

TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Budget Estimates 2018–19

Melbourne — 15 May 2018

Members

Mr Danny Pearson — Chair

Mr David Morris — Deputy Chair

Mr Steve Dimopoulos

Mr Danny O'Brien

Ms Fiona Patten

Ms Sue Pennicuik

Ms Harriet Shing

Mr Tim Smith

Ms Vicki Ward

Witnesses

Mr Colin Brooks, Speaker of the Legislative Assembly,
Mr Bruce Atkinson, President of the Legislative Council,
Ms Bridget Noonan, Acting Clerk of the Legislative Assembly,
Mr Andrew Young, Clerk of the Legislative Council, and
Mr Peter Lochert, Secretary, Department of Parliamentary Services.

The CHAIR — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2018–19 budget estimates. All mobile telephones should now be turned to silent.

I would like to welcome the Speaker of the Legislative Assembly, the Honourable Colin Brooks, MP; the President of the Legislative Council, the Honourable Bruce Atkinson, MLC; Bridget Noonan, Acting Clerk of the Legislative Assembly; Andrew Young, the Clerk of the Legislative Council; and Peter Lochert, the Secretary of the Department of Parliamentary Services.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the hearing, including on social media, are not afforded such privilege.

The committee does not require witnesses to be sworn, but questions must be answered fully, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded by Hansard. You will be provided with proof versions of the transcript for verification as soon as available. Verified transcripts, any PowerPoint presentations and handouts will be placed on the committee's website as soon as possible.

Witness advisers may approach the table during the hearing to provide information to the witnesses if requested, by leave of myself. However, written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee's proceedings in any way.

Members of the media must remain focused only on the persons speaking. Any filming and recording must cease immediately at the completion of the hearing.

I will invite the witness to make a very brief opening statement of no more than 5 minutes. This will be followed by questions from the committee.

Visual presentation.

Mr BROOKS — Thank you very much, Chair. I thank the committee for having us. There is a presentation which I think you have got in your hands and on the screen. I will run through it relatively quickly because I think we have got 5 minutes and far too many slides. Please hurry me up if I am taking too long.

The first slide really just outlines the appropriation units of the Parliament, noting the new Parliamentary Budget Office which is now up and running. The next page is a breakdown of our budget compared to the current financial year. It is important to note the new funding for the 2018–19 year effectively relates to the costs of the EBA and the extra grade 2 staffing component for electorate officers. The pie chart over the page gives members a breakdown of the key budget areas of the Parliament. 'Members administered budgets' relates to rents, salaries and so on that members incur costs for for their electorate offices.

Key achievements for the Parliament — the Legislative Council adopted e-petitions, an innovative approach. We run through that page there with the work of our committees — significant work of the standing committees in the upper house, the joint investigative committees and the select committees as well. There are a significant number of reports, public hearings and submissions made to those inquiries.

Some of the key issues we have been dealing with — of course the electorate officer EBA. We acknowledge that there has been a technical issue with that process. I was glad to hear today that the result of the most recent ballot is that it has been overwhelmingly accepted, so we hope to have that in place as soon as possible. Security in electorate offices — there is a second phase of security works. This is an important area the Parliament has been working on to increase security for staff, members and indeed members of the public who visit electorate offices. There are number of offices that will have closed-circuit television installed in the entrance and exit areas of those offices, including security training for staff as well.

IT achievements — I will not pretend to understand exactly what every one of those IT achievements are, but I think it is fair to say that our IT team, and I understand that we only have got about 17 people who work in our IT team, and aside from supporting people like myself who often have problems working out the most basic things —

Mr DIMOPOULOS — They do a great job.

Ms SHING — I'm feeling very guilty for all those calls I have put in, all of a sudden.

Mr BROOKS — They do a great job on a range of projects that often sit behind what we see and what we interact with to make sure that our IT services are of a high standard. Over the page it goes into some of the IT equipment to be included in the new members accommodation building out the back. Going over the page, one of the key features of the improvements in that IT rollout will be the IPTV system. That is the TV system that members will have access to. For members who have already moved into their offices, it will give them the ability to be able to look at the chamber view or the official feed of what is happening in the chamber and understand from their own offices who is on their feet, who is in their chamber, to make sure that members are able to be in the chamber when they need to be and I suppose go about their other work when they do not need to be in the chamber.

The stonework restoration program is continuing. Stage 10 has been completed. Stage 11 has commenced, and members will have noticed that that work has now moved around to the front corner of the building. This is a significant restoration and heritage project. It is important also for the skills that it is providing to young Victorians. I understand there have already been four apprentices go through their stonemasonry apprenticeships on that job and there are two currently undergoing their apprenticeships there now, so giving people skills in stonemasonry that are not really always available on other projects.

The next slide is, as members would have noted, some of the works going on inside the parliamentary precinct: the new office accommodation, the IT infrastructure in the new building, which is very impressive.

Budget pressures — something we wanted to highlight was the constant issue that is raised by members with the Presiding Officers is in relation to their electorate office accommodation and wanting to be in prominent, accessible locations in modern offices that are fully equipped. We endeavour to do that, but the increasing costs of rents — the graph on the screen highlights this with rental increases edging up over 5 per cent now — means that there is a real pressure on the budget in terms of being able to locate members where they want to be. That is an issue we are going to have to deal with in the next few years in terms of either finding more money to meet that demand or members thinking about the standard of accommodation and the location of the accommodation that they have. I would probably go so far as to say I think members would expect to be in well-located places accessible to their local communities, so there is going to be a cost issue there in the future.

