

**SUBCOMMITTEE OF THE STANDING COMMITTEE ON
ESTIMATES AND FINANCIAL OPERATIONS**

ONGOING BUDGET ESTIMATES HEARINGS 2010–11

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
FRIDAY, 16 JULY 2010**

SESSION THREE

Members

**Hon Liz Behjat (Chair)
Hon Ken Travers
Hon Ljiljanna Ravlich**

Hearing commenced at 1.08 pm

MORTON, HON HELEN
Parliamentary Secretary to the Treasurer,
sworn and examined:

WAUCHOPE, MR MALCOLM
Public Sector Commissioner,
sworn and examined:

DAVEY, MR MALCOLM
Chief Finance Officer, Public Sector Commission,
sworn and examined:

SCHOFIELD, DR KIM,
Deputy Commissioner, Public Sector Commission,
sworn and examined:

HOLLIER, MR MICHAEL
Acting Deputy Commissioner, Agency Support, Public Sector Commission,
sworn and examined:

WARNER, MR LINDSAY,
Director, Public Sector Reform Implementation, Public Sector Commission,
sworn and examined:

The CHAIR: Ladies and gentlemen, I would like to let you know before we start today's proceedings that we are a much reduced Standing Committee on Estimates and Financial Operations today. At the moment we are in a subcommittee of myself, Hon Liz Behjat—I am chairing as Hon Giz Watson is away and Hon Philip Gardiner is also away from the country—and Hon Ken Travers will be in and out of the meeting, so we have Hon Ljiljanna Ravlich and myself here today. Having said that, we will plough on.

On behalf of the committee I welcome you to this meeting. Before we begin, I must administer the oath or affirmation. If you prefer to take the oath, please place your hand on the bible in front of you.

[Witnesses took the oath or affirmation.]

The CHAIR: To begin with, parliamentary secretary, if you could just state your full name, contact address and the capacity in which you appear before the committee.

Hon HELEN MORTON: Normally, parliamentary secretaries do not do that, but I will do it.

The CHAIR: You will have all signed a document entitled "Information for Witnesses". Have you read and understood that document?

The Witnesses: Yes.

The CHAIR: These proceedings are being recorded by Hansard. A transcript of your evidence will be provided to you. To assist the committee and Hansard, please quote the full title of any document you refer to during the course of this hearing for the record. Please be aware of the microphones and try to talk into them; ensure that you do not cover them with papers or make noise near them. Please try to speak in turn. I remind you that your transcript will become a matter for the public record. If

for some reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that the uncorrected transcript should not be published or disclosed. This prohibition does not however prevent you from discussing your public evidence generally once you leave this hearing. Government agencies and departments have an important role and duty in assisting Parliament to scrutinise the budget papers on behalf of the people of Western Australia, and the committee values that assistance. Member, it would greatly assist Hansard if, when referring to the budget statement volumes or the consolidated fund estimates, you could please give the page number, item, program, amount and so on in preface to your questions.

Before we do start questioning, I would just like to remind those of you from the department today that these are the committee's ongoing hearings; they are not just related to this year's budget papers, and members may ask you questions from other parts of your departmental records, such as adding reports. That is just so that you are aware of that.

Hon LJILJANNA RAVLICH: I refer to page 84 of the budget papers. The first thing I would like you to comment on is the total appropriations provided to deliver the service. Halfway down that first chart we see that there is \$19.22 million for 2010–11 and then there is a drop of some \$4 million, and a slight pickup, but overall there is a reduction over the forward estimates. I wonder, commissioner, whether you could just give us a quick overview of what is happening there?

Mr Wauchope: Yes. The movement between 2009–10 estimated actual and 2010–11 budget and subsequent decreases are due to a number of things. In that first year there is a reduction of about \$3.2 million. That reflects a cessation of funding for some programs that had a finite period of program—I think they were five-year programs—around leadership programs and accountability support. It also reflects the removal of the one-off severance payments that were made during the course of the last financial year as part of a special severance program, and termination of some payments were made last year that appear in the budget papers, such as the funding for the special counsel. That was offset in part by some movement of some moneys forward; for example, the money that has been in the budget for some time in relation to the Sir Charles Court statue project has been repositioned into later years because of delays in the project getting to where we had hoped it would be, and there is repositioning of some other moneys to do with around training. So there are some ons and some offs, but mainly offs.

Hon LJILJANNA RAVLICH: My next question relates to the major spending changes. You will also see on that same page "Special Counsel – Public Sector Reform". I understand there is \$560 000 in 2009–10. Budget paper No 3 refers to \$0.6 million to be allocated to the special counsel, who will advise the government on legislative requirements to implement public sector reform. Is there one contract allocated for that? It is a bit unclear. In one document we have got reference to \$560 000 and in budget paper No 3 it talks about \$0.6 million. Having said that, is that special counsel one contract and who is it?

Mr Wauchope: Madam Chair, it is one person. It is Robert Cock, former DPP. The \$0.6 million I think is just a rounding up of \$560 000. It is pretty well his salary and on costs and associated costs for running the particular role that he is conducting a special counsel to the Premier.

Hon LJILJANNA RAVLICH: So Robert Cock, when he finished his previous role, did he leave on a severance package?

Mr Wauchope: No, he had a right of return to the public sector proper, so to speak, and he moved from being DPP through to this new role of special counsel, so it is simply a transfer of his entitlements.

Hon LJILJANNA RAVLICH: So when this job is done—I imagine it is a one-year function because there is only one allocation the budget papers for it —

Mr Wauchope: The job is longer than that. It is only shown as funded for one year in the budget papers. I think that was the way that Treasury elected to treat it. But Mr Cock is still with us this financial year and is still helping us with the reform program.

Hon LJILJANNA RAVLICH: But is it still a part of that \$560 000 package or is there additional moneys which are currently not showing in the 2010–11 budget?

Mr Wauchope: Madam Chair, there will be expenditure probably of around \$560,000 again in 2010–11. It has not been budgeted for in the budget process. As I say, I think that was a decision by Treasury.

[1.15 pm]

Hon LJILJANNA RAVLICH: Do you not think it is a fairly unusual decision that it should be—can I just get this correct? My understanding was that prior to becoming special counsel, he was a permanent public servant.

Mr Wauchope: Prior to becoming the DPP, he was a permanent public servant.

Hon LJILJANNA RAVLICH: As the DPP, what was he then? Was he part of the senior executive service?

Mr Wauchope: No. The DPP is a statutory officer under that legislation. That legislation provides for him to have a right of return back to the public service, which he elected to take. That coincided with our need to have some in-house legal advice around the whole lot of reform.

Hon LJILJANNA RAVLICH: Have we created a new public service commission called “special counsel”, and is he now a public servant or is he now an independent consultant undertaking a special counsel function, or if it is neither of those two, what is he?

Mr Wauchope: My understanding—Mr Warner may correct me—is that he is a permanent public servant who is continuing to occupy a public service role, and that is ongoing for the time being. At this stage, we see that going for some time.

Hon LJILJANNA RAVLICH: I want to clarify this. His package, so to speak, to perform his function as special counsel in 2009–10 was \$560 000, but because there had been no budget in 2010–11, you are saying that it is likely to be another \$560 000. I am assuming that should this function go on longer than 2011–12, it could be another \$560 000.

Mr Wauchope: That would be correct.

Hon LJILJANNA RAVLICH: Okay. That is all I needed to know in respect of that.

We are on this whole area of public sector reform. I would like to spend a little bit of time just going through some of these changes because they are really quite significant reforms in terms of from where we have come, which is probably more of an institutional-type model, to something that is really quite different. The first question I would like to ask is when do we anticipate that the next bills might be introduced into Parliament? We already have some in there but they are probably not what perhaps some people would call the worst of them. That is putting it nicely, I think, in terms of where some people might think it is coming from.

Mr Wauchope: Madam Acting Chair, I am not too clear about the timetable for the second tranche of legislation. The Premier has indicated that he is looking at further changes. Obviously that will have to compete in terms of government priorities, and I do not think it has got to that point at this stage. We are continuing to work around the issues that might be considered in a second series of amendments, but it is not much further advanced than that at this stage. Would you agree?

Mr Warner: Correct.

