

# The Liberals' Public Sector Management Policy

*To restore and maintain the professionalism,  
independence and integrity of Western Australia's  
public sector, and ensure the delivery of quality  
services to the people of Western Australia*

MAKING DECISIONS  
GETTING THINGS DONE  
SECURING WA'S FUTURE



## Policy Summary

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The Liberals recognise the need for a strong and productive public sector. The community relies on and values the important services that are provided by the many people employed within the departments and agencies that comprise the Western Australian public sector.

The efficient delivery of these services relies on many factors, including:

- Sound governance structures that ensure responsiveness, integrity and accountability
- Inter-agency cooperation and collaboration
- The attraction, retention and motivation of highly skilled staff
- The availability of services and their proximity to those needing them
- The prudent management of costs.

The past four years of the Liberal-led Government has seen these factors pre-eminent in the administration of the WA public sector. Ethical and accountable government has been returned, employees have been respected and fairly treated, and the productivity of the public service improved. Major advances have been made in meeting the public's expectations and needs.

The Liberals will continue to ensure that the public's legitimate expectation of a world-class public sector will be met.

A re-elected Liberal Government will:

- Retain and further expand the position of the independent Public Sector Commissioner and the Public Sector Commission, including giving it responsibility for the oversight of minor misconduct by public officers
- Retain the new and increased district allowances introduced by the Liberal-led Government
- Continue the Government Regional Officers Housing (GROH) scheme to support accommodation requirements of regional public sector workers



- Save taxpayer funds and support the growth of urban office precincts by relocating about 85,000 square metres of Perth CBD and fringe Government office accommodation to suburban precincts by 2018
- Establish new Government office buildings in Joondalup, Stirling Fremantle, Murdoch and Bunbury
- Retain a cap on the size of the public sector while tight financial circumstances continue to face the State
- Continue to review the number and the responsibilities of Government boards and committees, and maintain a publicly available register of all boards and committees
- Maintain a wages policy that provides public sector employees with fair and reasonable remuneration and benefits and safe working conditions
- Continue to invest in its workforce through the provision of appropriate training and skills development opportunities
- Increase access to employment opportunities for Aboriginal people, those with disabilities and other groups under-represented in the workforce.

## Enhance Public Sector Independence, Professionalism and Integrity

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If re-elected the Liberals will:

- Retain and further expand the role of the independent Public Sector Commission and the position of Public Sector Commissioner
- Introduce legislation to enhance the role of the Public Sector Commission by giving it responsibility for the oversight of minor misconduct by public officers, which currently resides with the Corruption and Crime Commission (CCC).

Regrettably, the standing of Government had been damaged by the previous Labor government, with five Ministers either sacked or forced to resign following inquiries by the Corruption and Crime Commission or share trading issues.

The Liberal-led Government has worked hard to restore and maintain the professionalism, independence and integrity of Western Australia's public sector; and to ensure the delivery of quality services to the people of Western Australia.

It is important to recognise the significance of the public sector workforce in Western Australia. It is the State's biggest employer, with almost 150,000 employees in 126 agencies at more than 1,800 work locations, providing a huge range of vital services across the entire breadth of this enormous State. More than 22 per cent of the public sector workforce is more than 55 years of age, and women comprise 69.2 per cent of that workforce, considerably higher than the 45.5 per cent of women in the total Western Australian workforce.

One of the first decisions of the Liberal-led Government was to create an independent Public Sector Commission and the position of Public Sector Commissioner.

The separation of the Commission from the Department of the Premier and Cabinet has moved the management of the bureaucracy away from the government of the day and has enhanced the independence, professionalism and integrity of the public sector.

The commission is responsible for the overall efficiency of the public sector; CEOs and Senior Executive Service members; classification and appointment processes and standards; redeployment and voluntary



severance arrangements; and remuneration of Government boards and committees, which ensures that all are free from political influence or interference.

Giving the Public Sector Commission oversight of minor misconduct by public sector officers is a logical expansion of the commission's responsibilities. The Liberals do not believe it is the best use of the CCC, which should be focused on serious crime and corruption activities, to have responsibility for investigating minor misconduct allegations.

The staff and financial resources required to support this shift in responsibility will be transferred from the CCC to the Public Sector Commission.