In terms of IT, another issue we wanted to highlight was the significant increase in web streaming. As members take advantage of new technology, there are also costs in terms of providing the IT services to members, in particular around web streaming and the security threats that are prominent in a Parliament like ours. The next slide shows the weekly attacks on the Parliament website. You can see there that in the week of 22 April there were just over 2000 attacks on the Parliament website. The next slide shows nearly 6000 hacking attempts on the Parliament of Victoria system in April 2018 alone. That lists the source countries of those hacking attempts, for members' interest. Of course that is a great concern to us to ensure the integrity of our IT systems here at the Parliament of Victoria. And it goes to that issue I was talking about — the work that our IT team do in ensuring behind the scenes that our systems are protected.

The next slide gives an overview of the increases and decreases of spam emails and emails that are blocked by our parliamentary system.

The next slide goes more to the physical security here in the precinct and shows a range of items that are seized at the front or around the security precinct here at Parliament House. There were 205 incidents in Parliament House where items were seized or security incidents, bearing in mind there are over 100 000 visitors to Parliament in a year, so there are a significant number of people coming through the building.

Our key strategic priorities can be summed up in really just looking at the next election at this point of time, just making sure that we manage the transition of retiring members and members who do not return, and new members of Parliament and their staff, making sure that that is a smooth start for those members of Parliament and their staff.

Obviously the other issue is the continued transition to the new members accommodation here in the parliamentary precinct and further upgrades to our IT system.

Ms SHING — Thanks very much for the presentation and the opening remarks. I would like to talk about the new building and the considerable time, effort, energy and resources that have gone into securing new accommodation for members. In relation to the issue around the new offices and the process of consultation and discussion that has led to the development of the new building, there have been a number of issues and complaints raised in a public forum — namely, the Legislative Assembly last week — which ranged from concerns about needing to get up to go to the printer, to get up to open the door, to not being in a position to change the position of the computer monitor, and that in fact the lack of access to a kettle in an individual office was something for which heads should roll. In this regard there was reference to the parliamentary offices — that ‘for the average person, exactly’, and I quote here, ‘for 128 not-so-average people’, in fact the premises themselves did not accommodate the needs of members.

Just at the outset I would like to indicate very clearly that the prevailing view of members who have moved into the premises and been assisted by staff is in fact markedly different to that, and what I would like to ask you in relation to budget paper 3 and page 336 is to provide information on the level of consultation and engagement that was undertaken and what is intended to happen from here to make further refinements as they might be accommodated to the facilities from here. President, I am happy to start perhaps with you, and then, Speaker, perhaps you would like to add something else beyond that. In addition to that, in relation to the consultation process, Mr Lochert, you might also be able to assist.

Mr ATKINSON — Thank you, Ms Shing. The project, as you are aware, was undertaken by the Parliament after 42 years of non-starts on trying to address accommodation issues. The issues that surrounded the decisions on the building were based on the fact that, one, this is a heritage building and it has had a lot of pressure on it and we needed to take some of that pressure off the building and, two, we needed to provide members with more contemporary office space and space that would accommodate, particularly, the technology needs of members today and, in many cases, also allow for them to bring staff into the building and have those staff in the same offices there. There are some members who had outstanding accommodation in this building, but most members actually had pretty inadequate accommodation within this building, and in some cases that accommodation represented OH&S risks, particularly with people having to use stairs and so forth to get to divisions.

So there was obviously significant work done on it. The building was a \$45.5 million project. That actually compares pretty favourably with the view of some people that we should have actually really upgraded this particular building, which would not have taken pressure off the building itself, would not have actually accommodated members all that well — certainly the majority of members all that well — but more importantly it could have incurred a cost of up to \$1.1 billion. I think a \$45.5 million project compares fairly favourably with that sort of costing.

There was a significant amount of consultation, and obviously the decisions that were made on that building and continue to be made are not made upon whim. They are made upon advice that we receive from a wide range of consultants and experts, including people in regard to, obviously, the architectural demands of the building but also IT, police and security and quantity surveyors. I mean, there are so many inputs to those decisions that are being made.

Ms SHING — So it is not just about the members then, you are saying, President.

Mr ATKINSON — No indeed it is not, although the members were taken into account. I am actually conscious, Ms Shing, that whilst we all believe that we are very important — and of course we are, given the responsibilities that we have — nonetheless when it comes to this building and the new building I think that we are tenants of the people of Victoria.

Ms SHING — For the record I could not agree with you more, President.

Mr ATKINSON — We do need to bear that in mind. That has led to a need for us to have a standardisation which has regard to issues such as OH&S. It has regard to costs, maintenance, cleaning and the fact that that building needs to have, and in fact has been designed for, an 80 to 100-year life, which is significant in a contemporary situation because there are not a lot of buildings that are designed to that level of standard in this day and age. We undertook a great deal of consultation, including with the House Committee. There were showrooms, if you like, erected in the library that allowed members to come in and see —

Mr MORRIS — Ask the members of the House Committee how well they think —

Mr ATKINSON — Sorry, am I interrupting?