Hon LJILJANNA RAVLICH: In terms of the greater flexibility in recruitment and employment practices, some of that is in the first bill, as I understand, and I suppose some of it might be in the

second bill—I do not know; you might like to provide some information on that. This issue about giving CEOs greater financial incentives to attract and retain staff with specialist skills, how would that work in a practical sense?

Mr Wauchope: I make the point that for some years there has been a facility to have an attraction and retention-type capacity available to agencies. If it is a non-SES job it is being handled and continues to be handled by the Department of Commerce, and if it is an SES job, it is now the Public Sector Commission. The specialist skills are dealt with under approved procedure 6, and the general market skills are dealt with under procedure 7. Those procedures, per se, I do not think have changed. They could be modified over time—sorry; approved procedure 7 has been modified slightly in recent times. In terms of the devolution of the exercise of those powers to CEOs, that is something that would happen over time, as agencies are equipped with the right sorts of skills to take those responsibilities on. The particular framework that we are dealing with currently does not change markedly in relation to the attraction and retention benefits. Mr Warner may have some further comments on that.

Mr Warner: I concur with the commissioner's views.

Hon LJILJANNA RAVLICH: That is always safe!

Hon KEN TRAVERS: That is always a good career move!

Hon LJILJANNA RAVLICH: You will probably get a promotion the minute you walk out that door!

Commissioner, what about this notion of a mechanism for CEOs to provide non-financial incentives or rewards to performing staff? Is there not a risk that there can be, I guess, personal patronage? Is that not a bit of a two-edged sword?

Mr Wauchope: I absolutely agree. I do not know whether we —

Hon LJILJANNA RAVLICH: — have gone down that path.

Mr Wauchope: No. Some of those issues got raised during the Economic Audit Committee discussions and some of them got raised when we did the consultation around the proposed reform last year. I actually spent some time talking to Peter Shergold because he was there at the time, around the experience of the commonwealth. Nothing he said to me persuaded me that those types of incentives did work. They have some benefits but they are not the silver bullet.

Hon KEN TRAVERS: I am still getting my head around the split between the old Department of the Premier and Cabinet and the creation of the Public Sector Commission. I know that when you were the head of the department, you used to often provide advice within the Department of the Premier and Cabinet both to ministers and CEOs about the appropriateness of their actions.

Mr Wauchope: Yes.

Hon KEN TRAVERS: Also, I think you were the one that was responsible for pursuing disciplinary action or commencing the investigations if they did something that was inappropriate. Is that still your function, or is that still with the head of the Department of the Premier and Cabinet?

Mr Wauchope: Ministerial officers are the responsibility of the head of the DPC. There is a quirk in the current legislation because section 70, and I think section 75, refers to the CEO of the department principally assisting the minister in the management of this act, which happens to be the Public Sector Commission. That has us factored into a couple of things, one of which is providing advice on remuneration for section 68 appointees—that is, term-of-government appointees—and in seconding public servants into ministerial offices. In relation to disciplinary action, that would be something that I would expect to fall to the head of DPC. We do assist DPC in doing the ethical accountability training with ministerial officers. We have done something like 214 or 215 staff

since the change of government, but the actual responsibility for undertaking discipline would be—it is my understanding—Peter Conran.

Hon KEN TRAVERS: Does that include ministers? Who actually is responsible for ensuring ministers comply with the ministerial code of conduct?

Mr Wauchope: I think that has always been the cabinet secretary, and that is the head of the DPC currently.

Hon KEN TRAVERS: Which makes for an interesting career move if they ever were to try to take disciplinary action—going back to interesting career moves!

Mr Wauchope: For clarification, I am not sure whether he can take disciplinary action, but he certainly advises on the ministerial code of conduct, and I assume that he would advise the Premier.

Hon KEN TRAVERS: As the Public Sector Commission, though, you do not have a role in that at all?

Mr Wauchope: None, unless it is requested by the Premier to assist in giving any advice.

Hon KEN TRAVERS: What about the actions of CEOs?

Mr Wauchope: Yes, CEOs are appointed under section 45 of the Public Sector Management Act. I am their employer by way of delegation under the current legislation through the Premier. CEOs that are appointed under section 45 of the act, I certainly have a relationship with in relation to disciplinary and other matters.

Hon KEN TRAVERS: Just to finish off on general stuff and then I have a specific question, in terms of the Leader of the Opposition's office, if there was some impropriety there by someone in the past, would it be the head of the Department of the Premier and Cabinet that would have the obligation to report that to the CCC once they became aware of there being any allegations of improper behaviour?

Mr Wauchope: I would expect so. Section 28 of the CCC act talks about principal notifying officers. I would assume that the head of DPC would be the principal notifying officer for the Leader of the Opposition's staff.

Hon KEN TRAVERS: Just to go back to the CEOs, did you conduct any inquiries or an investigation into the appropriateness of the action of the CEO of the Department of Health when, with ministerial approval, he authorised the use of trust funds that were used for purposes other than that for which they were intended?

Mr Wauchope: No, I did not look at that at all.

Hon KEN TRAVERS: Why not?

Mr Wauchope: Firstly, because no-one asked me to, and I did not really see that it was something within my purview. I thought it was more of an audit matter, which I think the Auditor General reported on.

Hon KEN TRAVERS: The Auditor General reports on audit matters. If there is something wrong, someone needs to take up—it is not the auditor's job to determine the disciplinary functions, I would not have thought. Their job is to determine and report to Parliament that what has happened is wrong. What I am trying to work out is if anyone has ever conducted a further investigation as to how that came about and whether it was appropriate. Again, I would argue that it is an investigation that needs to be into both the minister and the then CEO and any other officers that were involved in those decisions as to whether or not the actions they took were legal and appropriate; and, if not, what action needs to be taken against them.

[1.30 pm]

Mr Wauchope: I cannot comment on whether the matter was or was not looked at by the CCC. It could well have been; I would not know.

Hon KEN TRAVERS: In terms of misuse again, I know that when you were the head of the Department of the Premier and Cabinet, using ministerial press releases for party political purposes was something that was—is that still now the head of the DPC's obligation to ensure that the resources are not misused in terms of putting in party political issues or comments from local members that have no relevance to the actual issue at hand?

Mr Wauchope: Certainly that would be my understanding. The things that were handled previously by the Department of the Premier and Cabinet, less or minus the things that moved across to being under the wing of the new Public Sector Commission, would continue to be managed by DPC, so that those issues to do with ministerial officers, ministers et cetera previously handled by DPC I would expect to continue to be so.

Hon KEN TRAVERS: If there was an inquiry under the Public Sector Management Act, would you only become involved at the request of the agency or the minister?

Mr Wauchope: It depends on what type of issue it was. If it was a complaint around breaches of codes of ethics by employees and the complaint was made in the right way, it would be something that would be looked at by the Public Sector Standards Commission, so me in that particular capacity.

Hon KEN TRAVERS: Because that sits under you.

Mr Wauchope: Yes. If it was something that I thought warranted looking at in terms of the behaviour of a CEO, as I said before, if it was a CEO appointed under section 45, that would be something I could certainly look at. The actions of ministers is something that I do not have any control over or any relationship to.

Hon KEN TRAVERS: Are you confident that people have awareness of that under the new structure, that you are the agency for those functions?

Mr Wauchope: For the —

Hon KEN TRAVERS: Public sector standards.

Mr Wauchope: — clarity of the split?

Hon KEN TRAVERS: Yes.

Mr Wauchope: Look, I think one of the intentions of the legislation that has been introduced and has gone through the lower house and is about to be considered in the upper house, is to, in fact, provide greater clarity where there is an overlap and duplication of roles between the Public Sector Standards Commission and the Public Sector Commission. The legislation will largely address that, and I think we will get much greater clarity around the roles and the definitions of responsibilities.

Hon LJILJANNA RAVLICH: I refer to page 86 of the budget papers under “Services and Key Efficiency Indicators”, the first heading being “Advice and Assistance, which states that the function is to —

Provide advice, support and assistance to Ministers and public sector agencies on:

The second dot point is agency reviews. Does that mean you just provide the advice; you do not actually undertake the agency review? Am I correct, or do you undertake the agency review?

Mr Wauchope: Madam Deputy Chair, we can do both. We have obviously been involved in working parties, or steering committees, made up of other agencies and ourselves to look at organisational change. We have also done reviews ourselves. Generally speaking, it is in conjunction with other agencies.

