am going with this.

**The PRESIDENT:** Absolutely. I am sure you are warming up to focus your debate very narrowly on the reasons why this particular bill should be referred to the committee.

**Hon MARTIN ALDRIDGE:** Yes, it is completely relevant and I will come to it. The issue with us not sitting until March next year is that there will be a number of weeks, if I am not mistaken, between the Legislative Assembly sitting in February and the Legislative Council sitting in March. Obviously, if the houses were to align the sitting schedules, that would certainly improve the ability of the Standing Committee on Legislation to report to the house, notwithstanding that an amendment would need to be made to the motion. Certainly, the committee could report in a timely manner, which would facilitate the passage of this bill, if it is a government priority, in February with a report of the committee for the Legislative Assembly to then deal with the bill in the way that it normally deals with legislation. This could all happen very swiftly after the committee reports and would not delay to any significant extent the effects of the bill. That is something that should be considered in the context of this referral motion.

I do not think there is a sound argument that there is a time-critical nature to this bill. In fact, I would argue that, of the seven bills listed, others are more time critical than this one, particularly in light of the determination of the Salaries and Allowances Tribunal last Thursday. Nevertheless, it is for the government to decide the order of the bills we debate, and we are debating the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill. The leader of my party informed me earlier today that we will deal with this bill for only a few hours today before we turn to another bill. It will be interesting to see how the in-depth consideration of this bill is managed if it is not referred to a committee, while we also deal with a range of other bills and priorities of the government.

It was interesting to observe the Labor Party’s practice in opposition on the referral of bills. I sat on the government benches for four years and saw all Labor Party members get up and speak for their full allocated time on the second reading of bill after bill, and the last member to speak had the responsibility of moving the motion to refer the bill to a committee. It was very strategic. That member would undertake that task and then all the other members would stand again and often deliver the same speech to this place on the referral motion.

**The PRESIDENT:** Order, member! I am starting to feel a bit of *deja vu* listening to this speech. I will give you and any other person who seeks the call on this particular motion some direction. I have not heard from anyone so far their concerns about particular aspects of the bill. Nobody has isolated in their conversation yet any particular question they would like canvassed by the committee or their concerns about various clauses of the bill or what the committee should investigate. This is a very narrow debate. I am hearing from members a lot about the time that could be used during the parliamentary break. If this bill is to be referred, part of this debate is about giving the committee guidance on which parts of the bill it should focus on. I am yet to hear that in any of the debate we have had so far this morning. I just say that to encourage members that if they want to speak on this referral motion, it might be useful to talk about the detail of the bill that they have concerns about.

**Hon Nick Goiran** interjected.

**The PRESIDENT:** Thank you for your assistance, Hon Nick Goiran. Hon Martin Aldridge has the call.

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy  
President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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**Hon MARTIN ALDRIDGE:** Thank you, Madam President. I have 37 minutes remaining to fully flesh out the concerns I have with this bill, but I think those points are important to note, particularly in relation to the double standards of the McGowan Labor government.

I honestly think that the government opposes the motion to refer this bill to committee because a number of other bills that will have little or no effect in practice have been brought to this place, not the least of which was the meth bill. The time of the house is being wasted and the public perception is being abused because the government has brought to the house bills that will do very little. I sympathised with Hon Alison Xamon when she said in her closing remarks in the second reading debate that one of the consequences of referring the bill to the committee might be the harvesting of greater savings for the government if there were proper and due consideration of the measures contained in the bill.

We have a lot to get through this week and I want to talk about and add some comments to a couple of areas that have been canvassed. Obviously, in supporting the referral motion, it is important to note that the second part of the motion states —

the committee has the power to inquire into and report on the policy of the bill.

Notwithstanding the comments made by Madam President just now, this is a wider ranging debate than just the referral of this bill to a committee. The motion will allow the committee to inquire into the policy of the bill. In doing so, we could suggest matters that we do not think have been adequately dealt with or canvassed in the content of the bill, and I intend to do just that.

Some of the comments that have been made by previous speakers have gone to various areas, not the least of which was the independence of the Salaries and Allowances Tribunal. Obviously, the Parliament of Western Australia—that is, the Legislative Assembly and the Legislative Council—has the right to make laws. It has the right to undermine or strengthen the independence of a body. Obviously, in doing so we would want to ensure that it is done in a proper and appropriate way, with sound policy reasoning. I liken this decision to one made by the former federal Labor government when it created the Fair Work Commission as the independent arbiter of federal industrial relations, but when the Fair Work Commission made an independent determination that the Labor government did not agree with, it brought a bill to Parliament to overturn it. Either we have independent bodies like tribunals and commissions to make decisions at arm's length from government or we do not. Hon Tjorn Sibma made a very valid point; that is, on this occasion Parliament would be interfering with the tribunal by stopping or limiting pay and entitlement increases, but, conversely, Parliament could be interfering to do the complete opposite. Some judgements need to be made about and some investigation needs to be done into whether we want to trash the independence of the Salaries and Allowances Tribunal in this way, particularly noting that three of the last four determinations were for pay freezes for members of Parliament and the remaining determination was for a 1.5 per cent salary increase in line with the state wages policy. I think it is not unreasonable to suggest that the tribunal is doing its job. It is mindful of the economic conditions that the state is facing and therefore I think there is a serious question mark hanging over whether or not the tribunal should be tampered with in this way by Parliament.

I have already mentioned the contribution of Hon Alison Xamon when she said that other aspects of this bill could realise further savings and greater budget repair. In the second reading speech, the Leader of the House stated —

The job of budget repair will not be easy. Since coming to government, it has been made clear that all parts of the community will have to help in getting the state's finances back on track. This bill gives the community confidence that the burden of budget repair will indeed be shared by everyone, including the most senior members of government. This bill makes it clear that members are not exempt from this important task.

Those are strong words. Those words were echoed in this chamber after similar words had been presented to the Legislative Assembly by the Premier as the minister responsible for this bill.

One area of this bill that has been mentioned in passing but has certainly not been canvassed by the government is members' salaries and entitlements, in particular the parliamentary pension scheme. I remind members that the Leader of the House said that "budget repair will indeed be shared by everyone, including the most senior members of government". This is another issue that could be considered by the Standing Committee on Legislation in looking at the policy of the bill. The government confirmed in answer to my question without notice 781 that the parliamentary pension scheme was not a consideration in the drafting of this bill. Five serving members of this Parliament now enjoy membership of the parliamentary pension scheme. We learnt last week that a minister may leave this place and serve in both local and federal government in other jurisdictions and return to the parliamentary pension scheme. That scheme was closed to new entrants in 2000, some 17 years ago. We were told that the reason the minister was allowed to re-join that scheme was that it would reduce the burden on the taxpayers of Western Australia. If that is true, I would like to see the evidence to support that statement. Some strange and



Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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unusual arrangements are in place if it is in the interests of taxpayers to allow a minister to rejoin the parliamentary pension scheme. I refer to an article in *The Sunday Times* of 18 April, which states —

MPs Bill Johnston, Vince Catania and Mick Murray have called on the Government to stop the scheme in a proposal also supported by shadow treasurer Ben Wyatt.

**The DEPUTY PRESIDENT:** Order! The member seems to be straying a good deal from what this bill is about. A committee inquiry into the policy of a bill is just that—inquiring into the policy of a bill does not mean members can come up with a completely different policy and canvass anything they like. That is not what a standing committee would do. A motion to refer this bill, including the policy of this bill, to a standing committee is not open slather. It is about the narrow policy of the particular bill that is before the house. Although the member might want to refer in passing to related matters, and he is free to do that, that should not become the substance of the member's presentation. The member needs to be directed back to the narrow focus of the motion before the chair.