Mr MORRIS — You can ask the members of the House Committee how well they think —

Ms SHING — You do not need to be bothered by the interjections, President. Mr Morris is exhausted from walking to his printer and back again to his desk or walking to the door in order to open it. He is a little tetchy as a result.

Mr ATKINSON — Deputy Chair, I attended every one of the House Committee's meetings, and I am actually aware of the extent of the consultation that went on there.

Mr MORRIS — Their view is they were told, not asked.

Mr ATKINSON — They were told?

Mr MORRIS — Not asked, they were told. That is their view.

Mr ATKINSON — I actually do not understand what you are saying.

Ms SHING — President, the interjection from the Deputy Chair in fact appears to be inviting a conclusion that people were told what the outcomes would be, rather than being invited to participate in the consultative process. Given that you have just indicated in your evidence to the committee that in fact you attended those meetings, what was the process from your perspective in relation to the exchange of information and the changing of any positions along the course of that consultation?

Mr ATKINSON — The committee was provided with overviews at various stages — the House Committee, that is, was provided with overviews at various stages — and in fact there was also consultation with party whips and party leaders and an invitation to other members to come and talk to staff, or indeed they could well have talked to me. I did note that the Deputy Chair made a comment in his presentation to the Parliament, and I agreed with quite a number of the things that he actually said in that presentation, particularly the importance of the Parliament having control of its own destiny budget wise, which is something that has been discussed in this committee previously. But in respect to certainly the remarks about a lack of consultation, they are not accurate. Indeed there was an opportunity for members on a number of occasions to go to the viewing suite to look at furniture and in fact to choose the variations of furniture that they wanted in their offices.

Ms SHING — So any lack of taking up of that opportunity would in fact be the member's own responsibility and not that of the House Committee or parliamentarians' processes involved in the new building?

Mr ATKINSON — Yes, that is true. I accept that, and what I was going to say is that the decision has come back to me. I accept responsibility for all those decisions. I do not expect DPS to accept that responsibility. I do not expect anybody else to. They are my decisions in conjunction with the Speaker, and as I said earlier, they were not based on whim; they were based on technical advice.

The CHAIR — Order! We might come back to this.

Mr T. SMITH — Mr President, budget paper 3, page 338, relates to the output measures for the Legislative Council. The Ombudsman recently handed down her investigation of a matter referred from the Legislative Council on 25 November 2015, or commonly referred to as Labor's red shirt rorts. What was the total legal costs spent by the Legislative Council during this investigation?

Mr ATKINSON — That information was actually provided last year to this committee, and it was on that occasion 100 and —

Mr T. SMITH — And if there have been any updates since last time —

Mr ATKINSON — \$3000 additional to the figures provided last year, and that figure was \$184 952 in the financial year 15–16 and \$146 865 in the year 16–17. As I said, there was an additional amount of \$3000 in the June of 2017.

Mr T. SMITH — Have there been any further legal costs for this matter that will be incurred in this financial year or the one thereafter that you are envisaging?

Mr ATKINSON — No, not by the Council.

Mr T. SMITH — With regard to the deadlock regarding the chair of the Privileges Committee, has it been resolved and, if not, can you describe what role you play in that process?

Ms SHING — On a point of order, Chair, how does that relate to the budget? It is a matter before the Council and not —

Mr T. SMITH — I have raised a matter for the President to answer. If he does not wish to, he does not have to.

The CHAIR — I think this is an estimates hearing as it relates to the forward estimates. Regarding those internal matters for the Council, I do not necessarily think this is really the forum for those questions to be asked, Mr Smith.

Mr ATKINSON — And the matter is in fact in the hands of the house to determine, and it has not yet had a chance to do so.

Mr T. SMITH — So will there be an expenditure for the creation of this committee and ongoing secretarial services to it et cetera?

Mr ATKINSON — The Privileges Committee would be serviced by existing staff resources if it is in a position to convene with a chair.

Mr T. SMITH — Thank you, Mr President. Secretary — we asked the Treasurer and the Premier this earlier today — can you confirm the exact value that the Victorian Labor Party has repaid following the Ombudsman's report into what has been termed Labor's red shirts rorts scandal?

Mr ATKINSON — I am actually —

Mr T. SMITH — The question was to the secretary. Mr President, the question was to the secretary.

Mr ATKINSON — Well, as I said, I make the decisions.

Mr T. SMITH — Happy for you to take it, but it was for the secretary.

Mr ATKINSON — The amount of money is \$389 017.

Mr T. SMITH — What date was that payment made?

Mr ATKINSON — The payment was made on 20 March 2018.

Mr T. SMITH — Does that go back into the general revenue of DPS or into the consolidated revenue?

Mr LOCHERT — Consolidated revenue.

Mr ATKINSON — Consolidated revenue.

Mr T. SMITH — Secretary, the Ombudsman reported that you informed the former treasurer, John Lenders, twice that the type of campaigning activity was not permitted — that is, relating to the Ombudsman's report. What follow-up did your department undertake to ensure that he was not following through with his proposal?

The CHAIR — Sorry, Mr Smith, that is clearly outside the forward estimates period. Mr Lenders ceased to be a member of this place at the last election.