Hon LJILJANNA RAVLICH: How many agency reviews were there carried out in 2008, in 2008-09; and how many were undertaken in 2009-10?

Mr Wauchope: I would probably need to take that as a supplementary, if that is okay.

Hon LJILJANNA RAVLICH: Can you, commissioner, please take that on notice and provide us with the agency reviews that were undertaken; who undertook those reviews, because in some cases you may have contracted somebody to do this work; and can you indicate how much they were paid—where they were paid—to undertake that work? That would be fine in respect of that.

[Supplementary Information No C1.]

Hon LJILJANNA RAVLICH: I just want to go on to the classification and remuneration of CEOs, or senior executive service personnel. I am going to the annual report for 2008-09 for the Department of the Premier and Cabinet, and we were advised that this function, when the agency was split and the commission was formed, went across to you, and that makes sense. The first thing I ask is: could you provide the committee with information on the number of SES members as at 27 November 2009? The 2008-09 report already provides for us the number that was there on 27 November 2008, so we would like a line of comparison, if you can provide that information. I also note, from page 31 of the annual report, that there were a number of classification requests for new positions in 2008-09—there were 20 of those in 2008-09—and I wonder whether you could give us the figures for 2009-10. In addition, there were 27 reclassification requests in 2008-09, and I wonder whether you can provide that same information for 2009-10. There were four temporary special allowance requests in 2008-09, and if we could have that information for 2009-10. In respect to each of those three categories, could you identify what the new positions were that were created or classified, and how much each of those positions were paid? In other words, what classification was it in terms of entitlements and the wages component?

The CHAIR: I am assuming you want to take all of that on notice.

Hon LJILJANNA RAVLICH: It may well be that some of that information is there, because you would have collated it for your next annual budget anyway, or your annual report.

Mr Wauchope: I am informed, Madam Chair, that we have a consolidated figure that does not have the breakdown that the member is looking for, so we are probably better off taking that on notice and providing the information.

[Supplementary Information No C2.]

Hon LJILJANNA RAVLICH: Can you also provide for us the number of CEOs, or equivalent, as at 27 November 2008, 27 November 2009, and as at current date?

The CHAIR: Will you need to take that on notice?

Mr Wauchope: I think so, Madam Chair.

[Supplementary Information No C3.]

Hon LJILJANNA RAVLICH: Whilst the data previously sought refers to senior executive service, of course the CEO or equivalent—whether it is a director general or CEO et cetera—is quite different from the remainder of it, so that clarification will be helpful.

The CHAIR: Have you any further questions, Hon Ljiljanna Ravlich?

Hon LJILJANNA RAVLICH: I am, once again, interested in this advice and assistance role, whereby you have a role to assist ministers and public sector agencies on disciplinary and other investigations, including investigations into senior officers of the public sector. I wonder how many disciplinary investigations were undertaken in 2009-10, and whether you would have that information available.

Mr Wauchope: We would not have information available in relation to the public sector because most of the disciplinary actions are taken by agencies under their own authority, and I do not think we have a consolidated record of that. We would certainly have some information relating to investigations that we had some involvement in. The involvement could be of two kinds, and one is where we have simply provided some advice or assistance in terms of how they could go about it. We have, at different times, supplied senior people, or experienced people, to undertake investigations for agencies where the matter could be sensitive or where it might be one of the CEO's senior people and it would be difficult for him to have it done internally. If it is a particularly sensitive matter—sometimes it could be an HR person who is very close there—we have provided an investigator to undertake that sort of work. There have only been a handful of those, but I can certainly get the information.

Hon LJILJANNA RAVLICH: Could you provide that information to the committee, and, in addition information about where you may have subcontracted somebody to make an investigation into senior officers of the public sector, CEOs and SES members?

Mr Wauchope: Yes.

Hon LJILJANNA RAVLICH: Will you provide for us the case, who undertook that particular inquiry, and whether in fact your office was directly involved with it, or in fact it had been subcontracted out to a consultant, or, indeed, to any other sort of other body?

[Supplementary Information No C4.]

Hon KEN TRAVERS: I wanted to get a better understanding of service item 3 and the \$10 million less that you are spending in that area. What exactly do you actually do in that area? Are you actually providing the direct delivery of the PD training, or is just more providing guidance to other agencies on what they should be doing?

Mr Wauchope: It is probably a combination of both, but we are actually doing a lot more internally than we were before. One of the intentions in setting up the Public Sector Commission was to build the capability of the public sector. By way of background, it started, I guess, under Alan Carpenter, because his view was that we were tending to contract out a lot of this expertise and we were losing that over time. We now, as part of the new commission, have a division—Dr Schofield's division—that is specifically dealing with this and delivering a lot of the training ourselves. We still do use third party providers; the Australia and New Zealand School of Government is one of our key vehicles, as well as the University of WA and AIM, and we have some stuff through IPAA. But a lot of our training programs are now being delivered by our own people internally.

Hon KEN TRAVERS: How much of that budget is actually on training delivery; and, is it cost recovery for agencies that take it up?

Mr Wauchope: No. Well, look, if I can explain that.

Hon KEN TRAVERS: Or is it only to the SES?

Mr Wauchope: No, it is going beyond that. It has been principally aimed at the SES. Dr Schofield may want to say some more about this, but it is my understanding that he has been working much more with the HR practitioners and getting out to try to get that expertise spread more through agencies where they have got to deliver it—that is, at that corporate service, HR-type level. We have been building capability within the Public Sector Commission to deliver those programs, and we are in fact, as I said, using personnel within the Public Sector Commission to deliver programs that we have, in many cases, designed ourselves. A good example of that is that we have been running an accountability and ethical decision making program for senior people in ministerial offices for some time; it started under the Carpenter government and we have trained something like 115 CEOs. That program was developed pretty well totally in-house, and it was developed by ourselves, based on real-life events over recent years. All the senior delivery programs to CEOs

have been delivered by myself and one of my senior people. We are doing a lot of the stuff internally, but we do use external providers where it makes sense to do so.

Dr Schofield: For example, this year we ran 84 programs, we have had about 2 200 people go through them. Most of them have been in-house workshops, so we have used experience from people within the sector, so we have had HR practitioners and others actually deliver on those programs. We have done some work with HR senior managers to identify core skills needed across the sector, the idea being that we will develop a training program that is delivered by senior HR people in the sector because we have got the skills in the sector. We just need to capitalise that and get them to deliver it in-house, but we do rely on external providers where we have not got that expertise, but we are trying to minimise that.

Hon KEN TRAVERS: Do you monitor whether or not agencies are actually providing professional development for their staff? One of the concerns I have about the three per cent efficiency dividend is that one of the first areas that people looked to was the actual withdrawal of professional development, which might be okay for a year or two, but if you leave it long term, I think you actually make the organisation more inefficient rather than efficient in the long term. Do you monitor what agencies are actually providing in the way of PD? Just as an example, my experience is that the level of PD for our electorate staff has actually declined in recent years, compared with where it was under the previous director general of the Department of the Premier and Cabinet.

[1.45 pm]

Mr Wauchope: How to answer that question!

Hon KEN TRAVERS: It was an excellent question!

Mr Wauchope: Before Dr Schofield responds —

Hon LJILJANNA RAVLICH: It was very versatile!

Mr Wauchope: I share your concern about agencies hitting training and development budgets as the first call for discretionary funds. I actually did make the point when we were required to find additional funding through the three per cent dividend that I believed that they should not hit two areas; that is, they should not go to training and development for it and they should not cease their graduate programs for the very reason that we are investing in the capability of the public sector for the future. In the past, we have made some mistakes and we have then had a gap. I think if you look at the demographic profile of the public sector, to some extent when you look at it through the different levels of seniority, it reflects some of the past decisions around training and development, and recruitment. Dr Schofield has obviously been much more closely involved with that.

Dr Schofield: Yes. We do not have stats on how much is being spent on training within all the agencies, but we have now pulled together forums of learning and development practitioners, HR practitioners and people in the workforce planning field, for example. We are bringing them in to get together to share their expertise so that we are getting a better grasp on what is actually being delivered; not a quantifiable amount of money that is being spent but how much is being done. We are bringing them together to capitalise on their experience and, for example, to get some agencies to share with other agencies what they have developed. We have started that over the past three or four months and that has been helping us get a better handle on how much is being delivered in all the agencies. But we do not have exact stats.