**Hon MARTIN ALDRIDGE:** Thank you, Mr Deputy President, for your guidance. I was just concluding my remarks on that matter.

I turn now to supplementary notice paper No 34, Issue No 2, of Wednesday, 29 November 2017. Three amendments are listed on that supplementary notice paper, two from Hon Aaron Stonehouse, and one from the Leader of the House. I assume I have the most current version of the supplementary notice paper. I am not aware that notice has been given of any more amendments since this notice paper was issued. These amendments ought to be considered further by the committee, for no other reason than the way in which this bill found its way to this house. This bill was read into the Legislative Assembly on 11 October, and on the following day it was declared urgent by way of the suspension of standing orders. The bill was second and third read on that same day. It is interesting that the second reading speeches that were read in the Legislative Assembly and the Legislative Council contain the exact same words in relation to the need for the bill to be dealt with expeditiously. However, the second reading speech in the Legislative Assembly refers to the ability of the Salaries and Allowances Tribunal to make a compensatory determination of remuneration following the cessation of the wages freeze. On that same day, 11 October, members of this house received a briefing note on the bill from the Public Sector Commission. In fact, it was received by our staff, because we had no notice that this bill would be brought on in the Legislative Assembly as an urgent bill. The last paragraph of that four-page briefing note states —

However, the Tribunal can take into account changed economic circumstances since the freeze commenced. For example, if CPI were to increase by 5 percent in total over the freeze period, the Tribunal could provide for remuneration of 5 percent to be applicable from 1 July 2021 onwards.

That is interesting. Under the bill as it stands currently, the Salaries and Allowances Tribunal has the ability to provide compensatory remuneration if there is an increase in the consumer price index during the five years of the freeze. I assume this problem was identified in the Legislative Assembly and the responsible minister, the Premier, said it would be fixed in the Legislative Council, as is usually the case. I assume that is the reason for the amendment that has been foreshadowed by the Leader of the House in this place. I remind members that the purpose of a second reading speech is to assist others, including the courts, in interpreting the laws that we make in this place. Therefore, those laws need to be carefully prepared and delivered to make sure they are accurate.

*Point of Order*

**Hon RICK MAZZA:** Mr Deputy President, I refer to standing order 47 on relevance. I have yet to hear the member speak relevantly about sending this bill to a committee, so if the member could go back to that, please.

**The DEPUTY PRESIDENT:** I do not believe there is a point of order. I am listening closely to the honourable member, and indeed I have just given him some guidance. I believe that the member is relating his speech to the subject of the bill being sent to a committee, and he will no doubt continue to do so.

*Debate Resumed*

**Hon MARTIN ALDRIDGE:** Thank you, Mr Deputy President. I was just talking about the genesis of this bill, and the reason the amendments listed on the supplementary notice paper, including that proposed by Hon Aaron Stonehouse, should be considered. My first glance at the amendment proposed by Hon Aaron Stonehouse indicates that it could result in the tribunal giving members of Parliament a pay freeze earlier than the government's intentions in the bill, because it refers to the government's budget essentially returning to surplus. As we know, a budget was delivered earlier this year that saw a return to surplus in three years' time. Should we be pursuing a policy of freezing the salary and allowances of members of Parliament, as well as a number of other officers, for three years or five years?

Much of what has been said in this debate by those opposing this motion—namely, the government and the crossbench, particularly in the speech given by Hon Aaron Stonehouse—was about the time-critical nature of passing this bill. We cannot possibly afford to have a committee inquiry because it will delay the passage of the

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy  
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bill. The other reason given was that all the issues that members might have could be adequately dealt with in the time we have remaining this week. As I said in my introductory remarks, given that the government intends, although not with our agreement, to pass seven bills this week, that would be a very difficult task to achieve. This bill is not of a time-critical nature, and it would benefit from referral to the Standing Committee on Legislation, particularly if the Leader of the House were to agree to my proposal; that is, if we return in February along with the Legislative Assembly, with shorter reporting time for the committee, we could pass this through both houses of Parliament in a very short time—the first day, if not the first week—when we return in February. They are important matters to consider.

Many of the second reading contributions I heard prior to us embarking on this referral motion were not just about this legislation interfering with the Salaries and Allowances Tribunal. We all know that we can take that lawful approach, but is it proper? The tribunal has been independent for so long; therefore, is it proper that Parliament interfere in this way and by this means? Some remarks were made about the judiciary. When the previous government brought changes to the Salaries and Allowances Tribunal Act, particular officers were excluded from that bill—namely, the judiciary, and members and officers of the Parliament; there were others, but they were the predominant ones. They were excluded because of the important democratic principle of the separation of powers. The Liberal–National government took a decision with that bill that the tribunal should be able to make completely independent decisions on these officers of the Parliament and officers of the judiciary to ensure that politics did not interfere, either positively or negatively, as people perceive, with the entitlements afforded to these officers.

I assume that Hon Aaron Stonehouse and the Leader of the House intended to move their amendments with some hope of them passing. If that is the premise on which I approach the amendments on the supplementary notice paper, there is a good argument to say that the time-critical nature of this bill is very weak at best. As far as I can tell, the only two contributions I have heard so far in opposition to this referral motion have argued the time-critical nature of this bill. I remind members that this bill was introduced into this chamber some time ago, and we have had a number of opportunities to debate it earlier, but those opportunities have not been afforded to this house in the government's priorities, indicated in our weekly bulletin, and in the bills we have dealt with on a weekly basis. In fact, this bill was introduced into this house on 12 October 2017, so we have had a number of opportunities after budget estimates, which followed the introduction of this bill, to allow for not only the week in which this bill has to stand adjourned in accordance with our standing orders, but also the five days of debate that could have occurred without suspending standing orders in this place, and which could have occurred prior to debate commencing last week.

I really think the time-critical argument mounted, particularly from the crossbench, that this bill has to be passed because otherwise we will see everyone getting huge pay rises and blowing out the budget is incorrect. I listened to and re-read the contribution of Hon Aaron Stonehouse about his concern about the budget and I think I can confidently say to him and other members of the crossbench that we need to delay the passage of this bill to early next year, to make sure that all its provisions, including his amendments, could be carefully considered by a committee, along with a number of other aspects. I think Hon Michael Mischin mentioned a number of other officers who will be impacted by this decision—not just officers and members of Parliament, but also the judiciary and others—who to this point have not had an opportunity, as far as I can tell, given the way this bill has been dealt with so rapidly, to provide some advice and feedback, or indeed support for the provisions proposed by the government. Given that this bill was introduced and dealt with in two days in the Legislative Assembly—that is evident from the condition in which we now find this bill in this place—not rushing this and allowing the committee to do its work, reporting back in February and, importantly, letting the government get on with pursuing the other six, in my view, questionably urgent bills that it has listed this week, would be a win for all parties involved.

**HON ROBIN CHAPPLE (Mining and Pastoral)** [11.28 am]: In rising to make my contribution, I want to talk about the value of committees. Prior to 1997, there were very few committees in this place, and as the Deputy President would acknowledge, the advent of the Greens and Australian Democrats in this place began a process of committee formation. This was then enhanced in 2001, when One Nation members joined this place, with Hon Paddy Embry, Hon John Fischer and Hon Frank Hough. We found that the committee system really hit its stride. It is important to remember that, previously, Hon Norman Moore and Hon Kim Chance acknowledged that this house prior to 1997 had not properly operated as a house of review. The committee system was enhanced in 2002 to bring forward the notion of this place fixing up the mess that was being made in the other place. I wanted to refer to a few comments made around that time. I joined this place in 2002, having been elected in 2001. At the same time Hon Kate Doust, Hon Adele Farina and Hon Sue Ellery joined Hon Simon O'Brien, who had been here —

*Point of Order*

**Hon SUE ELLERY:** I appreciate the honourable member seeking to read out the list of people who were sworn into this place in 2001, but as has been pointed out by the President and the Deputy President today, this is a very narrow debate and I ask that you remind the honourable member on his feet of that.