Mr T. SMITH — Secretary, did any of DPS's process systems in place pick up any, say, red flags into what the parliamentary Labor Party was undertaking, which, as mentioned earlier today, was the largest political roort in Victoria's history?

The CHAIR — Again, Mr Smith, it does not relate to the current financial year, nor the forward estimates.

Mr T. SMITH — Secretary, can you inform how much in dollar terms the member for Melton has paid back so far?

Mr LOCHERT — I cannot tell you exactly. I can take that on notice.

Mr ATKINSON — He is up to date with the payment plan that is agreed with the Parliament and is repaying in full the amount of money. The former Speaker, Mr Languiller, has repaid in full. I might just indicate, in terms of the matters that you were raising in respect of the previous matter concerned with the Ombudsman Victoria investigation, that the Ombudsman made a number of recommendations about the Parliament's processes to ensure that we are in a position to verify claims. At this stage we are actually undertaking a response to those recommendations and will have further discussions with the Ombudsman.

In many ways we believe we are already in a satisfactory position in terms of assuring that our processes are appropriate and that there is proper governance in terms of the expenditures of the Parliament. From that point of view we are just now looking to have some further discussion with the Ombudsman in respect of our responses to her recommendations.

Mr T. SMITH — Has the Ombudsman advised the Parliament on her costs for this investigation?

Mr ATKINSON — No, she has not.

Mr T. SMITH — Would you be expecting that to occur?

Mr ATKINSON — No, I would not.

Mr T. SMITH — Just going back to the member for Melton, you may have referred to this but I just wanted to ask: how much does the member for Melton still owe the Parliament?

Mr ATKINSON — As we have indicated, we will provide a written response to that because that figure is not at hand today. But it is certainly on track in terms of he has met all of the commitments that were made.

Mr T. SMITH — Speaker, we asked the Premier about the investigation by the VEC into the member for Melton and his eligibility to sit in the Victorian Parliament. Have you received any advice on the latest date a by-election would not need to be held prior to the November state election?

Mr BROOKS — No.

Mr T. SMITH — Secretary, referring to budget paper 3, page 338, the matter of electorate offices, can you detail for the committee the reason why the member for Western Metropolitan Region Khalil Eideh's EO was locked up?

Mr ATKINSON — Can I take that one as well. That was a decision that I made in conjunction with the Speaker —

Ms WARD — Sorry, 338 refers to the Legislative Council.

Mr T. SMITH — Yes, Khalil Eideh's in the Legislative Council.

Mr ATKINSON — after discussions with Mr Eideh. It was basically taken to ensure that Mr Eideh's interests were protected, that the Parliament's interests were protected and that the opportunity for IBAC to conduct its investigation would not be in any way impeded by the removal of documentation or such like. It was a governance decision, if you like, on the Parliament, but it was taken with the full concurrence of Mr Eideh and in fact at his request.

Mr T. SMITH — Is it still locked?

Mr ATKINSON — Yes, it is.

Mr T. SMITH — Why is it still locked?

Mr ATKINSON — We actually had a discussion about this quite recently. Mr Eideh has been provided with support facilities, including a staffing resource, to enable him to undertake his duties as a member of Parliament and to serve his constituents, but in the circumstances that the IBAC investigation continues it was felt to be inappropriate to reopen the office at this time.

Mr T. SMITH — And that investigation is ongoing?

Mr ATKINSON — To the best of our knowledge it is ongoing. We obviously are not informed of the progress of that investigation. That would not be appropriate, but it is our understanding that the investigation is ongoing.

Mr T. SMITH — DPS undertook an investigation into the printing rorts by Mr Eideh. What was the value of the misappropriation of invoices that the investigation found?

Mr ATKINSON — We have not established that Mr Eideh actually undertook any rorts at all in respect of printing matters. The investigation is into the affairs of his office but does not necessarily involve Mr Eideh.

Mr T. SMITH — How many printing businesses were found to be under concern?

Mr ATKINSON — I think there was only the one.

Mr LOCHERT — One.

Mr T. SMITH — Has DPS received any advice on when an IBAC report might be tabled?

Mr ATKINSON — No.

Mr LOCHERT — No.

Mr T. SMITH — Secretary, budget paper 3, page 336, on outputs to the department. The Victorian government receives a significant discount from the purchasing contract with Red Energy. In a written response to PAEC from the February hearings DEDJTR has confirmed that for the 2016–17 financial year rates despite having a reduction in electricity usage the department's electricity bills increased by 25 per cent. Has Parliament seen a similar rise in the department's electricity bills?

Mr LOCHERT — I would have to take that question on notice, Mr Smith.

Mr T. SMITH — Can you provide the committee with units of electricity usage excluding green power in megajoules, units of electricity usage excluding green power converted to kilowatt hours and total financial costs of electricity and how that compares with the previous financial year? Happy for you to take that on notice, Mr Lochert.

Mr ATKINSON — We would be obviously prepared to provide whatever information we can in that respect but it would also need to be taken into account that the construction works at the rear of the Parliament would have had some sort of impact, I would have thought, on our power usage as well. Whether or not the figures are actually directly comparable I am not sure, but we can certainly advise on that matter as well.