Hon KEN TRAVERS: But is that something you see as part of your function; that is, to eventually start to build a database—one that includes the skills base in the public sector and that also monitors that proper PD and training is going on across the sector?

Mr Wauchope: Certainly, that is what we see as being our core business. I might add that we have already started the skills audit process—all of which is critical to workforce planning. I think it is

critical for the public sector to get its act together in relation to having a position for the next 15 years to 20 years.

Dr Schofield: We have done the skills audit for HR and next year, we are going to do one around policy skills. Out of that data we have actually been able to gather the skills level out there and see where the gaps are. We are now looking at programs we can develop to close the gap. We are getting a better handle on what is happening out there.

Hon KEN TRAVERS: Also, common-user contracts: some of the things listed as PD and training sometimes—I mean, as an outsider I am often a bit sceptical about them. Has there been any sort of attempt to put in place a rigorous process to ensure that there is some merit in the training skills courses being offered by agencies?

Dr Schofield: Yes. The common-use contract for HR has just been reviewed. We have gone through all the providers and put some strict criteria around what we expect of those providers; for example, to deliver training in recruitment and selection there is now a section that requires them to undertake sessions delivered by PSC every six months to keep them accredited with the new policies, procedures and programs. We have just done that with the HR practitioners. There is a lot in there that goes to training and development too, so we are gradually putting in some more rigorous criteria for people who have been contracted.

Mr Wauchope: I think that you asked a question about cost recovery or if we charged. My position on this is: if it is something the sector needs to know, we will deliver and provide it at no cost to agencies. We do not want to be discouraging agencies from becoming aware. If it is something that might be nice to know and that is value adding, we might do that on a cost-sharing basis. There are some programs, at the very high level, that we continue to fund, such as the ANZSOG scholarships, worth about \$50 000 each, and the ANZSOG fellowships. We have three of those a year. We continue to fund the really top-end stuff because we see that as where we can do some strategic identification of people for leadership roles in the public sector in the future.

Hon LJILJANNA RAVLICH: I refer to page 14 of the Public Sector Commission annual report for 2008–09 and the summary of key performance indicators looking at the actual performance compared to the budget targets. On the first outcome, which is an independent and professional public sector workforce serving the community of Western Australia and in response to the key effectiveness indicator, which is the proportion of clients who indicate that the provision of advice and assistance was independent and professional, only 61 per cent thought it was independent and professional. The proportion of clients who indicated that the provision of strategic policy advice and support provided for the public sector reform process was independent and professional, was only 56 per cent. That would indicate to me that in the first case some 39 per cent did not think that, in fact, the advice and assistance was independent and professional; and for the bottom one, some 44 per cent. Now that, I have to say, is very high. Are you concerned that you are not seen as independent?

Mr Wauchope: I will make a comment on the performance indicators that will go to the member's question. Firstly, that was in our first seven or eight months of operation and we were in the process of setting up the new streams of work. Some of what we were doing we had carried across from DPC and there was, I think, a fair bit of uncertainty around the sector about what in fact we were doing and about what we were supposed to be doing. I think in the example of 61 per cent in relation to independent and professional advice there were a lot of "Don't know" responses. I think you will find that this year's survey will be quite a different set of stats; it will be very positive. Indeed, the new legislative framework will enhance that because it clearly removes the Public Sector Commissioner from reporting to the Premier. The Public Sector Commissioner will be reporting to Parliament.

Hon LJILJANNA RAVLICH: Commissioner, where does somebody who wants information about the public sector get that information? I will give you a case in point. The Leader of the

Opposition asked a question on Tuesday, 22 June 2010 in relation to staff, vehicles, credit cards and mobile phones. In the past he went to the relevant minister and if the relevant minister was the Premier, the Premier answered the question in Parliament. In response to this particular question, the Leader of the Opposition was simply told that as a part of the Liberal–National government’s commitment to accountability and transparency a ministerial resourcing report, which understand you are probably compiling, will be tabled every quarter, beginning in 2010. Where does somebody in the Parliament go to have questions answered in relation to a whole range of issues in respect of the public service? You are not in the Parliament and you only report annually to the Parliament. The Premier does not seem to think that he should report to the Parliament because, after all, you are an independent Public Sector Commissioner. Who fills the gap?

Mr Wauchope: I do not think that that gap has ever been filled. I mean, it has always been the responsibility of the agency CEO in each portfolio to manage things like credit cards and vehicles et cetera in their own agency. In relation to quarterly reporting, I suspect that it is not going to be me doing that; I suspect that it is going to be premier and cabinet and for that very reason, I am not sure what is intended to be put in that report. At any rate, that sort of information is not consolidated; there is no comprehensive record that I am aware of. Presumably, as Treasury has responsibility for vehicles; it may have a total picture of vehicles across the public sector. Mostly, you would have to say that that sort of information is the responsibility of the CEO of the relevant agency and that it would come back through the normal ministerial reporting to Parliament if there was a parliamentary question.

Hon LJILJANNA RAVLICH: Let me put this to you: if I want to ask a lot of questions in relation to the senior executive service and I put them to the Premier and he says, “Well, this is handled by an independent Public Sector Commissioner”, is there not a gap in terms of accountability?

Mr Wauchope: No more so than you would have with any other independent officer, I would have thought. I mean, I do not know that there have been any issues in the past with independent officers not providing ministers with information—based on fact, but I am not in a position to judge that.

Hon LJILJANNA RAVLICH: So do you answer parliamentary questions for the Premier?

Mr Wauchope: If the Premier has a parliamentary question that requires information from the Public Sector Commission, yes, we provide information to assist him to answer the question.

Hon LJILJANNA RAVLICH: And do you provide other advice to the Premier?

Mr Wauchope: Yes.

Hon LJILJANNA RAVLICH: Policy advice to the Premier?

Mr Wauchope: Yes.

Hon LJILJANNA RAVLICH: And does the Premier provide feedback or, basically, direction?

Mr Wauchope: Under the current model, yes.

Hon LJILJANNA RAVLICH: What about under the new model?

Mr Wauchope: Under the new model, there will be a limited capacity to direct; it will be an office reporting to Parliament.

Hon LJILJANNA RAVLICH: Thank you. I have to say that these are quite concerning and that there are some gaps that I think will become more concerning with time.

I want to go quickly to public sector wages policy that comes under —

Mr Wauchope: Department of Commerce or Treasury—I think.

Hon LJILJANNA RAVLICH: Even public sector wages?

Mr Wauchope: Michael might have more information, but I understand that the wages policy falls within the responsibilities of Treasury and the Department of Commerce. We have some involvement in some aspects of it.

Hon LJILJANNA RAVLICH: What is your level of involvement?

Mr Warner: We are involved in, I guess, bargaining the position of government in the negotiations with the union. We are coming up to the next round of discussions.

Hon LJILJANNA RAVLICH: That is as central as it gets. My question is: would you be in a position to know when EBAs expire across the public sector?

Mr Warner: Yes; we are aware of those arrangements, but they are not our responsibility.

Hon KEN TRAVERS: I want to go to page 84 and the net appropriation for the delivery of services. I am intrigued. I am trying to follow it because you have—and I assume that is a sort of a back casting—what I assume you thought the expenditure was in 2008–09 for the Public Sector Commission as, in round terms, \$11 million. When I look at last year's budget paper, your estimated 2008–09 budget was \$16.876 million and the estimated actual was \$17.051 million. I am trying to work out if some significant change in the way things are being accounted has created that; and, if so, what is it?

Mr Wauchope: The first figure, the 2008–09 actual, is only a seven-month figure because the Public Sector Commission was created on 28 November 2008 and so that figure reflects only seven months of operation. The budget was based on what we expected to be a full-year figure and we came in slightly over that. I think, in answer to an earlier question, that I might have explained some of that. However, that is the variation. The decrease in expenditures going forward relates to programs that had been funded that are not funded into the out years.

Hon KEN TRAVERS: I am still intrigued as I try to understand. Normally, I thought that when the budget papers were prepared, there was always an attempt to try to back cast the figures. Certainly, in last year's budget that would appear to have been the case because last year's budget papers show you getting \$16.9 million for the 2008–09 year—well in fact, they show \$16.9 million budgeted with an estimated expenditure of \$17 million. But in these budget papers it is showing it as \$10 million in 2008–09. I am just trying to understand.