## Fair Remuneration and Conditions for Regional Public Sector Workers

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If re-elected the Liberals will:

- Retain the new and increased district allowances introduced by the Liberal-led Government
- Continue the Government Regional Officers Housing (GROH) scheme to support accommodation requirements of regional public sector workers

In a State as big as Western Australia it is a constant challenge to provide quality services throughout all regional areas.

Almost a quarter (24 per cent) of the public sector workforce is located in regional Western Australia.

The Liberal-led Government substantially increased and extended eligibility for district allowances for public sector workers in regional Western Australia as an incentive to attract and retain them in rural locations where the cost of living is usually higher. Under the Liberal-led Government, a total of \$172.7million was allocated from the Royalties for Regions fund for the Regional Workers Incentives (district allowance) program between 2010-11 and 2013-14.

District allowances for regional workers were increased by as much as \$6,000 a year for workers in the Pilbara. The Liberal-led Government has also extended coverage of the allowance to include workers in the Mid-West region.

More than 9,000 regional public sector workers are potentially eligible for this district allowance, which is \$15,671 a year for singles in the Pilbara and \$10,821 a year in the Kimberley. In 2011-12, more than 8,200 employees claimed the district allowance, with about 3,900 of these workers also claiming the additional allowance if their spouse or dependents live with them in a regional area.

Since 2008, the Liberal-led Government has built an additional 730 houses under the Government Regional Officer Housing (GROH) program, enabling key Government service workers the security of affordable housing in regional areas.



About 400 of these properties were built as part of the 2009 Commonwealth stimulus package and \$200million was provided from the Royalties for Regions program. Of the additional 730 additional GROH houses, 235 have been built to house education and training staff in regional areas. This brings the total number of GROH dwellings built and currently under construction to 5,653.

A re-elected Liberal Government will continue to be responsive to the need for incentives for public sector workers to re-locate and live in regional areas and also to cost of living pressures for those workers.

## Relocating Government Offices

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If re-elected, the Liberals will:

- Save taxpayer funds and support the growth of urban office precincts by relocating about 85,000 square metres of Perth CBD and fringe Government office accommodation to suburban precincts by 2018
- Establish new Government office buildings in Joondalup, Stirling Fremantle, Murdoch and Bunbury.

The failure of the former Labor government to properly manage leasing arrangements for central city government accommodation cost taxpayers millions of dollars. Labor ignored advice to lock away government accommodation in 2004 when office vacancy rates were high. Instead, Labor went to the market at the height of the boom and cost the taxpayers of Western Australia millions of dollars. The Auditor-General in a report in 2006 slammed Labor's lack of management and strategic planning finding that it would potentially cost \$10million to renew leases in the current climate. In addition the report found that an extra \$20million a year could be saved by enforcing the office fitout density policy.

The Liberal-led Government abandoned Labor's failed process and adopted a master planning approach. In stark contrast to Labor's inaction the Liberal-led Government when faced with the tightest CBD property market in Australia has been able to use its bargaining power to negotiate lower rent costs, consolidate into fewer offices in the CBD and begin relocating offices to the suburbs.

The first phase of the master plan is complete with some 5,000 public servants from 18 locations and 23 agencies relocated and consolidated into Gordon Stephenson House and neighbouring heritage buildings, the Optima Centre and the refurbished Government-owned Albert Facey House, Dumas House and part of 151 Royal Street, East Perth. Savings from these initiatives are expected to amount to about \$18million this financial year.

The Premier's Office, Cabinet Room, most Ministerial offices, the Public Sector Commission and the Department of the Premier and Cabinet have already been relocated to the Government-owned precinct for central Government agencies in West Perth, adjacent to Parliament House.



A number of Government agencies have moved to Osborne Park, including the Department of Training and Workforce Development and parts of the Department of Finance. Plans are under way for more agencies to move there and to other major centres such as Stirling, Fremantle, Murdoch and Joondalup.

The Joondalup project will replace existing leased accommodation for about 500 employees and is expected to be cost neutral. It will see a range of Government agencies co-located in one building. Consideration will be given to a privately funded building development on Government-owned land, with a preferred site identified.

The Fire and Emergency Services Department has recently moved from the CBD to purpose-built premises in the City of Cockburn. The relocation of Government departments not only provides direct saving in accommodation costs but also valuable economic stimulus for local economies and improved community access to front-line Government services.