Mr T. SMITH — That is fair enough. No further questions.

Ms PATTEN — Thank you, all. I have got a simple question: can I have some more money, please?

Mr D. O'BRIEN — Nervous laughter, but she was serious.

Ms PATTEN — You can take it on notice; that is fine. Looking at the extra \$300 000 that was given to the house for electorate office and communications budgets and looking at how that would be distributed, I suppose my query is: given the increased number of crossbenchers in the upper house and our ability to communicate with our very large electorates, I am just wondering if any consideration has been given to that because

traditionally an upper house member would be supported by lower house members, but that is changing. Really we have now got 10 upper house members who, with the exception of probably Samantha Ratnam, are not supported by any lower house members.

Ms PENNICUIK — And southern metro.

Ms PATTEN — Sorry, yes — and southern metro. Has that been given any consideration?

Mr ATKINSON — Yes, there has been consideration given to that. The actual additional money that is included in the budget this year effectively recognises population growth within the electorates. So it does not represent an increased allowance; it simply recognises movements in terms of the number of constituents. We have discussed this on a number of occasions, and I guess what is pertinent to the Speaker and I is the fact that postage rates have risen quite dramatically in the last two years. Whilst members have a significant reliance on social media and email communication, nonetheless there is some communication that does still rely on traditional mailings. We are concerned that those costs have been very significant and have not been satisfactorily addressed in terms of the budget allocations that we are in a position to make.

When you ask for more money it is certainly an issue for us, and we are looking at the areas where we can support members more effectively going forward. We have had some discussions with the Treasurer but have not necessarily at this stage formalised requests for additional money. We actually had three key requests for the current budget and each of those was honoured, and one of them, as you have indicated, was the top-up money for constituent services, recognising constituency changes and growth. But that is an area that certainly we are looking at along with perhaps some of our other parliamentary costs or areas where we feel that we need some more support.

One of those, very quickly, was in fact touched on by the Speaker, which was that we have currently 41 members who are looking for improved electorate office accommodation. We have great empathy with some of those members for the circumstances in which they are required to operate and service their constituents, but we have some difficulty from a budget point of view in meeting all of those demands. For instance, in a couple of the electorates there are very tight property holdings and very expensive rents that the Parliament needs to meet, and it is quite difficult for us to really achieve a balance and to meet the needs of the members. That is another area where in fact we are looking at further discussions with the Treasurer and the Department of Treasury and Finance.

Mr BROOKS — Can I just jump in quickly and add to that, Ms Patten? In the EBA that we mentioned before it became very apparent that it was not just the electoral offices themselves but that members really supported them being better paid to reflect the increased responsibilities that they have. I think it is fair to say that most members that you talk to will see their electorate officers as the unsung heroes of the way our parliamentary democracy works, because they are our front line. They deal with everything from someone who has a pothole out the front of their house right through to people with serious mental health issues, child protection — a whole range of issues. So I think the EBA that we have just about clinched is one that reflects that work by giving them a pay rise, an increased workload management allowance. There is also, separate to the EBA, the increased funding available for structural electorate officers — meaning we can have grade 2s and grade 3s — which reflects that increased workload and also the changing work that electorate officers do in terms of being able to do social media work and communicate in a different way.

Ms PATTEN — Thank you, Speaker. Maybe we should start up an e-petition on this in the Legislative Council.

Just quickly touching on the Ombudsman's report from 2015, one of the recommendations was, I guess, better information for us as members on the dos and don'ts of our spending. I have certainly found myself going back and forth with accounts on a number of occasions. They will be things like just trying to produce some merchandise for constituents. Again, because I have 500 000 constituents and I am working on the same budget as a lower house member, are we going to get a bit more of a specific handbook that will avoid some of the mistakes I have made and paid for personally?

Mr ATKINSON — We have sought to provide greater clarification on some of those matters, and that is consistent with the Ombudsman's recommendations. I think in some cases there is an element of common sense that prevails and I am not sure that everyone can sort of say, 'Oh well, I didn't know', but nonetheless there are

some grey areas that I appreciate. The Speaker and I have discussed those, and from time to time we have to make judgements about some of those where decisions have been made in good faith. There is, as I said, work being undertaken to provide further clarification, and in fact some of that clarification is in the lead-up to the election as well so that incoming members will be crystal clear on what is expected.

Ms SHING — I would like to go back again to the new building and to the refurbishment of the new building. In particular I would like to get some further information on how it was decided that printers were not able to be on the desk, if indeed that was decided, and how it was thus decided that printers should go in a cupboard adjacent to the door. Then I would like to get the same information in relation to whether a kettle could be used in an office along with the decision to allocate tables of the size that are there, which were referred to by the Deputy Chair in his commentary in the house as ‘toy tables’, and also how the decision was made to place the computer monitor, which can actually be moved up and down — I know this because I have done it myself since moving in — in the context of the new accommodation for members.

