

## PUBLIC SECTOR BILL – 17 February 2009

**The Hon. J.W. WEATHERILL (Cheltenham—Minister for Environment and Conservation, Minister for Early Childhood Development, Minister for Aboriginal Affairs and Reconciliation, Minister Assisting the Premier in Cabinet Business and Public Sector Management) (16:33):** *Obtained leave and introduced a bill for an act to make provision for employment, management and governance matters relating to the public sector of the state; to repeal the Public Sector Management Act 1995; and for other purposes. Read a first time.*

*(Continued from 26 November 2008. Page 1143.)*

**Mr PEDERICK (Hammond) (12:42):** I rise today to support the Liberal Party and the shadow minister, the member for Goyder. I support the bill as well as the amendments that the shadow minister will move. The primary portion of the bill is to make provision for employment, management and governance matters relating to the public sector of this state, to repeal the Public Sector Management Act 1995 and for other purposes. I note that the public sector involves the employment of some 79,000 full-time equivalent people, with total numbers coming close to 100,000 and clocking in at about 98,000 people.

A review of the bill highlights that the aim is to ensure that the public sector delivers high-quality services to the community across departments, to attract and retain talented staff and ensure the ability to provide open, impartial advice to government without fear or repercussion. I think this is absolutely vital when, obviously, as time goes on, governments change. It also highlights that it requires public sector agencies to have in place an effective performance management system, and I think that is equally important.

Also, there is a need to attempt to enhance the attractiveness of a career in the public sector. In this state, I think one in eight people in employment works in the Public Service. So, obviously, if profitable, enjoyable careers can be pursued, it benefits not only the individuals but the community as a whole.

Key policy propositions in the draft bill include new public sector principles and new public sector governance arrangements. Also, an enhanced role for chief executives—which is where much of the authority is currently held by the Commissioner for Public Employment and the Governor for the hiring and firing of staff—will be assigned to the Premier and, by delegation, to departmental chief executives. A South Australian executive service, comprising approximately 500 people, will be created. Provisions will also be made to facilitate greater mobility of public sector employees across the sector to allow for required skills to be placed where necessary.

In consultation on the bill, many issues were identified for discussion, including that it will bring together the Public Service and the broader public sector. Authorities in health and SA Water, for example, where some people have been employed by government but managed independently of government, will be more aligned. As I mentioned, the South Australian executive service will have an award structure, and these people will be required to go on five year contracts; no doubt, people will be considering their position as to whether they go into these contracts and give up permanent tenure. Obviously, it looks like there will be remuneration benefit increases by approximately 10 per cent for going on contract. All future executive service members will be employed via contract.

As I mentioned, regarding performance management, formal structures will be put in place in departments, and CEOs will be reviewed against this structure. These performance reviews will identify training plan requirements for individual staff, and it has been noted that perhaps this should have been in place years ago. Another issue identified is that the honesty and accountability provisions will become the only provisions remaining in the Public Service Management Act 1995, previously handled via a code of conduct.

Productivity improvements are expected, although, as the shadow minister mentioned earlier, these will not be measured, but it will give greater flexibility to put people where their skills are required. The bill does not refer to reduction or expansion of the Public Service but does provide an opportunity for CEOs to get rid of staff deemed to be excess; however, the department is required to make every effort to find alternative work and/or retrain identified excess staff.

I also note that the government has a policy position of no forced redundancies, but it has said that it wishes to get rid of 1,600 staff over three years. I think there are also revenue issues with lower GST receipts in this time of global financial difficulty; obviously, less money is being spent everywhere. An important point made here is that the right of review of decisions affecting employees still exists, with the Industrial Relations Commission involved.

Consultations have occurred with the PSA, SA Unions, Business SA and individuals regarding this bill. The shadow minister made a very good speech on this. I also acknowledge that the PSA, through Peter Christopher and others, is very keen to express its point of view. When I have talked to various people about the changes occurring through shared services, where hundreds of jobs are being forced to leave regional areas, I have learnt that people are unable or too scared to speak out against the government for fear it will affect not only their employment but that of others whom they know and work with.

It would be just impossible for a couple who live in, say, Mount Gambier, and one of them gets transferred to Adelaide. That is disgraceful in terms of family life. Obviously some decisions must be made by the family as to what they do, because in that situation I would not be surprised if one member of the partnership gives up their job. I represent the seat of Hammond, with Murray Bridge being the largest town in that electorate. Many public sector staff work in Murray Bridge, and there is nothing more enjoyable than being able to have a relationship with staff on a one-on-one basis.

I know that some staff follow the protocols and say that if you have an issue go directly to the minister. They end up writing the ministerial, anyway, when it comes back to them. Some staff are very good to get on with when you ring up. I do not believe that I am an ogre. I may be big, but I think I am—

**Dr McFetridge:** Big and cuddly!

**Mr PEDERICK:** 'Big and cuddly', says the member for Morphett.

*Mr Kenyon interjecting:*

**Mr PEDERICK:** And I thank the member for Newland for his advice. I believe that you can cut off a lot of issues at the chase if you do have relationships with people in departments. Perhaps either the protocols need to be relaxed a little or people need to be given the opportunity for a bit of flexibility. I can understand the protocols, especially if you have a government paranoid about control. Another big issue bubbling along in my electorate is the proposed expansion of the Mobilong prison, and I do note—

**Mrs Redmond:** Maybe not.

**Mr PEDERICK:** Yes, maybe not. It may or may not happen. I must admit that I have an open view on this topic. If the prisons do go ahead at Mobilong, near Murray Bridge, that will supply plenty of work for local contractors in the area—obviously in the construction phase—and then hundreds of jobs down the track. The problem will occur if you cannot get people to staff the prisons in the longer term. I also note that, if we do not get professional staff for the proposed James Nash House replacement (which has probably been put further down the track), in terms of people working in the mental health field, etc., how will we get on?

I think that the government does need to talk more with the PSA on matters such as this. As I said, I am open-minded to it and welcome any discussions personally with PSA representatives. I do note that, when I have attended consultancy meetings with the rural city of Murray Bridge, the PSA certainly attended and certainly put its points of view, so you can never deny that it does act for its members. With those few words, I support the Liberal Party's position in supporting this bill with amendments. I support the bill.