Mr Wauchope: I would probably need to take that on notice, but partly my guess is that we ran with a considerable number of unfilled vacancies pretty well all through that period. I think it could have been as many as 20-something FTEs. That is probably \$60 000 to \$70 000 per FTE—what is that? We are not Treasury officers; we cannot access that.

[2.00 pm]

Hon KEN TRAVERS: I still would have thought it would have been picked up somewhere along the line.

Mr Wauchope: I am happy to try to get an answer for you, but I suspect it is tied around, firstly, it is a seven-month period and, secondly, we did not fill the positions that we had approval to fill during the course of the year.

The CHAIR: Would you like that as supplementary information?

Hon KEN TRAVERS: Yes; I would not mind to try to get a better of understanding of it.

[*Supplementary Information No C5.*]

Hon KEN TRAVERS: My apologies for being out of the room but you said you have already given an explanation as to why it drops in the out years.

Mr Wauchope: Yes. Madam Chair, Mr Davey might be able to assist the member.

Mr Davey: The 2008–09 actuals are for the seven-month period, but then for the previous budget we were asked to annualise those figures. We ratcheted the amounts up for a full year.

Hon KEN TRAVERS: I am smiling at the parliamentary secretary because she and I have often discussed the fact that budget papers change so regularly that we wonder whether it is a conspiracy to make sure we can never follow what goes on. I realise that is often led by Treasury rather than yourselves.

The CHAIR: It is to keep estimates committees on their toes, Hon Ken Travers, I am sure!

Hon LJILJANNA RAVLICH: I just quickly want to look at the voluntary severance. This is budget paper No 3 on page 91, “Global Provision – Voluntary Severances”. In 2009–10 it was \$30 million and minus \$15 million in 2010–11. Can you advise us how many people have actually taken a voluntary severance?

Mr Wauchope: Yes; I think we have the figures here. There are actually two schemes. The first scheme applied during the course of 2009–10. The number under that program was 469 people had taken the voluntary severance, and under the current offer, there are 359 that have been supported at this point in time. I am not sure when we will have the final figures on that, but currently it is 359 under the second scheme.

Hon LJILJANNA RAVLICH: That is 850 people in total thereabouts. What is the target?

Mr Wauchope: I do not know that there is an overall target. It was a scheme approved by the budget review committee, basically designed to assist agencies. The first one in particular was to meet their three per cent dividend they had to find. That was successful; in fact, it was oversubscribed. I think they were allowed about \$48 million for that and we expected to get about 500. The figures were about right. There was a sense that there was an unsatisfied demand and a decision was made by government to go ahead with a second round.

Hon LJILJANNA RAVLICH: Is that the \$30 million?

Mr Wauchope: Yes, plus a further \$6 million on top of that.

Hon LJILJANNA RAVLICH: So it was \$48 million followed by \$30 million, plus \$6 million.

Mr Wauchope: Thereabouts, I think, yes.

Hon LJILJANNA RAVLICH: I wonder whether you can give us a breakdown in terms of those 469 and what levels they were.

Mr Wauchope: Again, Madam Chair, I think that would be something we would need to take on notice.

Hon LJILJANNA RAVLICH: Likewise for the recent 359, what were the levels and what was the job description; in other words, what we have lost—whether they were nurses or whatever.

[Supplementary Information No C6.]

Hon LJILJANNA RAVLICH: Was the voluntary severance offered to the senior executive service; and, if so, how many of them took it?

Mr Wauchope: The answer to the first question is: yes, it was available to SES people. Again, we would need to include that as part of that response, if that is acceptable.

Hon LJILJANNA RAVLICH: Can you give me the total number in the SES who actually applied for and got it, and the number of CEOs or equivalent who were given voluntary severance and paid out?

The CHAIR: That is part of supplementary information C6.

Hon LJILJANNA RAVLICH: I understand that part of what the voluntary severance program aimed to do was in fact pull back and control the expenditure growth, if you like, across the

government sector. Is there not some risk of public expenditure continuing to grow if there is no further reduction in the number of severances?

Mr Wauchope: I guess there is always a danger in budget growth. The government does apply an FTE ceiling, which is monitored by the budget committee. That is one of the instruments that is used to assist in budget control.

Hon LJILJANNA RAVLICH: What is the FTE ceiling currently?

Mr Wauchope: It is currently 102 911.

Hon LJILJANNA RAVLICH: By letting go 469 and 359, it really is only a small percentage of the total. My understanding was that originally the FTE ceiling was going to be 99 000. Was there an adjustment to that ceiling?

Mr Wauchope: My understanding is that the ceiling gets adjusted from time to time as there are changes in government policy. For example, if there was a policy to start a new initiative that required additional resources, that would go through a cabinet process to have that approved and the level adjusted. There will be a number of adjustments over the last period of time that would reflect that.

Hon LJILJANNA RAVLICH: Is it possible for you to provide the committee with the policy decisions that have been made that have caused that ceiling to be moved upwards from the original 99 000 that was in fact set?

Mr Wauchope: It is a matter that is held, I think, by cabinet. I think it is a Treasury thing. It is probably a question that would have to be put to Treasury.

Hon LJILJANNA RAVLICH: It is in your annual report.

Mr Wauchope: Yes. We report on the figures. We collect the data from the agencies. We make sure the methodology is as right as it can be and feed that into the budget committee system. I think Treasury has responsibility for recommending to government the changes to the ceiling.

Hon LJILJANNA RAVLICH: When Treasury instructs you that they have made an adjustment, surely they must advise you the reason as to why they have made the adjustment to the ceiling for you to then be able to implement the strategy of voluntary severance offerings across the public sector. They do not tell you?

Dr Schofield: We get advised of the VST ceiling when it comes to reporting and we report back then against that figure that we are given.

Hon LJILJANNA RAVLICH: So you are just instructed by Treasury?

Mr Wauchope: I guess, through government, yes.

Hon LJILJANNA RAVLICH: But are you not independent? How independent are you when you are actually told what to do by —

Mr Wauchope: No —

Hon HELEN MORTON: I think the answers have been made in that the determination is made by Treasury and the reporting against that figure is undertaken by the Public Sector Commission. That is the independent reporting that you are seeking. The reporting is done; the decision about what that limit should or should not be is done elsewhere.

Mr Wauchope: That is correct.

Hon KEN TRAVERS: Commissioner, are you the responsible person for the purposes of the Public Interest Disclosure Act 2002 these days?

Mr Wauchope: It depends on which hat. Certainly, under the Public Sector Standards Commissioner hat, yes, I am.

Hon KEN TRAVERS: Ultimately, that will be under the one hat.

Mr Wauchope: It will be, yes.

Hon KEN TRAVERS: How often do you get complaints registered with you under that act?

Mr Wauchope: Not many at all. You will probably be aware that the act was reviewed several years ago by a former state solicitor, but that was a very legalistic review of the act. The answer to your question is: no, there are not a lot of complaints made under it.

Hon KEN TRAVERS: You may be aware that in recent times there have been a number of issues raised in the chamber about Mr Michael Moodie and whether or not he has been victimised as a whistleblower. Is that something that you, as a commission, have looked at or has been raised with you to look at? Is it something that you could conduct an inquiry into; and, to do that inquiry, do you require the approval of anyone or can you initiate it off your own back?

Mr Wauchope: I am trying to think of those questions in sequence. No, I have not been asked to look at it and we have not looked at it to the best of my knowledge. I am thinking with both hats. I would reserve my position in relation to the Public Sector Standards Commission role because I would need to go back and check the history. I simply was not there. If there were some issues raised in relation to codes of ethics or breaches of standards in relation to the public sector standards commission act, there would be a basis for looking at it. If there were some other issues raised, for example, around the behaviour of the CEO at the time in relation to some of these matters, it would be something that we probably could have a look at.

Hon KEN TRAVERS: Would an inquiry wearing your Public Sector Standards Commission hat be able to look at systemic issues? Obviously, the CEO at the time may have already left the public sector. One of the things we have discovered through other inquiries this committee has done is that once people leave the public sector, your ability to have any recourse is normally very limited at all under the Public Sector Management Act. Is it an inquiry you could look at in terms of any systemic issues that need to be addressed? Is that an inquiry that your agency would be able to conduct?

Mr Wauchope: Under the Public Sector Standards Commission, there is capacity to have an own motion-type action—that is, to look at some of these matters. Mr Warner, I am about to ask whether you have any other view on that.