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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**The ACTING PRESIDENT (Hon Matthew Swinbourn):** Honourable member, I bring to your attention standing order 47, which refers to relevance to what the subject matter is about. I ask that you keep your comments to the question at hand, that the motion be agreed to.

*Debate Resumed*

**Hon ROBIN CHAPPLE:** Thank you, Mr Acting President. I will come back to the point I was going to make. We have a number of amendments before us. We have two from Hon Aaron Stonehouse and one from the Leader of the House. I was coming to the point of the value of committees to this establishment. That is the point I am trying to make. This is a house of review and previously, from 1997 to 2002, legislation has consistently gone to committees. In the last term of Parliament we saw that decline because there was a majority in this house that precluded committee referral. We now have a broad spectrum in this house, with members of the Liberal Democrats, the Shooters, Fishers and Farmers, One Nation and the Greens who want to know that the legislation that the Legislative Assembly sends to us is of a sound nature. Having read the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017, whether members support it or not, I think that many components of it are less than clear. As the Leader of the House has said, we can address those in committee, but I do not think they can ever be addressed in the Committee of the Whole in the way that a committee system can do with a proper analysis. I understand that Hon Norman Moore stated in previous parliamentary comments to the then Leader of the House, Hon Kim Chance, that he had seen for the first time the value of this place identified because we were now using the committee system as it had always been intended. In the 103 years up to 1997 we did not really have a valued system in this place. It is important that this house continue the values that were so hard fought for by One Nation and the Greens in 2001 to get a really good committee system up and running. Bills such as this one are rushed through from the other house to this place without proper due diligence. They have the guillotine down there and they can punch things through. Our job is to make sure that legislation is sound and valid in this place. In supporting Hon Alison Xamon's motion, I bring to members' attention the value of this house in ensuring that legislation brought up from the other place is sound and valued.

**HON RICK MAZZA (Agricultural) [11.34 am]:** I have listened in detail to the debate on the motion about whether the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 should be referred to a committee. There has been a lot of gnashing of teeth, snarling and that sort of thing about why this bill should be referred to a committee, but we do not refer all bills to a committee. We only refer bills to a committee if we think there is something that really needs to be looked at. I do not think this bill is terribly complex. It is the Salaries and Allowances Tribunal independent? Yes; sure the SAT is independent. Is this a bit of retail politics? Probably. But by the same token it will not change much. We have a wages freeze in place and the idea of this bill is to make sure there is no back pay in 2021 when it expires. At this point, I have not heard a good argument for why the bill should be sent to a committee. There has been a lot of talk about the fact that there is no argument about why it should not be sent to committee, but, conversely, I have not heard a good argument about why it should be sent to committee. This bill is not terribly complicated. I am not convinced by these long speeches about the ramifications of this bill not going to committee and not being scrutinised properly. I assert the position that the crossbench will not support the referral motion.

**HON ROBIN SCOTT (Mining and Pastoral) [11.35 am]:** My contribution will be short, and very basic. The people of Western Australia have been screwed to the wall for a while now, with wage freezes and rises in utility costs for water, gas and electricity. Why is it so wrong to support the government's amendment bill? In supporting the bill, I assume and hope that we are sending a message to the general public that politicians are prepared to do their bit to help with debt and deficit. After the term of this government, the Salaries and Allowances Tribunal will be returned to its independent role. All the arguments so far are about members, the judiciary, government departments and public servants, with no mention of the general public. As I represent the general public in my electorate, I will not support Hon Alison Xamon's referral motion.

*Division*

Question put and a division taken, the Acting President (Hon Matthew Swinbourn) casting his vote with the noes, with the following result —

**Extract from *Hansard***  
[COUNCIL — Tuesday, 5 December 2017]  
p6468a-6487a

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy  
President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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Ayes (15)

Hon Martin Aldridge  
Hon Jacqui Boydell  
Hon Robin Chapple  
Hon Jim Chown

Hon Tim Clifford  
Hon Peter Collier  
Hon Diane Evers  
Hon Donna Faragher

Hon Nick Goiran  
Hon Colin Holt  
Hon Michael Mischin  
Hon Simon O'Brien

Hon Tjorn Sibma  
Hon Alison Xamon  
Hon Ken Baston (*Teller*)

Noes (16)

Hon Sue Ellery  
Hon Adele Farina  
Hon Laurie Graham  
Hon Alannah MacTiernan

Hon Rick Mazza  
Hon Kyle McGinn  
Hon Samantha Rowe  
Hon Robin Scott

Hon Charles Smith  
Hon Aaron Stonehouse  
Hon Matthew Swinbourn  
Hon Dr Sally Talbot

Hon Colin Tincknell  
Hon Darren West  
Hon Pierre Yang  
Hon Martin Pritchard (*Teller*)

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Pairs

Hon Colin de Grussa  
Hon Dr Steve Thomas

Hon Stephen Dawson  
Hon Alanna Clohesy

Question thus negated.

*Second Reading*

Resumed from 30 November.

**HON NICK GOIRAN (South Metropolitan)** [11.40 am]: The Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 will not be referred to the Standing Committee on Legislation, so I would like to take this opportunity to put on the record my remarks about the policy of the bill, which I have not yet had an opportunity to do. It has already been stated that the opposition is not going to oppose this bill. Hon Peter Collier, the Leader of the Opposition in this place, gave a very comprehensive contribution outlining the reasons the opposition will not be opposing the bill. I stand shoulder to shoulder with him in those remarks and indicate that I also will not be opposing the bill. However, this is indeed an appalling piece of legislation from this Labor administration. I listened with interest to members' remarks in this place only minutes ago, stating that no explanation had been given for why the matter should go to a committee.

This appalling piece of legislation that neuters the Salaries and Allowances Tribunal defeats the purpose of even having a tribunal. In fact, I would have liked one honourable member opposite, or any of those enthusiastic members who did not want the matter to go to the Standing Committee on Legislation for review, to explain why we need to have a tribunal for the next four years. If the tribunal is now being delivered an edict by the McGowan Labor government and is being told, "Thou shalt not increase the salaries of members of Parliament. Thou shalt not increase the allowances of members of Parliament. Thou shalt not do that with regard to judges, the Governor, senior executive officers et cetera", why have the tribunal? In fact, why do we not freeze tribunal members' pay while we are at it, because we are being very enthusiastic to make sure that we save every cent. I support every initiative to save money, but this is not an initiative to save money; this is an initiative to politically interfere with an independent tribunal. Why have the tribunal if on the whim of the member for Rockingham, we say to the tribunal, "No increases this year or a one per cent increase", and so on and so forth? Why not just let the government decide the pay? We do not need to be paying tribunal members for the next four years to consistently come out with determinations, as they did the other day. The tribunal made a determination the other day—I do not have my copy anymore so perhaps in time I could be provided a copy of that determination; I think Hansard has my copy—that there would be no salary increases. The tribunal is entitled to make such a decision. But if it is no longer going to be a tribunal, and it will just be a robot on automatic pilot saying for the next four years, "There will be no increase", why bother resourcing the tribunal?