As part of a new Western Australian Parks Authority, a re-elected Liberal Government will initiate the gradual decentralisation of some Perth-based 'head office' functions to Bunbury. This initiative will include partial decentralisation of divisions such as fire management services, forest management and parks policy and tourism functions, with the new building to be located on the Leschenault Peninsula.

This commitment supports the Liberals' vision to grow Bunbury as the second capital of Western Australia. Investment in regional public service accommodation initiatives and a gradual decentralisation of some service delivery areas of the new WAPA will support Bunbury's economic growth.

Both city and country relocations of staff are on the basis of either producing savings or, at least, being cost neutral. This will be achieved through a mix of lower leasing costs, service sharing and the sale of surplus Government properties.

## Managing Public Sector Growth

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If re-elected, the Liberals will:

- Retain a cap on the size of the public sector while tight financial circumstances continue to face the State
- Continue to review the number and the responsibilities of Government boards and committees, and maintain a publicly available register of all boards and committees.

In the period 2000 to 2008, Western Australia's public sector workforce grew by about 31 per cent.

In February 2009, the Liberal-led Government capped the number of full-time equivalent positions (FTEs) in the public sector, allowing increases only to accommodate growth in the population and the economy. In the 2012-13 Budget, a two-year cap maintaining public service FTEs at 2011-12 levels was put in place to generate further savings of \$526million over the next four years.

The FTE cap applies to about 37,000 positions and aims to keep the number of middle and upper management positions in check. As such, the FTE cap does not apply to operational staff in Health, Education and Police. These frontline staff – defined as those who are "on site" in Western Australian schools, hospitals and police stations – amount to about 70,600 people.

The public sector grew an average of 4.2 per cent a year in the past four years of the Labor government. The Liberal-led Government has halved that growth rate, increasing the size of the public service by an average of less than two per cent a year in the past two years.

This policy in turn implies a continuing drive for savings and improved productivity across the public sector.

Government boards and committees can play an important role in good governance within Government by providing independent and expert governance and advice. They can also provide an effective link between Government and the community.



Under the Liberal-led Government, a comprehensive review of Government boards and committees was undertaken, and a reconciliation of existing boards and committees conducted against relevant legislation and policy. As a consequence, major changes were implemented that saw 147 boards and committees abolished or cease to operate; changes to arrangements for sitting fees; and strategies to improve the future administration and transparency of all boards and committees.

A re-elected Liberal Government will continue to deliver prudent and responsible management of the Western Australian public sector.

## A Responsible Employer

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If re-elected, the Liberals will:

- Maintain a wages policy that provides public sector employees with fair and reasonable remuneration and benefits and safe working conditions
- Continue to invest in its workforce through the provision of appropriate training and skills development opportunities
- Increase access to employment opportunities for Aboriginal people, those with disabilities and other groups under-represented in the workforce.

The Liberal-led Government has implemented a responsible and fair wages policy that has resulted in the successful negotiation of significant pay increases for teachers, nurses and police officers to make them among the highest paid in Australia in these professions. In addition, more than 50 separate wage agreements have been negotiated and registered under this Government, delivering real wage increases to all public sector employees with minimal industrial action or disruption to the provision of services to the community.

The Liberal-led Government has shown its commitment to training and educating its workforce by investing in management and leadership programs for graduates, mid-level and senior employees.

It is also up to Government to set a standard for the employment of people with a disability and the employment of Aboriginal people. The target of having a minimum of 3.2 per cent Aboriginal employment across the public sector will be met during the next term of Government. Once achieved, this target will mean 3,334 Aboriginal people are employed in public sector jobs.

## Our Record

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The Liberals have a strong record in Government of having:

- Restored the community's faith in the standing of Government and the public sector through improved governance arrangements
- Improved the pay and conditions of regionally based public sector workers to ensure the provision of high quality public services throughout the State
- Substantially reduced the costs of accommodating public sector workers by relocating agencies outside the high rent areas of central Perth, and by collocating agencies within single buildings
- Effectively managed the size and growth of the WA public sector
- Negotiated improved wages and conditions for public sector workers with minimal industrial action, while also securing more effective and productive working arrangements.