Mr Warner: I guess it would depend on the nature of the inquiry and the extent to which it would look to uncover material information or what it would review under the act. There are different provisions that allow for different levels, I guess, of review or investigation or inquiry.

Hon KEN TRAVERS: In terms of the allegations that were made in the Parliament, I suspect that the reality now is that it is about investigating whether the allegations are true. I suspect there will be limited action against anyone who may have done anything wrong at the time, but more about looking at the systemic issues and whether or not there is enough protection for people who are whistleblowers. I am intrigued. My other question is whether, to conduct an inquiry like that, you require the approval of the minister or you can initiate that inquiry off your own back without the approval of the minister.

Mr Wauchope: My answer to that would be depending on what powers you are wanting to seek. There are certain powers under section 10 of the Public Sector Management Act which I can access, which is basically around the efficiency and effectiveness of the public sector. Section 11 has the really strong powers—that is, the special inquiry-type powers. That would require the government to authorise those powers to be used.

Mr Warner: The current act has the Public Sector Standards Commissioner having some powers of investigation, but on matters to which that office has responsibility, which may or may not fall into the area you are talking about. The other important thing is that they are powers under the Public

Sector Management Act, not the PID act. I am not familiar with the Public Interest Disclosure Act to be able to give advice on what powers might exist there.

Hon LJILJANNA RAVLICH: I think the powers under the legislation that is currently in the Legislative Council give you some pretty heavy-duty powers.

Mr Wauchope: I think there would be more scope.

Hon LJILJANNA RAVLICH: I think it should have been called the Mal Wauchope bill, with all due respect. That is what I thought.

The CHAIR: I take that as a comment rather than a question.

Hon LJILJANNA RAVLICH: Take it as a compliment!

Mr Wauchope: I will, member; I will!

[2.15 pm]

Hon KEN TRAVERS: Should we refer to him as the “All Powerful Mal Wauchope” from now on?

Hon LJILJANNA RAVLICH: No, just the “Mighty One” will do—you don’t have to stretch it!

Hon KEN TRAVERS: One of the interesting things about the Public Interest Disclosure Act is that it does not necessarily provide for the inquiry. I see the parliamentary secretary smiling, and I know she has taken a keen interest in this act and in public interest disclosure matters in the past as well. There is a reporting provision under that act, if I remember correctly.

Mr Wauchope: The problem with past actions—obviously the matter in relation to Michael Moodie is in the past—because the act was either not in place at the time that some of this occurred or, indeed, if it was, Michael Moodie did not avail himself of the provisions under the act, then you probably could not use that legislation to deal with it. That is very much a rough guess of what the situation might be.

Hon HELEN MORTON: It is not retrospective.

Mr Wauchope: It is not retrospective.

Hon KEN TRAVERS: That is in terms of conducting the investigation, but it is that whole issue of whether or not someone has been victimised. That was the issue that was raised in the Parliament. I am intrigued to ascertain to whom and where one would go with that side of it. The member who raised the issue is not here, but I guess these things are raised and one becomes intrigued as to the path of solution for them.

Mr Wauchope: And sometimes where does victimisation start and bullying start? If it was into the bullying territory, it would be a WorkSafe matter as well.

Hon LJILJANNA RAVLICH: I refer to boards and committees. As you would be aware, commissioner, there was a promise that the number of boards and committees would be reduced to some 650 from some 1 300.

Hon HELEN MORTON: Does the member have a page number?

Hon LJILJANNA RAVLICH: Yes. It is in the annual report of the Public Sector Commission, page 15, but I am sure it is in the budget somewhere—maybe it is not as a lot of things are not in the budget any more. Could you advise, first of all, how many boards and committees there are currently?

Mr Wauchope: No. As Mr Hollier has reminded me, we have not distinguished between boards and committees; it is treated as one entity. This review of boards and committees is something that is being handled by the Department of the Premier and Cabinet. Our involvement, by and large, is around the remuneration of boards and committees. We generally have a responsibility to advise on remuneration that should be paid to chairs and members of boards and committees.

Hon LJILJANNA RAVLICH: How many new boards and committees have been set up since September 2008?

Mr Wauchope: Again, I would need to take that on notice.

Hon LJILJANNA RAVLICH: Can you take that on notice, and, for those new boards and committees, can you advise the remuneration for the chair and also for members? I have to say that we are still feeling our way between what has been transferred and what has not been transferred, because with boards and committees one would rightly expect —

Hon HELEN MORTON: Can I clarify what you are asking?

The CHAIR: New boards and committees that have been set up since September 2008.

Hon HELEN MORTON: Okay, just new boards.

Hon LJILJANNA RAVLICH: New boards and committees, because I have just been advised that it does not fall into the responsibility of the Public Sector Commission, but rather it is Premier and Cabinet. However, knowing that you are responsible for remuneration, clearly unless some have been set up that do not get remunerated at all —

Mr Wauchope: And that can be the case at times, but we will provide the information.

Hon KEN TRAVERS: You should be aware of those where there is remuneration?

Mr Wauchope: For the ones that require remuneration, if the departments are doing the right thing, yes, we would be aware of them.

Hon KEN TRAVERS: You say that hesitantly, commissioner.

[Supplementary Information No C7.]

Hon KEN TRAVERS: They are required to, but does your answer suggest that you have come across boards that have been set up that have not come through you?

Mr Wauchope: No, not necessarily. All I am saying is that I know what comes to us; and, indeed, most pieces of legislation have a requirement for the minister to determine on the advice of the minister for public sector management. That particular function was delegated to me, and was delegated previously when I was in DPC.

Hon KEN TRAVERS: Does the Salaries and Allowances Tribunal fit under you?

Mr Wauchope: They are independent—absolutely.

Hon KEN TRAVERS: In the past they often provided advice on boards and committees' remuneration. Didn't they?

Mr Wauchope: That is a bit of a misnomer, actually. They do not actually advise on that. I have the former executive officer of the Salaries and Allowances Tribunal next to me and he will probably correct me, but my understanding is that they do not advise on remuneration for boards and committees.

Mr Hollier: That is correct. What the commissioner said is correct.

Mr Wauchope: I agree that there seems to be a perception out there that they do.

Hon KEN TRAVERS: Maybe they used to give advice informally to the commission.

Mr Wauchope: I think it is because one of the former executive officers used to have that role as well as being executive officer to the Salaries and Allowances Tribunal, so it got confused.

Hon KEN TRAVERS: Brian Moore probably would have been wearing two hats when he was providing those two functions.

Mr Wauchope: Basically.

Mr Hollier: That was prior to July 2002.

Hon LJILJANNA RAVLICH: Does the commission have a role where there is structural change within an agency?

Mr Wauchope: Yes.

Hon LJILJANNA RAVLICH: I want to quickly refer to the changes in Tourism WA. The commissioner would be aware they will be shedding some 85 staff over the next two financial years. It is now some eight weeks since that budget announcement, and I am advised that only two positions have been advertised, which means that a lot of staff within that agency are obsessed about their own future and career path, possibly at the expense of getting on with the job of focussing on tourism. I understand that everyone has to reapply for their jobs so that process should be well and truly in train and possibly even complete. What is the role of the commission in ensuring that these things happen in a timely manner so that the business of government can continue?

Mr Wauchope: In our role we have been involved in part of the committee process.

Mr Hollier: Very informally. The only action that has been basically occurring is some early advice provided by the permanent incumbent in the job I am currently sitting in, basically as requested. The current process is where advice is sought on a particular issue, and then we provide that advice. There has been no formal establishment of a working party et cetera.

Hon LJILJANNA RAVLICH: The sense I am getting is that if agencies do not advise you of something or request assistance, then you are pretty much hands off.

Mr Wauchope: No, I would not agree with that. Certainly anything to do with the senior executive service, where they are obliged to come to us to get jobs approved—to create and to be classified et cetera—we certainly get involved in structural changes. Sometimes we initiate. Sometimes we are there because ministers have requested the Public Sector Commissioner and other agencies to be involved. Sometimes it is at this other end, which is more informal and low key. Certainly I have had discussions with the acting CEO of Tourism from time to time. Certainly earlier on when they were looking at the new direction of the commission, we had discussions with the acting CEO and indeed the chair. It depends on the nature of the particular exercise we are looking at, but not hands off in that sense, no.