The tribunal has other responsibilities, and we will unpack them in great detail later during the Committee of the Whole House. We are not there yet, but, obviously, we need to have some sort of tribunal. But do the hardworking tribunal members deserve to be paid their full remuneration over the next four years if we are giving them only a part-time job, if all they will be doing over the next four years is from time to time issuing a determination that says, "Local government people, we'll give you a slight increase; but, Governor, sorry we cannot do anything with regard to you; and members of Parliament, we can't do anything with regard to you. We'll have to double-check, but maybe even the Clerk of the Parliament will not get any increase over the next four years"? For whoever it is, it is a part-time job. Why do the three tribunal members need to be paid their full luxurious allowances? I do not know what they are paid, but we will find out a bit more about that later in one of the thousands of questions during Committee of the Whole; that is a question on notice to the Leader of the House. Why would we pay them their full entitlement to do a part-time job?

I have a great deal of respect for my good friends on the crossbench and I respect their entitlement to vote with the government against Hon Alison Xamon's motion. I have no qualms about that whatsoever—in fact, good on them for exercising their independence. However, if I understand those members' contributions to the house, they are

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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very keen to ensure that money is being saved and that they see this bill as a government initiative that will save money, and that that is why they want to support it. Good on them; they are sticking to their principles. Therefore, they should also be quite keen that we slash the remuneration of tribunal members, because they will be doing a part-time job. They will have nothing to do for the next four years. It is not hard to write on a piece of paper, “No increase for members of Parliament. No increase for the Governor. No increase for the judiciary.” One of my teenage daughters—both of whom are very intelligent—would be more than capable, during their recess time in high school, just for a few moments, to write that sentence out. They would not even have to write it out 10 times; they could just write it out once for members of Parliament, and then the following day, during recess, they could do it for the judiciary. It would not even be a week’s worth of work. They could do that during recess. It is very, very simple. Why not slash the salaries of tribunal members if members of Parliament are so enthusiastic about saving money and if that is why members do not want the bill to be considered by the Standing Committee on Legislation? I would think that if we did not freeze the remuneration of tribunal members, that they could at least be paid on a pro-rata basis.

I look forward to the Leader of the House explaining that in due course. However, in the meantime, the much more important point here is that the tribunal has been established to avoid everything that is going on this week so far. Every contribution that has been made is another political interference into the independent tribunal, including my own contribution just moments ago when I talked about slashing the tribunal’s salary. The whole point is to have an independent tribunal to take all the politics out of it.

My question to members opposite and the government is: in what circumstance would it ever be appropriate for the tribunal to increase the pay or allowances of a member of Parliament, the judiciary or the Governor? Hon Aaron Stonehouse has already foreshadowed his view. Plainly, from his amendment, his view is that that should happen only when the budget returns to surplus. It is a reasonable proposition. At least he has a view. Government members do not even provide a view. They just say, “We’re plucking four years out of thin air and we’ve decided it’s a great period to have a freeze.” Why is it four years? As Hon Martin Aldridge asked earlier, why is it not three years or five years? Why is it not 40 years, members? What is so special about this four years that we would say to the tribunal’s members that we want them to be part-timers for the next four years? The government will still pay them, but it does not want them to do much but twiddle their thumbs and do the work a high school student could do during recess.

In my case, I do not really care. That is why I indicated earlier that I had not turned my mind to the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. The government can freeze salaries for all I care—put them up or down. Before I came into this place as a member of Parliament, I was in the most fortunate position. I had my fortieth birthday two months ago and I am now serving in my ninth year in Parliament. When I retired in my early thirties from practising law, I was in the fortunate position of having been a partner in my law firm. It had been a very profitable law firm and I was an equity partner. I was able to sell my share, which meant I could well afford to provide for my large and growing family, and be a member of Parliament irrespective of the salary. The government can freeze it; I do not care. The crazy thing is that for members of the Labor backbench whose leader has just doubled his salary by becoming the Premier and who is on the old parliamentary benefits scheme, he has said to them all, “Ha! Over the next four years, I will never have earned so much money as I will by being the Premier of this state.” I am confident to say that, members; if I am wrong, correct me, and I will apologise to the house. I am confident that the member for Rockingham has never in his life earned as much money as he is earning at the moment. I am confident; members opposite can tell me if I am wrong.

**Hon Sue Ellery:** I don’t know.

**Hon NICK GOIRAN:** If members opposite do not know, then say nothing. As I said, members opposite can tell me if I am wrong, but they do not know—good. While the member for Rockingham enjoys the benefits and luxury of being the Premier and doubling his salary and is looking forward to his massive lifetime superannuation—while he loves all of that over the next four years—he is saying to all the Labor backbenchers, “Sorry, guys; you’re going to have to take one for the team; you’re all frozen from day one.” When I first came to Parliament, it was 2009 and I think the Salaries and Allowances Tribunal had handed down a determination in late 2008 or something like that. Hon Kevin Rudd was the Prime Minister of Australia at the time, because it was after the so-called “Kevin ’07” election. I remember there was some rhetoric in the public space at the time from both him and other leaders to say that the economy was booming and, therefore, the cost of living was getting out of control and they had to set an example. The people who had to set the example were the members of Parliament—they started with them. There were no salary increases for members of Parliament. I am pretty sure that in my first term as a member of Parliament, the very first determination was that there would be no pay increase. I laughed. I thought: this is an interesting situation. The economy was so-called booming—in other words, there was lots of money—but the salaries of MPs needed to be frozen. That was interesting. If we fast-forward a few years, the then Premier of Western Australia was Hon Colin Barnett. He said that the economy was not going as well, so we needed some

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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wage restraints, and again members of Parliament needed to set the example. Again, there was no pay increase. In what circumstance could there be an increase? When the economy is booming, apparently we have to set the example and there is no pay increase. When the economy is tanking, MPs still have to set the example. That is why I ask. I am interested to know from government members in what circumstance they say there should ever be an increase. Why do we not just make it a lifetime limit and specify the threshold? If people want to be members of Parliament, there would be a current rate; that is it—full stop. There would be no changes.

The problem is that everybody wants to politicise all this. That is why the Salaries and Allowances Tribunal was set up in the first place. We should take it out of this chamber and let professionally appointed people make a determination of what is fair and reasonable. They can make a determination on behalf of the people of Western Australia, and that would be the end of it. Whether they increase it, keep it the same, or decrease it, the response from all members of Parliament, as one collective, should be, “We respect the tribunal’s decision; it is an independent umpire.” That would be the end of the story. No, that is not what happens. When Hon Mark McGowan became Premier, straightaway he thought: What is the latest stunt I can pull? What is the latest thing I can run before the media? It was, “Look at me. I am ensuring we are freezing the salaries of MPs”, while he has just earned twice as much as he ever has, and he has never earned so much money in his whole life. What a man! Members opposite must be so proud of their leader, honestly. It is just staggering that a person could do that. That is what will happen. If this bill passes in its current form with the amendment from the government, because, remember, the government has already recognised that the legislation is flawed—but, apparently, not flawed enough to go to the Standing Committee on Legislation—it needs to be sent back to its friends in the lower house. They will ring the bells over there to tell them to come back before Christmas; no, that will not happen either, will it? That is right; we will wait until February for this urgent piece of legislation. The legislation will then become law. Hon Mark McGowan, Hon Sue Ellery or someone will scurry down to the Governor’s residence, get it signed into law, and there will be a freeze for the next four years. Will members opposite not feel terrific at that point! It will be wonderful! They will be able to sit back on their chairs in this place and say, “What a great thing we’ve done!” During those four years, all members opposite will be feeling terrific on the seats they are sitting on, saying, “Isn’t it a great thing that we’ve forced the tribunal to not provide any increases?” My question is: in what circumstance will it then increase? Why would it change? I anticipate that this precedent set by the McGowan Labor government will ensure that the pay of members of Parliament will be continuously politicised from this point onwards because whoever is in government or in opposition will have an excuse to do so. In four years’ time it will be very easy for an opposition to say, “Oh no, we should continue with the freeze. The freeze has been very successful over the last four years.” It will also be very easy for the government of the time to try to pull another stunt. We will have stunts over this ad nauseam. One of the questions I intend to ask the Leader of the House during Committee of the Whole, although the Leader of the House may well be in a position to inform us of this before then in her second reading reply, is why the tribunal was established in the first place. The Salaries and Allowances Act we are debating the possibility of amending is a 1975 act—two years before I was born. I was not here at the time, so I would like Hon Sue Ellery, who was there in 1975, to tell me —

Several members interjected.

