

Hansard

Legislative Assembly Budget Estimates Committee A

1 June 2010

Dr M.D. NAHAN: I refer to the third dot point under "Government Policy Management" on page 78, which refers to intergovernmental negotiations. The Premier has a lot on his plate with that, particularly health and the resource rent tax. I do not see too much allocation in the budget for growth in that. Can the Premier explain what the work program might be over the next year or so and how it impacts on this budgetary allocation?

Mr C.J. BARNETT: I think one of the several things that surprised me when I took on this job was the amount of time spent—my time and the time of senior people in government—on intergovernmental relations.

There are the high-profile issues, I guess, of the goods and services tax share to Western Australia and of the attempt of the Rudd government to basically confiscate one-third of all GST, which translates to half of our GST, and now the attempt to basically take control of the mining and petroleum industry. I cannot really recall a situation in which three issues like that have coincided in the space of maybe two months. That takes a great deal of time. I will ask the director general to comment.

However, I spend a lot of my time on these issues, the director general spends a huge amount of his time on these issues, and my chiefs of staff, both current and former, spent and spend a great proportion of their time on these issues. I cannot remember off the top of my head, but under the Rudd style of federalism, there was meant to be a reduction in the number of specific-purpose payments and the like. However, we have seen a plethora of intergovernmental agreements that have developed.

Starting off, I believe the intent of simplifying it was good, but it has now suddenly gone through a U-tube type dip, and now we are finding incredible complexity in those relationships.

Mr E.S. RIPPER: The commonwealth bureaucracy is the commonwealth bureaucracy.

Mr C.J. BARNETT: Yes. I thought for a while we were getting good relations, but they have certainly soured. Maybe the director general can comment on who within his department works in that area particularly.

Mr P.F. Conran: In relation to the policy area, there is a significant number. We have an intergovernment relations unit, which will have, I think, 12.4 or 13 people in it next year. They are solely devoted to dealing with commonwealth–state issues, and some Council for the Australian Federation-related issues. In addition, both deputies are heavily involved in that process.

David Smith is a coordinator of a large number of projects. We are obviously dealing with the commonwealth at a high level in relation to the health reform proposals. Obviously, we have a range of resources dedicated to dealing with the resource rent tax issues, and that is in combination with Treasury and our Department of Mines and Petroleum and Department of State Development. I spend quite a deal of time dealing with the commonwealth on a range of issues.

I will be meeting with commonwealth officials tomorrow on issues. I would say that it is well over 50 per cent of the work. One of the objectives that we are trying to achieve through the Economic Audit Committee and others is to implement the state's own reform agenda. We have been seeking to prioritise state reform proposals ahead of what have previously driven the process, which is Council of Australian Governments reform proposals.

Dr M.D. NAHAN: I have a supplementary question. How many people, or full-time equivalents, across the state public sector do you think would be involved in intergovernmental negotiations on a full-time or predominant basis? Treasury would have a lot.

Mr C.J. BARNETT: There is a large number in Treasury, and in the Department of Health at the moment, and probably to a lesser extent in the Department of Education. A high proportion of senior executives in Health are spending their time on intergovernmental relations and so-called proposals of health reform. As the member would well understand, we cannot be second rate at this. The stakes are very high for Western Australia. That is why we need high-quality people. The commonwealth turns up with battalions of very highly qualified, very bright people, and we have to be able to match that.

Mr P.F. Conran: I will make one point in that regard. We are trying to get some savings in the process. All states and the commonwealth are now establishing what is known as a tele-presence. We are about to establish a tele-presence in Dumas House, which will hopefully avoid the need for battalions of WA public servants to travel invariably to Melbourne or Canberra to attend various meetings.

We will be able to do them via secure videoconferencing facilities, in part paid for by the commonwealth in recognition that the various COAG reforms result in significant time pressures, and those time pressures are greater in Western Australia than they are anywhere else. We lose people for three days interstate; with these facilities, they are lost for an afternoon.