Mr ATKINSON — A lot of the decisions that were made in terms of the fit-out of those offices were taken on the basis of ergonomic experts providing information to us on what would be the most appropriate configuration of those offices and would meet OH&S standards as far as those offices were concerned. You know, I understand that different members work in different ways. Sometimes we all have our preferences as to what we would like. I mean, I would like to still be working with a quill rather than a computer and particularly an iPhone 10. But the standardisation of those offices is really important in terms of our maintenance, in terms of the security of our systems, particularly our IT systems, and even when it comes down to incidental items like kettles and toasters and so forth. I still have in my mind, as many of you might, the famous day when a toaster in the current Leader of the Opposition’s office required a call-out of the fire brigade because it was —

Ms PENNICUIK — I think it was a sandwich maker.

Ms SHING — We remember that well. It was a sandwich press, as I recall.

Mr ATKINSON — A sandwich press. You know, every time the fire brigade comes out for a false alarm, it can cost us anywhere between \$1200 and \$4000. A lot of the problems that come about with favourite old utensils are that they do not necessarily comply with current standards. In fact if you go into places like schools, you will find that if somebody has a kettle or a toaster or such like they actually need to have it tested by an electrical inspection.

Ms SHING — So on that point then, is it comparable in relation to the assessments done and the ergonomic conclusions reached and the OH&S conclusions reached with the process undertaken for VPS buildings in relation to new fit-outs, furnishings and decisions taken where people are accommodated en masse?

Mr ATKINSON — Yes, that is correct. The one thing that we would say is that we are prepared to look at some exceptions if there are specific —

Members interjecting.

Mr ATKINSON — Deputy Chair, sorry?

Mr MORRIS — You could have fooled me.

Mr ATKINSON — Well, we are prepared to do it and in fact we have. We have some members with special needs, and we have accommodated those special needs in terms of their health needs. We have accommodated those.

Ms SHING — So reasonable adjustments are able to be made?

Mr ATKINSON — Indeed, and we are prepared to consider further matters if they are relevant matters.

Ms SHING — So this is on all fours, in general terms, with what happens in the VPS. On that basis, is there anything that strikes any witness before this committee today as being unusual in the context of how members of Parliament have been treated in relation to their accommodation versus people working in the public sector, who again do not have this level of control that they might like to have or to enjoy in the workplace with those other considerations at play?

Mr ATKINSON — That is absolutely correct, and I think it is also consistent with corporate practice.

Ms SHING — So in the corporate world and in the public service we have the same standards being applied as the fit-out for this building, sounds to me like your evidence, President.

Mr ATKINSON — Look, we are mindful of our responsibilities. You know, I am not just making decisions on a whim, as I said before. I am mindful of my responsibilities in terms of the disabled access of these premises, of the OH&S, of particularly security. I mean we have become so much more mindful of security, and we have had to inform ourselves on a whole range of issues. In fact, much of that information was taken into account in terms of the way we approached those offices. We are mindful of the privacy of members. We are mindful of the fact that some members who currently might want an entirely different configuration for their office at this point in time actually aspire after the November election to not be in those offices at all, because they actually want to be ministers.

Ms SHING — So functionality, though, is part of the assessment that has been undertaken. Have the functionality assessment and those considerations been on foot again with the VPS and with that which occurs in the corporate sector?

Mr ATKINSON — On an ongoing basis we are continuing to take advice from architects and to take into account some of the concerns that members have. One of the interesting things is last week we expected to move I think it was nine members across to the new building on the basis that we would test some of the systems. We were inundated: we had 43 members who wanted to go across. At the moment we have 58 members who have moved in already. I concur with your remarks earlier, Ms Shing, that overwhelmingly those members are actually quite delighted with the offices that they have, the space that they have, the configuration of the facilities that they have.

Now, it is also true, in looking at that early move last week, that we had not taken delivery of some ergonomic chairs for staff. Certainly the members' chairs were all ergonomic, and in fact all of the desk configuration and so forth is based on ergonomic principles, because we actually want people to be safe and to work in a healthy way in this work environment. That is part of my responsibility as well, with the Speaker. So all of those things we have been mindful of. We also got caught out on rubbish bins. They were smaller rubbish bins than we had expected. We have now taken delivery of larger rubbish bins for those members who are —

Ms SHING — Rubbish emanating from Parliament — how unusual! Thank you very much for that. Again in terms of continuous improvement, it sounds to me from the evidence, again, that there is capacity for ongoing refinements and ongoing conversations. Will they continue to take place over the forward estimates as people settle into the new building, and if so, how? And, for the purposes of engaging the Deputy Chair, for example, how might he get involved if he wants to make further adjustments, other than standing up in the house?

Mr ATKINSON — Well, he can certainly come and talk to us — and in his defence, the Deputy Chair actually attempted to see me last week before he had made his speech in the Parliament, and unfortunately I was not available at that time.

Ms SHING — How soon before he stood to his feet did he seek to come and see you, President?

Mr ATKINSON — Look, I am not sure, and I do not know that that is all that relevant. Yes, if I had more time, I might have —

Mr D. O'Brien interjected.

Mr ATKINSON — But the point is that he certainly did attempt to talk to me. I am not sure if he talked to the Speaker. But, you know, we are open to further discussions and to be sensible about these processes.

Ms SHING — Thank you. Speaker, did Mr Morris attempt to speak with you last week?

Mr BROOKS — We had a good discussion after, I think, his contribution.

Ms SHING — After he had made his contribution?