**Hon NICK GOIRAN:** I would like Hon Sue Ellery to inform the house on the sequence of events in 1975 that saw this act come into force. Why have the tribunal in the first place?

Several members interjected.

**Hon NICK GOIRAN:** Wonderful year! Things even improved two years later!

**The ACTING PRESIDENT (Hon Robin Chapple):** I am sure you can do a show-and-tell later on.

**Hon Alannah MacTiernan:** Member, we have exceptional circumstances. You know we have exceptional levels of debt. That is why we are having to do this. It’s to deal with the exceptional circumstances in which the state has found itself.

**Hon NICK GOIRAN:** Okay.

**The ACTING PRESIDENT:** Look, members, we are doing quite well. I give the call to Hon Nick Goiran, who is addressing the Chair. Thank you.

**Hon NICK GOIRAN:** The honourable minister has indicated, presumably on behalf of the government as one of its cabinet ministers, that the explanation for this being necessary is that we have exceptional circumstances. That is fine; again, there is no problem with the government expressing that as a point of view. My point is that it will enable any government and any opposition from here on in to always argue that we are in a case of exceptional circumstances and so we therefore need to continuously interfere with the independence of the tribunal. That is

Hon Jacqui Boyde; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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the point. It is either independent or it is not. Frankly, I was already unimpressed with how the previous government interfered with the operations of the tribunal. There was far too much rhetoric at the time trying to guide the tribunal as to how it should make determinations. Governments and members of Parliament should keep their big noses out of the decisions of the tribunal and just let the tribunal determine things, and respect the umpire's decision. Governments and parliamentarians should not argue cases of exceptional circumstances—extraordinary circumstances—“We would like you to do this, that and the other.” Just stay out of it. I would be prepared to go so far as to say that I would not have a problem if the law prevented a member of Parliament from putting in a submission to the tribunal. It would be a new level of enshrining the independence of the tribunal.

**Hon Colin Holt:** Why don't you move an amendment?

**Hon NICK GOIRAN:** Honourable member, I think the problem with me moving an amendment is first of all we are not in the committee phase, so I cannot move any amendment at the moment. Secondly, honourable member, I suspect that members opposite will argue that would be outside the scope of the bill. The problem, honourable members, is that we have this other quaint thing in this place whereby amendments have to fall within the scope of the bill; the other place has the capacity to move a motion to widen the scope of the bill, and therefore take on a broader range of amendments. It is unfortunate that we do not have that, but we have to respect the policy, as narrow as it is, before us. Maybe that is a proposal for another day; maybe a committee could inquire into it.

Be that as it may, I think if we could at the very least minimise the interference of members of Parliament into the workings of the tribunal, we would all be better off for it. Here we see massive interference. In fact, so much interference that, as I earlier said, I call into question why we even need a tribunal. I think some hard questions need to be answered by this government to not only further elaborate and articulate this case of exceptional circumstances, but also I would firstly like the government to define the exceptional circumstances. Secondly, I would like the government to indicate to the house the appropriate circumstances for returning independence to the tribunal. Thirdly, I would like the government to advise whether it has any concerns that this will set a precedent for future governments and oppositions for political interference into the tribunal. Fourthly, if the government says there are no concerns about that, why not? Fifthly, I would like the government to advise the house of the level of remuneration of current tribunal members. I would like to know the terms of their tenure, how long they have been there, the criteria taken into account in appointing members to the tribunal, the ordinary workload of a member of the tribunal and the government's position as to whether the remuneration of the tribunal should be reconsidered in light of the fact that its members will now be part-timers.

I also foreshadow at this time that if there is any nonsense from the government along the lines of, “Well, no, they are still very busy. The tribunal members are very busy; they have a massive workload over the next four years”, I would like to know how it has been possible for them to do all the work they have until now. They must have some assistance. They must have some form of secretariat. I look forward to unpacking the level of resourcing provided to the secretariat. Will that be cut back during this period of time? Let us imagine for a moment, members, that there are three tribunal members and a secretariat of three. We are now saying that the tribunal has to do only one-third of the work it used to. Does that mean that two of the secretariat will be seconded into another government department or asked to leave or told to take leave without pay for the next four years? We need answers to all those questions to satisfy our responsibilities to properly scrutinise the legislation.

At the outset I said that at this point I want to limit my remarks to the policy of the bill. There will be ample opportunity for us to consider clause by clause, sentence by sentence and word by word the provisions of the bill. This is not the time for that; this is the time to discuss the policy of the bill. It is my contention that the policy of this bill is to neuter and politically interfere with the tribunal and that both of those things defeat the purpose of having a tribunal in the first place. The government has indicated that this is an urgent matter. We have already discussed and I think proven to the house that it is not an urgent bill, but, in saying that, one needs to consider why the government has decided that the policy of this bill—to neuter the tribunal and freeze various salaries and allowances—does not capture all the office holders under the act. In the second reading speech the government lists a range of office holders. I quote from the second reading speech delivered by Hon Sue Ellery, MLC, Leader of the House —

The Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 will freeze the remuneration that is paid to the following offices: the Governor ...

I will just pause there for a moment. The fact that the government wants to dictate to the tribunal the remuneration of the Governor will lead to a range of questions in itself. I move on. Hon Sue Ellery then referred to a number of offices. The second reading speech continues —

... offices identified in section 6 of the Salaries and Allowances Act 1975, including ministers, the Parliamentary Secretary of the Cabinet —

**Extract from Hansard**

[COUNCIL — Tuesday, 5 December 2017]

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Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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I am sure that Hon Michael Mischin will want to talk about that position, the Parliamentary Secretary of the Cabinet, when we get to it —

and other parliamentary secretaries; officers and members of the Parliament, including members of parliamentary standing and joint standing committees; —

Interestingly, that there is nothing to be said about select committees. We might unpack that a little later too. The speech continues —

the Clerks and Deputy Clerks of the Legislative Council and Legislative Assembly ...

There we go. I am again giving notice of one of the thousands of questions that will be asked of the Leader of the House during Committee of the Whole. I will be interested to know what level of consultation has taken place with the Clerks and Deputy Clerks of the Legislative Council and Legislative Assembly. I continue with the remarks of Hon Sue Ellery —

... officers of the public service holding offices included in the special division of the public service; persons holding other offices that are prescribed for the purposes of section 6(1)(e); judicial office holders, including masters of the Supreme Court and magistrates; —

I intend to ask her about registrars —

the Parliamentary Inspector of the Corruption and Crime Commission; and executive officers of government trading enterprises that are prescribed for the purposes of the Salaries and Allowances Act.

Having listed all that, Hon Sue Ellery proceeds to tell us —

The freeze does not impact on remuneration that is determined by the tribunal for the following types of positions, as remuneration for these positions has no impact on the state's debt and deficit—chief executive officers of local governments; elected council members of local governments; and members of governing councils of WA public universities, which are not yet within the jurisdiction of the tribunal, but will be brought within its jurisdiction on proclamation of the Universities Legislation Amendment Act 2016.