Hon LJILJANNA RAVLICH: Are you concerned as the Public Sector Commissioner that some two months after the announcement was made that only two jobs have been advertised?

Mr Wauchope: One of the aims of the current reform legislation is, in fact, to remove as many impediments as possible while still having the appropriate accountability so that recruitment processes can be expedited. We are always very keen to make sure that the recruitment processes for public sector jobs are done as quickly as is reasonable to do. Sometimes that is not always possible. But I have not looked at that particular issue in the case of tourism.

Hon LJILJANNA RAVLICH: Can I ask you: will you look at that issue? Because the tourism sector is absolutely hopping mad about the lack of support and activity in that agency and, basically, they want everyone back on the job so that they can get on with trying to do something about tourism, rather than being obsessed about what is going to happen in their own individual circumstances. I can understand those employees holding that view, but it is not very good, I have to say, for the people who rely on their support services.

I also want to ask you a question on the legislation to regulate lobbyists, and I refer to page 85 of budget paper No 2. You would be aware that this was an election commitment, and nearly two years down the track we have not seen any legislation. We have not even seen a green bill put out on this particular election commitment. What is the hold-up with it?

Mr Wauchope: I am not sure there is any hold-up. There has been a considerable amount of work undertaken in talking to existing lobbyists. We see them from time to time. We put out a discussion

paper to key stakeholders, including lobbyists and government agencies. At this stage, I suppose it is still one of those areas that has got to compete for priority to get into Parliament.

Hon LJILJANNA RAVLICH: Could you provide a copy of the discussion paper to the committee?

Mr Wauchope: Yes. I do not believe there is a problem with that. If there is, I will come back to the committee.

Hon LJILJANNA RAVLICH: Why would there be a problem with the discussion paper?

Mr Wauchope: I do not know that there is. I am just saying I will, if there is no particular difficulty with that.

[Supplementary Information No C8.]

Hon KEN TRAVERS: You said that you have provided it to “existing lobbyists”. Is that under the definition of a lobbyist on the lobbyist register, or people who are lobbying outside of that, because obviously, potentially, a whole range of other people could be captured as a “lobbyist”?

Mr Wauchope: I think it is people on the lobbyist register who have shown interest. It has been fairly limited, but it has been going back to people who have actually made points to us at different times over the past few years around having a lobbyist register in the first place.

Hon KEN TRAVERS: For instance, lawyers are one of the classic examples that do not get picked up under the definition of a lobbyist for the register, but there is a strong view around town that a number of lawyers are acting, effectively, as lobbyists. Have you consulted with any lawyers who would have an interest in it about whether they should be captured by that legislation? Does the legislation look at whether it should be broadened to capture those sorts of people or purely at the existing lobbyists as defined by the lobbyist register?

Mr Wauchope: I guess the existing lobbyist code and register is the starting point. What we have been doing is looking at what, if any, changes should be made to that before we go into legislation. In relation to your question around have lawyers been consulted, I do not know.

Hon KEN TRAVERS: Maybe you could take that on notice to see if there has been any formal or informal communications with lawyers about the lobbyists, and other stakeholders for that matter, because there are associations that engage in lobbying on a regular basis.

The CHAIR: Are you asking for the information on everyone who has been given a copy of this discussion paper?

Hon LJILJANNA RAVLICH: Yes, I am yes.

Hon KEN TRAVERS: I am interested to know whether they have had any conversations with others as part of that consultation process—so, not just the discussion paper but whether there has been any formal or informal discussions where notes have been taken as part of the consultation process.

The CHAIR: Are you able to provide that?

Mr Wauchope: We will be able to provide most of that.

[Supplementary Information No C9.]

Hon KEN TRAVERS: Have you conducted any investigation into whether people who are on the register should be on the register? Obviously they have to comply with the code of conduct. Have you conducted any inquiries into whether or not any of the people on the register should be removed from the register or banned—whatever term you use?

Mr Wauchope: I can remember one example where we did, in conjunction with or based on advice with the State Solicitor, move to remove somebody; and I think he was removed. That was around criminal behaviour, I think. We have had people removed because they have not complied with the

requirements; that is, they have to update their details. We do remind them—we remind them more than once—but if they continue not to comply we delist them off the register.

[2.30 pm]

Hon KEN TRAVERS: I am not actually thinking about the obvious one, but after the CCC inquiry, there were two lobbyists on that that are not actually on the register but there were a number of lobbyists that the inquiry touched upon and their actions. Did you conduct any inquiries or investigations into any of those lobbyists to see whether it was appropriate for them to remain on the register?

Mr Wauchope: I think we have applied a standard scrutiny to all lobbyists, and I think that involved checking with ASIC in relation to their standing and some other matters. Again, in my response I can provide you with the sorts of checks that we do.

Hon KEN TRAVERS: I would have thought that one of the checks might be monitoring public hearings of the CCC to see whether or not any allegations of improper behaviour are being raised.

Mr Wauchope: Certainly we do.

Hon KEN TRAVERS: The problem with the CCC is that they may not necessarily make an adverse finding, because they only deal in the main with public officers, so they may raise issues that if you looked at them you would say that it is inappropriate behaviour and that person should come off the register; so whether or not that is something you do as a matter of course rather than waiting for someone to refer to.

Mr Wauchope: Sorry, I was perhaps misinterpreting your question. We do monitor those types of hearings where we know about them and we do actually ask questions of the State Solicitor's Office about what actions, if any, we should be taking in relation to people who might be on our register who are mentioned in those types of hearings, having regard to all the sorts of legal issues and things like natural justice, but we do consult the State Solicitor on those issues.

Hon KEN TRAVERS: As part of that, could you let us know whether you actually conducted any investigations into people as result of those processes?

The CHAIR: We will make that part of C9.

Hon LJILJANNA RAVLICH: I am interested, commissioner, to find out how many officers are actually using contracts to employ staff. We saw it with a contract that Mr Cronin was originally on, whereby a company called Bright Blue Communications had received a contract of appointment to provide strategic advice to the Premier's office at that time. The first question is: is it commonplace that companies are used as a vehicle by which individuals are employed in the public sector?

Mr Wauchope: Madam Chair, I am really probably not in a position to say whether that is commonplace; it is certainly available to be used, and in relation to ministerial contracts of service, which have existed for some time, sometimes it is an individual who is contracted direct and who sometimes is contracted through company structures. Quite often the issue there is, of course, that they have set up a company structure to have the best taxation outcome for them, and if the government is wanting to access those skills, that is the way they have to engage people through a company.

Hon LJILJANNA RAVLICH: Do you keep information on the number of individuals that are contracted through a company structure?

Mr Wauchope: No.

Hon KEN TRAVERS: If someone is contracted through a company structure, how do you maintain the issues with respect to probity about conflicts of interest? If you have someone directly employed, they have got to have the register and the declaration, but is the company still required to

do that as part of their contract, or how do you make sure that the individual is not conflicting with other contracts?

Mr Wauchope: The terms and conditions that they are engaged on are set out in probably two instruments, as I recall. One would be the contract itself and the other would be a letter of engagement. Some of these are standard, if you like, templates that DTF have set up as part of their procurement process, so I think by and large that is what is used to actually procure. I guess ultimately the issue around inappropriate behaviour is that they are not subject to the Public Sector Management Act as such in terms of the things that would guide our behaviour. On the other hand, if there is an issue, usually there is a clause in the contract that has a fairly short termination clause, so if an issue arises, it is usually able to be dealt with fairly quickly.

Hon KEN TRAVERS: But do you provide advice on the standard clauses that you are talking about that would go into the letter of engagement or where would that come out of?

Mr Wauchope: My understanding, and I may be corrected, is that the standard contractual clauses would have been developed by DTF, presumably in conjunction with the State Solicitor's Office.

Hon KEN TRAVERS: Would you not have been asked to provide advice on those clauses with respect to the issues about propriety?

Mr Wauchope: I do not recall being asked, but that does not mean to say that people in the DPC at the time, or more recently in the Public Sector Commission, may have been asked; I just simply do not know.

Hon KEN TRAVERS: Could you take it on notice and, if you have them or if you are able to, table copies of the standard clauses as supplementary information?

Mr Wauchope: Yes, sure.

[Supplementary Information No C10.]