Mr BROOKS — But I should say, without directing these comments to any individual, I would reiterate what the President has said, that we really do want to continue working with all members as they transition into the new building, to make sure that any issues that they find are rectified, bearing in mind that there are some things because of the standard nature of the building we will not be able to do. But there already are some things that we are actually able to change to meet the needs of all members.

Mr MORRIS — I will put a question on notice, and then I want to go to a particular issue, but just to cover off on the last point, in fact I think I first met with the Speaker about six months ago, perhaps five months ago —

Mr BROOKS — I stand corrected; you did. I apologise.

Mr MORRIS — when in fact I went into his office and found he had rearranged all the furniture and in fact had moved the desk to another location.

Mr BROOKS — I apologise to you.

Mr MORRIS — These conversations have been going on for a very long time and have not progressed at all. That is just a little bit of background for you.

Can I put the following questions on notice — they are fairly detailed so I will just run through them quickly: budget paper 4, page 74, firstly, could we be advised of the total cost of the contract or contracts for the construction of the parliamentary annex, including the demolition of the existing building, site preparation works, the construction of the new building, landscaping works, the energy costs during construction of the building and any other costs associated with the construction works?

Mr ATKINSON — It is a \$45.5 million project, and it is under budget.

Mr MORRIS — No. President, I have asked for detail. These are detailed questions. The second question on notice: the total cost of the contract or contracts for fitting out the new building, including all furnishings, fittings and equipment, both fixed and otherwise, not separately accounted for in the first question. Thirdly, the total cost of developing the design of the new parliamentary annex, including the architectural fees, the fees of any other consultants — any other professionals that were consulted — and indeed any other costs incurred in the development of the plans.

Fourthly, the cost of obtaining permits if permits were obtained, including the supervision of the process, the cost of supervising the design process, the cost of supervising the construction process, the commissioning cost and any other costs not identified in the above questions; and finally, the anticipated annual recurrent costs of running the building, including energy costs, security costs, cleaning costs and any other costs, including the ongoing advice from experts that the President referred to.

I did want to move, Chair, to another issue —

Mr ATKINSON — Can I just indicate we are happy to provide all that information.

Mr MORRIS — Thank you, President. I did not catch who it was — I think it was the Speaker — who referred to the enterprise agreement for electorate officers, and of course the recent hiccup we have had revolves around schedule 2.1 of the Fair Work Regulations. In fact the regulations have been updated on a number of occasions since 4 July 2014; 4 July 2014 is the form that the regulations would have been in in 2016 when apparently the notice was signed, but there have been five updates since then. The regulations in 2014, the final paragraph under the heading, ‘Questions?’, read:

If you have any questions about this notice or about enterprise bargaining, please speak to either your employer, bargaining representative, go to www.fairwork.gov.au, or contact the Fair Work Commission Infoline on *[insert number]*.

The Fair Work amendment Notice of employee representational rights regulations omitted all those words after ‘Questions?’ and substituted the following words:

If you have any questions about this notice or about enterprise bargaining, please speak to your employer or bargaining representative, or contact the Fair Work ombudsman or the Fair Work Commission.

Essentially there are some slight grammatical changes: 'either' is deleted, 'or' is added; the reference to www.fairwork.gov.au is removed, the reference to the Fair Work ombudsman is added, and the reference to the Fair Work Commission Infoline is replaced with a reference to the commission itself. They are really simply straightforward changes. Can I ask who provided the advice upon which the Presiding Officers' recent letter to electorate offices — as opposed to officers — was based?

Mr ATKINSON — It came from our OD unit.

Mr MORRIS — Sorry?

Mr ATKINSON — From OD — organisational development.

Mr MORRIS — No, it came from you and the Speaker.

Mr ATKINSON — Sorry?

Mr MORRIS — It came from the Presiding Officers.

Mr ATKINSON — Correct, but you asked who provided the advice. That was from OD.

Mr MORRIS — Thank you. That letter says:

The documentation issued in 2016 met the Fair Work requirements at that time. Advice was sought from the Fair Work Commission who explained we are one of many organisations that have encountered the same issue.

That letter suggests that the difficulty with the notice of employee representational rights is that the 2014 words were not updated to the 2017 version. But as we have just heard, apart from clarifying some references and modifying the grammar, there were no significant changes. In fact the variations between the two versions of the regulations, the suggestion that that was the issue, do not accord with the advice from Fair Work. The advice from Fair Work, which I got from the CPSU website, says:

... the notice of employee representational rights contains content that is not prescribed by schedule 2.1 of the Fair Work Regulations. The content in the notice that is identified as not being prescribed is removal of the word 'employer' from the final paragraph of the notice and the insertion of the words 'Richard Jordan ...

and a phone number. It is up on the website, so it is hardly confidential. The letter goes on:

It would appear that, in line with the abovementioned decisions ...

and it has gone through the decisions —

the notice in this case does not comply with the act as it departs from the form prescribed in schedule 2.1 of the regulations, and is therefore invalid. It seems to follow that as no valid notice of employee representational rights was given ... the agreement cannot be approved.