In other words, the government says that it will not politically interfere with local governments or public universities, but it will interfere everywhere else. The proposition is, as Hon Alannah MacTiernan told us earlier, that it is because of exceptional circumstances. We need to unpack that so that we can better understand what is meant by “exceptional circumstances” and in what circumstances that would no longer apply.

The government also indicated that the provisions of the bill that will give effect to the freeze will no longer have effect from 1 July 2021. Once the freeze concludes, the tribunal may not make compensatory determinations of remuneration to recover amounts that may have been paid to officers but for the freeze. Of course, this is the point that got the government all caught up in knots in the other place. Its members were frantically running around with their heads chopped off and now an amendment needs to be moved in this place. We will look at that amendment in the fullness of time, but I have already foreshadowed that I am not at all confident that it will achieve the purpose that the government thinks it will achieve. We will have an opportunity to consider and scrutinise that. Sadly, it will be yet another case of interference.

One way or the other, however this bill leaves this chamber and ends up—other than a complete defeat, which will not happen—it will result in the tribunal being politically interfered with and will set a precedent for continuous interference in the future. The only way that might not happen is if the government, during the long recess that we are about to have, reconsiders the foolishness of interfering with the tribunal and does not bring the bill on for debate in the new year. That is the only circumstance I can see that the bill, in whatever form, will not become law. The prospect of that happening would be less than one per cent because so far I have observed a government that is obsessed with political pointscoring and spin over substance. Earlier this morning I outlined several examples of that happening since March. It is quite one thing for the government to have said one thing before the election and to have done the opposite afterwards. It is outrageous. We have had that debate about other matters and I suspect that there will be a bit more of that this week when we get to another bill. It is quite outrageous that that would happen. It is the very thing that annoys the public about parliamentarians and in many respects it denigrates parliamentarians to be politicians. Members of the Legislative Council have a responsibility to scrutinise legislation and lift the standard from politician to parliamentarian, but the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017 does the exact opposite of that. This is cheap politics, as was outlined by Hon Peter Collier. We are not interested in playing the Labor Party's silly games over the salaries of MPs. As I outlined earlier, I do not care—freeze my salary for the rest of my career for all I care—but it is wrong and inappropriate, and government members know that it is inappropriate. I suspect that more than a few government members are personally embarrassed that, first, the government proceeded with this bill; and, second, that it decided to make it the top priority for the week. I feel for those members because I know what it is like to



Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy  
President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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have to sit there and take it and listen to the debate with no capacity to change the outcome. But I say to those members, at the very least, if nothing else comes out of this pointless exercise, take it as an opportunity to ensure that this does not happen again. Next time a bill goes to caucus and they think, “Nah, this doesn’t sit right; I know this is actually wrong”, stand up and say something and keep saying it. Be a pain and wear them down in the end because the one power that Labor members have is the power to speak in caucus and influence the outcome of government. Do not get caught up in the silly games that happen in the politics of wanting to stay quiet and of being a good boy or girl in the hope of getting a promotion. Do not fall into those silly games. They are dumb games that get played by political parties and are typical in politics. Members have a choice whether they fall for that game. I still remember once upon a time being told by a friend that they had received a phone call and were told, “You’d better talk to your mate Nick and explain to him that if he continues to be like this, he’ll never be a minister.” The time that that happened confirmed for me once again the silly games that go on in Parliament and the misunderstanding by some people that that is some kind of great prize and what this is all about. If members are in here for the right reason, they would care about the state of legislation and the statute books. The only reason I ended up joining the Liberal Party and putting my name forward as a member of Parliament was the state of the statute books and the nonsense I told my clients about because of various loopholes in legislation that resulted from the poor scrutiny of legislation in Parliament. I did not understand at the time how it was possible that with 36 elected members of the Legislative Council, bills are passed with holes and problems. I did not know at the time because I was too busy working in my firm. Now I understand perfectly why—it is because of all the silly games that go on and because people’s voices are squashed and suppressed. They would like to speak out but they do not feel that they can and they have limited opportunity to do so. The machinery and momentum of government rolls on in with its tanks and rolls over the top of everything else; and, when there is a sensible proposal, such as the one proposed by Hon Alison Xamon, even that is illogically not supported. To members opposite, I say that at the very least, please take this as a lesson for future legislation. We still have another three years of this. This will not be the last of these nonsense bills to come across members’ tables. Please do not make the same mistake again. Members opposite should read the riot act to their leaders and tell them, “We don’t want to get squeezed on this. This makes us uncomfortable and there’s no basis for it.” Do not hesitate to ask questions. If there is not a cogent explanation, do not accept it. It will be painful to do that, and it may come at the expense of promotion, but I say to members opposite, “Who cares about that?” If that is what really motivates members, they should think twice about why they are in this place in the first place. Mr Acting President, I will not oppose the bill.

**HON DIANE EVERS (South West)** [12.25 pm]: I rise to speak on the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. I acknowledge the importance of the independent Salaries and Allowances Tribunal. I appreciate all the comments about why we should have an independent tribunal and why that should continue. By my further comments, I do not want to diminish that in any way.

I can set aside all the comments in the debate on this legislation being a stunt. Regardless of those comments, to me this bill would begin to address income disparity. That is something that no-one else in this chamber has talked about yet. Income and wealth disparity causes many problems across the world, and it still causes problems in Australia. The idea that the average chief executive officer earns over 10 times the average wage is unconscionable. We need to address that, and we can make a difference. We can act as role models for the community. After climate change, I see that disparity in income and wealth is one of the greatest challenges across the world. This legislation, although a small token step to address that situation, will at least make some impact on the people around us. To hear that we are willing to say, “Cap our salaries now”, may flow into the community.

The recent SAT determination about members of Parliament is applicable for one year only, and that is why we need to go further. Next year, the tribunal could decide something else. The tribunal could even change our allowances in the next year, because that can happen separately. It just does not follow to use that as a reason not to support this legislation. Also, senior public servants are covered in this legislation. They were not included in the tribunal’s determination. Some senior public servants earn over \$400 000 a year. Their staff members’ incomes have been capped at an increase of \$1 000 a year. Even if the tribunal were to give senior public servants a one per cent increase, which does not seem like much—it is similar to the consumer price index—that is still \$4 000 to a senior bureaucrat, whereas the staff immediately below them would be limited to an increase of \$1 000. When we look at who is more in need of the money, it is not likely to be those earning over \$400 000 a year. If that is what we want to address, maybe this legislation can be a start towards that.

Ideally, I would like to address income disparity by using this example of wage restraint to encourage all shareholders and super fund investors to go to the boards of directors of the companies that they invest in and say, “We want to see wage restraint. We want to see that implemented now.” It may be a surprise to some members, but *BusinessNews Western Australia* recently reported that the number of CEOs in Western Australia with an income over \$1 million increased from 72 in 2016 to 113 in 2017. In the past year, the number of CEOs in WA earning more than \$1 million increased by over 50 per cent.

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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We are not seeing those sorts of wage increases across the salaries of their employees, and I think that is a real problem. This disparity of income can result only in a drain on our economy. Even the Organisation for Economic Cooperation and Development's research has found that high levels of inequality may impact on growth negatively. More and more research is showing what this inequality is doing to our world. As I said, this step is a minor one, but I think that it is still very important. If our actions are promoted throughout the population and people hear about it and think that it is good that politicians are capping their own salaries, as they do not like us getting too much, they might say to the directors of the companies in which they invest, "Let's freeze CEO salaries and senior executive salaries. Let's start reducing that inequality", which I think has grown considerably in the last decade. With the economy in WA picking up, it is likely to happen even more in the next year.