Hon LJILJANNA RAVLICH: Can I just ask whether the commission has in fact conducted any functional reviews in the last financial year?

Mr Wauchope: No, not functional reviews as you would perhaps understand them in the previous government. We have been involved in obviously machinery of government changes; for example, with the merger of the education department.

Hon LJILJANNA RAVLICH: Is that complete now?

Mr Wauchope: Are they ever complete? There is a process obviously that is still going on, but it is largely in place; in fact, I would say that Dr Shean has been extremely efficient in getting her new structure in place in the Department of Training and Workforce Development.

Hon LJILJANNA RAVLICH: What is the process that is going on that you referred to?

Mr Wauchope: Like in terms of any transitional arrangements, they go on for some time. The bulk of de-mergers happen fairly quickly and then you have obviously got settling in. For example, my understanding is that the Department of Training and Workforce Development will be moving location, so that is another issue.

Hon LJILJANNA RAVLICH: Do you know where they are moving to?

Mr Wauchope: They are moving out to Osborne Park.

Hon LJILJANNA RAVLICH: Do you know the time frame for that?

Mr Wauchope: I thought it was before the end of the year.

Hon LJILJANNA RAVLICH: There were some outstanding moneys that had to be paid over from the education department to the training people. Do you know whether that matter has been settled?

Mr Wauchope: I think it has been largely settled. We had some involvement at one stage there, and I think certainly the moneys that were clearly training moneys have gone across. There were some funds in between that might have been arguable, but I think the obvious ones have gone across. We have been involved in the de-merger of DPI and the creation of the Mental Health Commission.

Hon LJILJANNA RAVLICH: You would agree that it is in no-one's interest when they drag on and on. For example, the education and training and workforce development split happened at least two years ago and they are still trying to untangle themselves in a practical sense. They are still not quite complete. So I have to say that it does present a problem out there in the field, because people do know of those things and it does not reflect well on the government, I have to say.

The CHAIR: We will take that as a personal comment from the member rather than anything else.

Hon LJILJANNA RAVLICH: Yes, it is. It is not a question, no.

The CHAIR: Are there other questions before we close the hearing?

Hon KEN TRAVERS: I note that one of the areas that you have got under your services for agencies is using technology. I guess I have a couple of questions. Obviously part of that is about distributing alerts and the like and incident response. Are you doing any work in preparation for CHOGM that will place extra pressures on Western Australia as a result of CHOGM coming in in that regard?

Mr Wauchope: We are certainly in a position to advise. I guess I would stress that CHOGM is a commonwealth operation. The state gets involved in it, obviously. The CHOGM arrangements are being driven out of a combination of the Department of the Premier and Cabinet and, I think, the Premier's office. If there is an issue around the ICT security, we have a person in the Public Sector Commission who is the person who liaises with the commonwealth and the Defence Signals Directorate—that is where all the alerts come from. We would certainly be involved in that sense and to that extent.

Hon KEN TRAVERS: But is there any work going on in terms of preparation for CHOGM, because we expect we will need to be on high alert?

Mr Wauchope: I cannot comment on details because it is not being run from my department, but, yes, I certainly understand that.

Hon KEN TRAVERS: I am asking in terms of the role that you have and whether it will have a budgetary impact.

Mr Wauchope: Not that I am aware of.

Hon KEN TRAVERS: The other thing that follows on from that, I guess, is that regularly the Auditor General has been pretty critical of the level of security in terms of the public sector. As part of your role in that regard in terms of information security, is one of your roles to monitor and ensure that agencies are starting to comply with the recommendations of the Auditor General? I think he has done a number of reports; in fact, he has done two follow-up reports to say that nothing has happened about the earlier reports. So is that something that is now your responsibility to keep the pressure on agencies to ensure that they start to implement the Auditor General's recommendations?

Mr Wauchope: Yes, in part. We certainly do follow up, and we are obviously aware of the audits that the Auditor General is doing and has done. We do provide advice to agencies. We have issued a number of circulars around the issues that have been raised by the Auditor General in his reports and basically have checklists for CEOs to go back to make sure that these sorts of things are in place. We have launched the good governance guidelines for securing public sector electronic information. We try to incorporate the IT and security good practice principles into corporate training programs. So it is a combination of information giving—"This is what the auditor general has found"—to some helpful approaches—"This is what you really need to make sure you have got

it covered and here is some training that can go with it.” So, yes, to that extent we are doing that follow-up work behind the Auditor General.

Hon LJILJANNA RAVLICH: Commissioner, I understand that there were some investigations into MP entitlements. Was that something that your office was involved in?

Mr Wauchope: MP entitlements to MPs, yes.

Hon LJILJANNA RAVLICH: Yes, you were. Good. In view of that, was this to be an ongoing review or did it have a finite time prior the outcome is being reported?

Mr Wauchope: Maybe I had better clarify the question. I am talking about the review I was asked to do in relation to the former Treasurer.

Hon LJILJANNA RAVLICH: No, I am talking about general entitlements.

Mr Wauchope: Okay, we are talking about different things. I am glad I clarified that. The answer is no.

Hon KEN TRAVERS: You can tell us about the review into the former Treasurer if you want!

Mr Wauchope: I was not involved in the other.

Hon LJILJANNA RAVLICH: So that means that Mr Cronin is undertaking that?

Mr Wauchope: The Department of the Premier and Cabinet, yes.

Hon LJILJANNA RAVLICH: Finally, just in relation to assets, is it possible to obtain from the commission the number of lost or stolen laptops across the public sector for 2008–09 and 2009–10 and also the same for mobile phones for the same time frames?

Hon HELEN MORTON: That sort of information is not readily collected and it would require every agency to be asked the question. I think that it is probably more appropriate that the member put it as a question on notice to each of the agencies.

Hon LJILJANNA RAVLICH: And now we see how this whole Public Sector Commission works in reality. It basically means there is no central collection point for any information.

Hon HELEN MORTON: I do not think that there was any central collection point for that previously.

Hon LJILJANNA RAVLICH: Yes, there was, because it was done through the Department of the Premier and Cabinet. So I think that there has been a very big shift.

Mr Wauchope: Madam Chair, can I just comment on that?

The CHAIR: Certainly, commissioner.

Mr Wauchope: Being the former head of DPC, we did not centrally collect that information except when asked by way of a parliamentary question. We simply did not collect that information.

Hon LJILJANNA RAVLICH: This is a parliamentary question. It is a question put to you through a parliamentary committee. Just as it had been provided in the past, I do not understand and I cannot see why it cannot be provided now. After all, you are the Public Sector Commissioner; you are responsible for all government agencies and what goes on in them. Clearly, this is an area that is something you should be paying an interest in and be able to provide the information on.

Hon HELEN MORTON: I think I have already indicated that that is more appropriate to be asked of the individual agencies.

Hon LJILJANNA RAVLICH: I am not happy with that.

Hon HELEN MORTON: That is fine; I understand.

The CHAIR: We will note your thoughts on that, and we will discuss that in private. Are there any other further questions?

Hon KEN TRAVERS: Are there currently codes of conduct for both CEOs and members of the public service?

Mr Wauchope: There is a code of ethics for the public sector and then under that each agency is required to have a code of conduct that is consistent with a code of ethics. They tend to look largely the same but tailored to the particular business or the agency concerned. The answer is yes; they are required to have them and I would expect that every agency would have them.

[2.45 pm]

Hon KEN TRAVERS: Can I get you to table what the current code of ethics is? I assume that you are responsible for that.

Mr Wauchope: As the Public Sector Standards Commissioner, yes.

Hon KEN TRAVERS: Can we have the current one tabled?

Mr Wauchope: Yes, we can do that.

[*Supplementary Information No C11.*]

The CHAIR: That brings us to the end of the hearing two minutes early, you will note. You must have done very well there, commissioner. I need to make a closing statement. The committee will forward any additional questions it has to you via the minister in writing in the next couple of days, together with transcript of evidence, which includes the questions you have taken notice. If any members have any unasked questions, I ask them to submit these to the committee clerk at the close of this hearing. Responses to these questions will be requested within 10 working days of receipt of the questions. Should the agency be unable to meet this due date, please advise the committee in writing as soon as possible before the due date. The advice is to include specific reasons as to why the due date cannot be met. It will be considered then by the committee at that time. On behalf of the committee, thank you for your attendance today.

Hearing concluded at 2.46 pm