The suggestion that the agreement was not approved because the form was in the form of documentation in 2016 is not correct. Yes, those requirements have changed, but the changes are immaterial to the reason the application could not be approved. The notice did not meet the requirements because the notice was changed in a manner that did not comply with the regulations, not because it was in the form in 2016. The form that was submitted was in fact contrary, and that failure to comply has led to the notice of employee representational rights being invalid. So it is not caused for the reasons suggested in your letter to all members and to all electorate officers; it in fact has been caused because of a failure of the Parliament to comply with the regulations. The advice is seeking to shift the responsibility for the failure away from the Parliament, when clearly the Parliament was at fault.

Mr ATKINSON — Can I indicate to you that this has been a very long and protracted process, and we have been quite disappointed that it has taken so long. We understand the frustration of electorate officers, and in some cases members, and I know that there were —

Mr MORRIS — President, the point is — and I am not suggesting it is the fault of the Presiding Officers — the Presiding Officers have advised members of Parliament and their staff that the documentation failed because it met the Fair Work requirements in 2016. It did not.

Mr ATKINSON — It did.

Mr MORRIS — It did not.

Mr ATKINSON — It did.

Mr MORRIS — It did not.

Mr ATKINSON — What has changed is that —

Mr MORRIS — The name — the word ‘employer’ — was removed, Mr Jordan’s name was inserted and a phone number was inserted. That is the reason that the advice was rejected. If the words had been the same as those in the 2016 document, fine, but they were not, and members of Parliament and their staff were advised that that was not the case.

Mr ATKINSON — Yes. The letter forwarded to members I stand by. What changed was an interpretation by the Fair Work Commission. In fact what was put in our documentation had been acceptable to them, and we are not the only employer — major employer — who has been caught by that change in interpretation by Fair Work. You are quite right about the words that were in place previously, but the fact is that they had an interpretation which meant that what the Parliament submitted to them was acceptable at the time. They changed their interpretation, and it caught not just the Parliament but a number of other major employers and has forced us into a process which is regrettable and which is, we agree, frustrating. It is a process that in fact the Fair Work Commission has also felt —

The CHAIR — Order! Ms Pennicuik until 5.55 p.m.

Ms PENNICUIK — Thank you, Chair, and thank you to the Acting Clerk, the Speaker, the secretary, the President and the Clerk of the Legislative Council for attending. I thank you also for your very comprehensive presentation. I think I said last year that there is so much in there, there are so many questions that could be asked, we should have you all here for longer than an hour. I think I did say that, and I say it again.

I would like to take this opportunity to thank all the staff of the Parliament, be they in Hansard or the library, chamber support, clerks, the committee staff, IT, security, Parliamentary Services or organisational development, and of course our electorate officers for all the work they do in support of the Parliament. Even though I am not one of the 58 members that has moved yet, I have been into the building and I think it is terrific. I love the design of it and the way it has used the site and is complementary to this historic building — because that was, I think, an issue that had to be handled well.

I wanted to go to the last part of your presentation, which was ‘Key strategic priorities 2018–19’, because the President was talking about the pressures on the building. I think one of the things about moving all the MPs out of the building into their own working offices is that it frees up the building for community access. You have got here ‘improved use of Parliament House’, so I was wondering if you could speak a bit about that because I think that having all the MPs out will mean the community has more access to the building.

Mr ATKINSON — Yes, it will, and there are ongoing discussions. We have actually sought from the political parties some of their requirements or what they would like to see as additional facilities on a party basis. We have certainly been looking at the upgrading of ministers’ offices now within this building, because whilst members are well accommodated out there with the facilities some of the ministers’ facilities within the building are still not good enough. We are looking at opportunities for greater public access. We have been particularly mindful of trying to keep as much of the public access still on this ground floor level — or the first floor level, effectively — because of security movements around the building. But we are looking at a range of things. The process is still one of consultation, so there have not been definitive decisions made on all of the reallocation of space. That is a work in progress.

One of the things that we have actually talked about going forward is the possibility of even having a third chamber, like the Federation Chamber in the federal Parliament, to enable some more members to actually have an opportunity to participate in debates, particularly from the Legislative Assembly, where there is a limited time frame for them to participate in debates. But we need to think about that facility in terms of where it might fit in the building, the resourcing of it and so forth. The allocation of space — we want to take some pressure off this building, but we do want to create some new opportunities as well.

Ms PENNICUIK — If I could just change tack slightly. When the foundations of the building were being laid I was very impressed with the geothermal aspect of it. I just wondered whether you have — you might want to take this one on notice — any figures as to the energy cost savings of having that installed as opposed to general heating and cooling.

Mr ATKINSON — Thank you. We will take that into account, in part, in response to the Deputy Chair's question as well. Yes, we will give you some estimates of that.

Ms PENNICUIK — And I would be interested in any plans you have for waste, because someone was talking about bigger bins. I prefer to see smaller bins, recycling bins, organic waste bins and that type of thing started, implemented, from the get-go so everybody is actually used to doing that instead of throwing everything all in the one bin, which I have given up trying to stop. So any plans you have about that — if you could take that on notice.

The CHAIR — Order! I would like to thank the witnesses for their attendance: the Speaker of the Legislative Assembly, the Honourable Colin Brooks, MP; the President of the Legislative Council, the Honourable Bruce Atkinson, MLC; Ms Noonan; Mr Young; and Mr Lochert. The committee will follow up on any questions taken on notice in writing. A written response should be provided within 10 business days of that request.

Committee adjourned.