My support for this bill is really because of the impact we can make from acting as role models to address the disparity of income. Although I recognise the importance of an independent tribunal, I see and accept this as a temporary cap on our salaries that affects the state budget. The cap is only on salaries and allowances that affect the state budget. Reasoning and rationale went into deciding who would be affected by this cap, and I think by doing this we can begin to address the significant issue of income disparity.

**HON MARTIN ALDRIDGE (Agricultural)** [12.32 pm]: Thank you for the opportunity to rise and speak twice in one day on the same matter, albeit my first contribution was on the referral motion for the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. At the outset, I point out that I am the member deputed by the leader of my party in accordance with the standing orders.

It is interesting that we are here debating this bill. If my sums are correct, this weekend will be the nine-month anniversary of the Labor state government in Western Australia. We would think that after eight and a half years in opposition, in its first nine months it would have a few better ideas and policy or legislation of some substance to bring to the house. We have seen a raft of bills, as I mentioned earlier today, starting with the Misuse of Drugs Amendment (Methamphetamine Offences) Bill 2017, and then on to the so-called no body, no parole bill, and then the Sentence Administration Amendment Bill 2017, which had many issues. As I said in my contribution to the meth bill, which is similar to this bill, at best it will likely have little to no effect on anything meaningful, apart from Labor members being able to post on their Facebook pages that the government is freezing politicians' salaries. I am pretty sure that they will not get any credit for that, because members of the public already know that members of Parliament, as well as other officers in the state, have their salaries determined by the tribunal and are quite well paid. The tribunal, as I mentioned earlier today, is already doing its job to curb the salary and allowance increases that apply to those officers, which I want to talk about in my contribution today.

Clearly, there are not too many good ideas coming from the government because we have not yet seen anything of any great substance in this house. We will flip-flop around this week dealing with seven apparently urgent bills of the government. This is obviously the most urgent, despite it having sat on our notice paper for a number of days. We will have to go into the Committee of the Whole and deal with issues and concerns relating to the bill because we are faced with no other alternative after the house resolved earlier today, albeit narrowly, to defeat the motion to refer the bill to a committee. That vote was taken and obviously it was close, but we will now have to deal with those issues in Committee of the Whole. The Leader of the House has made a commitment that she will be able to answer all our questions in Committee of the Whole. That was her main, albeit short, contribution to the government's opposition to referring this matter to the Standing Committee on Legislation—that she can adequately address all members' concerns and questions during the committee stage of the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017. We will see how we go; it will depend on how much flip-flopping we do today and for the rest of the week over what bills we deal with 10 minutes before or after lunch. We will have to wait and see where we are at.

It was disappointing to see the committee referral motion fail. I thought it had significant merit, particularly given the contributions that had been made to the second reading debate prior to debating the referral motion. I think they outlined a number of pertinent issues not only in the bill itself, but also about the way in which the bill came to this place. I thought the referral motion had merit, particularly in light of the fact that we have now received a further supplementary notice paper outlining a significant number of further amendments to deal with during the committee stage of this bill. So far, three members have given notice of their intention to move amendments when we reach the committee stage. I think that further highlights that there are varying views about the bill and how it ought to be dealt with by this house. As I said, it was disappointing that we did not succeed in getting the Standing Committee on Legislation to inquire into and report on this legislation, because I do not think it would have delayed at all the bill's consideration and passage. Nevertheless, we are now back to the second reading debate.

I touched on this briefly during my contribution to debate on the referral motion: I think it is important to look at the genesis of this bill. According to the Parliament website, the bill was introduced into the Legislative Assembly on 11 October 2017, and was first and second read on the same day. The following day, 12 October, the bill was declared urgent in the Legislative Assembly under standing order 168(2). This obviously caught members of our

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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party in the other place by surprise because the government had flagged no intention to move into immediate debate through a suspension of standing orders and declaration of urgency, and to deal with the bill in such a manner in the Assembly.

At the time the government moved to suspend standing orders in the Assembly, we had not yet received a briefing on the bill from either the Public Sector Commission or the relevant advisers. Our members were essentially opposing the suspension of standing orders in the other place at the same time as our staff were receiving briefings on the bill from the advisers. Obviously, we all know what happened; the government used its numbers to ram the suspension of standing orders through and declare the bill urgent, and the Legislative Assembly passed the bill the same day: it was second and third read on 12 October. It had a very speedy passage through the Legislative Assembly, which, if nothing else, I must say rings alarm bells about the bill—that essentially there was one day in the Legislative Assembly to get through the second and third reading stages of the bill, and a number of amendments. I have not yet been able to get across all the amendments, but a number of amendments were moved in the Assembly and all were negated, as I understand it, during the debate.

That same day, 12 October, the bill as it stands today was introduced and first and second read by the minister. Just to refresh members' memories, Thursday, 12 October, was a day before we went into recess for, I think, a period of about three weeks, with the first week being budget estimates. Obviously, in those three weeks there was time for our standing orders to lapse in respect of the one-week delay in considering the bill, because we had a three-week recess, including the estimates hearings, and then we came back on 31 October. Despite this bill being declared urgent and dealt with in one sitting day in the Legislative Assembly, no such urgency ensued when it reached the Legislative Council. In fact, we sat on 31 October, 1 November and 2 November and on 7 November, 8 November and 9 November, and it was not until last sitting week that the government decided that we ought to get to the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill 2017, which is rather odd. Nevertheless, it was rushed through the Legislative Assembly. As a result of the inadequate attention that was paid by, firstly, the government in drafting the bill and, secondly, the Legislative Assembly in considering the bill, this week we find ourselves with a flawed piece of legislation before the Council. Many days on from dealing with this matter, we are faced with using the committee stage of this house to deal with any of the bill's inadequacies, including a significant number of amendments that we have now been given notice of.

The first reason that I think this bill needs further scrutiny can be found in the second reading speech made in the other place. I will quote from the second reading speech of Hon Mark McGowan, the minister responsible for this bill and the Premier of Western Australia. In his second reading speech, he said —

Once the freeze concludes, the tribunal may not make compensatory determinations of remuneration to recover amounts that may have been paid to offices but for the freeze.

This was the second reading speech that the minister delivered on 11 October 2017 in the Legislative Assembly. It is interesting that, on the same day, we received a briefing—I assume all parties received a briefing or at least were offered one—and a four-page briefing note from the Public Sector Commission. It will be interesting when we go into the committee stage to see whether the Leader of the House has advisers from the Public Sector Commission or from the Salaries and Allowances Tribunal or a mix of both. On the fourth page of this briefing note, under section 7, “Compensatory determinations prohibited”, it states —

However, the Tribunal can take into account changed economic circumstances since the freeze commenced. For example, if CPI were to increase by 5 percent in total over the freeze period, the Tribunal could provide for a remuneration increase of 5 percent to be applicable from 1 July 2021 onwards.

I am a bit confused and puzzled, as I think the Legislative Assembly was, by the second reading speech of the minister in the Legislative Assembly and the briefing that was provided by the Public Sector Commission, which, I must admit, reflects the content of the bill that is currently before us. That was pointed out on numerous occasions in the debate in the Legislative Assembly, but I do not think this briefing note is wrong. In fact, I think the briefing note still stands today, because that is the bill that is before us in this place and that is the reason that one of the many amendments we have been given notice of by a number of members—that is, the government's amendment—seeks to address the inaccuracy in the minister's speech in the other place and in the content of the bill.

I draw members' attention to the Interpretation Act 1984, in particular section 19. As a member of this place, I have attended a workshop on statutory interpretation. That workshop was run by a law professor from the University of Western Australia and I found it quite valuable. I learnt at that workshop that what is said in second reading speeches, explanatory memorandums and other sources means something beyond the passage of the bill. Section 19 is headed “Extrinsic material, use of in interpretation”, and it states, in part —

**Extract from Hansard**

[COUNCIL — Tuesday, 5 December 2017]

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Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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- (1) Subject to subsection (3), in the interpretation of a provision of a written law, if any material not forming part of the written law is capable of assisting in the ascertainment of the meaning of the provision, consideration may be given to that material —
  - (a) to confirm that the meaning of the provision is the ordinary meaning conveyed by the text of the provision taking into account its context in the written law and the purpose or object underlying the written law; or
  - (b) to determine the meaning of the provision when —
    - (i) the provision is ambiguous or obscure; or
    - (ii) the ordinary meaning conveyed by the text of the provision taking into account its context in the written law and the purpose or object underlying the written law leads to a result that is manifestly absurd or is unreasonable.
- (2) Without limiting the generality of subsection (1), the material that may be considered in accordance with that subsection in the interpretation of a provision of a written law includes —

I move to subparagraphs (e) and (f) —

- (e) any explanatory memorandum relating to the Bill containing the provision, or any other relevant document, that was laid before, or furnished to the members of, either House of Parliament by a Minister before the time when the provision was enacted; and
- (f) the speech made to a House of Parliament by a Minister on the occasion of the moving of a motion that the Bill containing the provision be read a second time in that House; and ...

This is important. It makes the point that in considering a bill, we need to consider not just the words that are contained in the bill but also the words that are contained in the second reading speech and the explanatory memorandum, among other things. That will assist the courts as well as others in interpreting the laws that are made in relevant jurisdictions around Australia, and particularly in this context in Western Australia.

It is interesting to read the third reading contribution of the Premier on 12 October. He said, in part —

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.

The Premier basically admitted that there are inconsistencies between the intent of the bill as drafted and as reflected in the briefing note that was provided to us by the Public Sector Commission, and the bill as introduced into the house and second-read by the minister. That is an interesting set of circumstances. It certainly goes to the lack of care and attention by the Premier in the other place in delivering his second reading speech. I would have thought there would have been an amendment to the second reading speech that was delivered in this place on 12 October—certainly a very productive day in both the Legislative Assembly and the Legislative Council—by the responsible minister in this place, Hon Sue Ellery. The second reading speech states, in part —

Once the freeze concludes, the tribunal may not make compensatory determinations of remuneration to recover amounts that may have been paid to offices but for the freeze.

Members might have heard those words before. They are the same words spoken by the Premier, the minister responsible for this bill in the other place, in his second reading speech, which he then went on to admit in his third reading contribution needed to be clarified in the Legislative Council. This shows that it was clearly inconsistent with the policy intent of the government because the briefing we received from the Public Sector Commission—I would be interested to know what part it played in the preparation of the policy and drafting instructions for this bill—clearly outlined to us that that was the intention of the bill. Given that the government realised that in the Assembly, members would think that the second reading speech would be amended so that when it arrived in this place it would have different words. It might say something like the government realises that its intent is to do this, or that amendments will be required to do this, or maybe not even mention it at all, so that when the government moves its own amendments, it would make some sense. The second reading speech that was delivered to this place suggests that the bill already contains a provision to provide that once the freeze concludes the tribunal may not

Hon Jacqui Boydell; Hon Nick Goiran; Hon Tjorn Sibma; Hon Martin Aldridge; Hon Rick Mazza; Deputy President; Hon Robin Chapple; Hon Sue Ellery; Acting President; Hon Robin Scott; Hon Diane Evers

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make compensatory determinations of remuneration to recover amounts that may have been paid to officers but for the freeze. If that is in the second reading speech delivered by the minister, and it is accurate, why do we need the government's amendment, as foreshadowed by the Premier in the third reading of this bill in the other place? Why do we need an amendment by the government at all? The minister in this place has reasserted that the bill does what the government intended to do, which is to stop the tribunal making compensatory determinations of remuneration to recover any amounts. It is bizarre, and shows a lack of consideration by the government in rushing this matter to the house and through the house. That is in part why I am concerned about the passage of this bill this week without a committee referral and without detailed consideration in the Committee of the Whole to get to the bottom of some of the issues in the bill. That is just one indication of some of the concerns I have about the genesis of this bill.

Debate commenced on this bill last week, and the Salaries and Allowances Tribunal made a determination on Thursday while Hon Alison Xamon was on her feet. It came as no surprise to me whatsoever that the Salaries and Allowances Tribunal in its annual determination reasserted its freeze on members' salaries and allowances. I suspect that the government was rushing madly to get this bill through not because it thought that the Salaries and Allowances Tribunal was going to award some exorbitant pay rise to members and other officeholders, but because it was not going to. That would have shown up this bill as a complete waste of the Parliament's time. I want to refer to the determination issued on Thursday, with effect from 1 December. The Salaries and Allowances Tribunal's determinations usually have a preamble, followed by the determination. Paragraphs 14 to 16 of the preamble are relevant to this debate. They are the concluding remarks of the tribunal in issuing the determination. I will quote them —

- (14) In recent years, the Tribunal has restrained the increases in remuneration provided to Members of Parliament due to the difficult economic conditions that have emerged.
- (15) In conducting this inquiry the Tribunal has considered existing remuneration of Members of Parliament within the context of wage and salary rates applying generally in the community.
- (16) At the time of this Determination, there is proposed legislation that will operate to cap remuneration provided to certain offices within the Tribunal's jurisdiction, including Members of Parliament. However, as the legislation has not yet been enacted, this Determination is issued under the Tribunal's existing statutory duty.

That is an important paragraph, because the first two paragraphs basically set out the context of the tribunal's decision-making in freezing the salaries of members of Parliament and the last paragraph reminds tribunal members that they are not currently under any legislative instruction from Parliament to freeze members of Parliament's salaries or allowances. Of the last four determinations issued by the Salaries and Allowances Tribunal, three have been for pay freezes and one has been a base salary increase of 1.5 per cent, in line with the then state wages policy. I remember the debate when the state wages policy was introduced. It was a revenue measure of the former Liberal–National government. It might have been at the same time that we dealt with the Workforce Reform Bill, which was, in essence, to give instruction to the Western Australian Industrial Relations Commission that it must take note of the state wages policy as well as the economic circumstances in which the state finds itself. The instruction was not binding, but was required to be noted. Similarly, an amendment was brought by the former government in relation to the Salaries and Allowances Tribunal that required that those things also be noted for a number of officers whose salaries were determined by it. I certainly know that the Workforce Reform Bill was opposed at length by members of the Labor Party. Interestingly, now that the Labor Party finds itself in government, it is using those exact same provisions to enforce a stricter, meaner state wages policy than the 1.5 per cent provided for by the former Liberal–National government. One thing I recall most certainly from the passage of those bills is that we purposely removed a number of independent officers from bills in respect of the Salaries and Allowances Tribunal. Although I do not have a complete list, they included officers of the Parliament such as our clerks, members of Parliament, the judiciary and, I think, some of the officers who report to Parliament. The reason for that was that it was not appropriate for Parliament to be interfering in the setting of salaries provided for officers independent of the executive in relation to the Salaries and Allowances Tribunal. That was quite a purposeful and active decision made at that time about those officers.

Debate adjourned, on motion by **Hon Martin Pritchard**.

*Sitting suspended from 12.58 to 2.00 pm*