

# TRANSCRIPT

## STANDING COMMITTEE ON THE ENVIRONMENT AND PLANNING

### **Inquiry into fire season preparedness**

Melbourne — 28 February 2017

#### Members

Mr David Davis — Chair

Ms Harriet Shing — Deputy Chair

Ms Melina Bath

Mr Richard Dalla-Riva

Ms Samantha Dunn

Mr Khalil Eideh

Mr Cesar Melhem

Mr Daniel Young

#### Participating Members

Mr Greg Barber

Mr Jeff Bourman

Ms Colleen Hartland

Mr James Purcell

Mr Simon Ramsay

Ms Jaclyn Symes

#### Witness

Mr Mick Bourke (sworn), former Chief Executive Officer, Country Fire Authority.

**The CHAIR** — We can resume the hearing and declare open again the inquiry into fire preparedness for the environment and planning committee. I indicate that evidence given at the hearing is protected by parliamentary privilege. Material outside is not. Mr Bourke, you were CEO, and you might just outline the time periods for that role.

**Mr BOURKE** — I became CEO of the CFA in early September 2009, and I concluded on about 9 February 2014.

**The CHAIR** — Fifteen.

**Mr BOURKE** — Fifteen. It just felt a bit longer.

**The CHAIR** — Right. I wondered if you were aware of the matters that we are dealing with and whether you wanted to make some statement initially.

**Mr BOURKE** — No, I have no statement, David.

**The CHAIR** — Right. In which case, we will ask some questions. You resigned on 9 February.

**Mr BOURKE** — That is correct.

**The CHAIR** — And what was the reason for that resignation?

**Mr BOURKE** — It was a decision the board made and conveyed to me.

**The CHAIR** — And what was the background for that decision, the reason that made them take that decision?

**Mr BOURKE** — Basically I think there had been a change in government prior to that. They were looking at who they might want to lead these types of organisations. It was time for me to move on.

**The CHAIR** — And that was conveyed to you by the board chair?

**Mr BOURKE** — Yes, it was.

**The CHAIR** — By Claire Higgins.

**Mr BOURKE** — Yes, that is right.

**The CHAIR** — And when you were CEO, at any stage were you approached by a member of the Andrews government — a minister, a senior staff member or someone from a minister's office — regarding a financial payment to the UFU?

**Mr BOURKE** — I know of, or I heard of, a request for some money for the UFU. That was in my last day, last two days, and I then took that issue to the department, and they started to formulate whatever they were going to do as a response to that.

**The CHAIR** — Can you perhaps explain how you first became aware of this demand?

**Ms SHING** — 'Request' was the evidence.

**Mr BOURKE** — From memory, it was one of the staffers out of the then minister's office.

**The CHAIR** — Who was that?

**Mr BOURKE** — I do not know the person's name, but I believe it to be their then chief of staff. So that is as good as I can remember on that.

**The CHAIR** — And that would have been on what day — the seventh or eighth or something of February?

**Mr BOURKE** — Look, I think it was probably — yes, it would have been the seventh or eighth, because I was gone on the ninth.

**The CHAIR** — And you then talked to the justice department or which department?

**Mr BOURKE** — The justice department.

**The CHAIR** — Who there?

**Mr BOURKE** — It would have been the then CEO of Emergency Management Victoria.

**Ms SHING** — Mr Craig Lapsley?

**Mr BOURKE** — No, the CEO, not the commissioner.

**The CHAIR** — Right, and you do not recall who that was?

**Mr BOURKE** — It will come to me.

**The CHAIR** — Yes. And the nature of that conversation — —

**Mr BOURKE** — Robertson.

**Ms SHING** — Neil Robertson?

**Mr BOURKE** — Neil, yes.

**The CHAIR** — And the nature of that conversation?

**Mr BOURKE** — If I was being candid, it was one of those ‘what are we going to do here’ types of conversations — ‘What is the right course of action to take?’, et cetera.

**The CHAIR** — And your view was what?

**Mr BOURKE** — I did not get a chance to formulate a view of any more than a few hours, so basically I put it back into the hands of the department of justice.

**The CHAIR** — And what was their position on this matter?

**Mr BOURKE** — Look, in that time I do not think we had responded to it, David.

**The CHAIR** — So they were surprised at the request?

**Mr BOURKE** — Yes, to some extent, but you get surprises every day in those places.

**The CHAIR** — So you became aware via the chief of staff that there was a request for a payment to the UFU?

**Mr BOURKE** — Yes.

**The CHAIR** — You took that to the department of justice and Mr Robertson?

**Mr BOURKE** — Yes.

**The CHAIR** — And you had not had really much time to formulate a response when on the ninth you were informed that your period at the CFA was ending?

**Mr BOURKE** — Yes, that is right.

**The CHAIR** — And when you spoke to the chief of staff, what was his demeanour? What was his method of communicating this to you?

**Mr BOURKE** — Look, I cannot remember how directly he communicated it, but it was along the lines of ‘CFA has to come up with a couple of million dollars’ in respect of satisfying some of the legal processes that we had been involved in.

**The CHAIR** — And you were quite shocked at this? Or surprised?

**Mr BOURKE** — Yeah, you get a bit surprised, but you would not call it shock. At some point in time in these matters we had in that process quite a few legal people. They were guiding the process, so when things came up that were a bit different and not really understood, then we would get advice from them.

**The CHAIR** — Did you think this was proper?

**Mr BOURKE** — I would not call it proper, no.

**The CHAIR** — Did you think it was corrupt?

**Mr BOURKE** — I could not give you an answer on that.

**The CHAIR** — Did you indicate that you were not prepared to go along with this without a lot more convincing?

**Mr BOURKE** — Again, when you have only got a day to go, there is not much that you can do, right? So my time at that point the next day was to start briefing an acting CEO to run the CFA for a period until they got a new leader. So my energies were largely focused on that.

**The CHAIR** — On a handover?

**Mr BOURKE** — On a handover. Michael Wootten, who was the interim CEO, we briefed probably for 2 or 3 hours. Probably the stack of paper was about three times as high as what you have got in front of you.

**The CHAIR** — Did you brief him on this matter?

**Mr BOURKE** — Just about as much as we have talked about here.

**The CHAIR** — Right.

**Mr BOURKE** — Yes, and the only advice I gave him was to handball it back to DOJ and keep it back there if you can.

**The CHAIR** — Right. Did you find this odd that a chief of staff would be conveying a policy matter of this type that would normally be the matter of your organisation? I mean you are a statutory authority for goodness sake, with a board and an act governing your activities.

**Mr BOURKE** — You would have expected something of that nature to be broached probably informally at some point but most often in a written form.

**The CHAIR** — From the minister or from the industrial relations minister or something of that — —

**Mr BOURKE** — What it is looking for is an authorisation of payment. We have to be very clear about whether a payment was fair, reasonable or — —

**The CHAIR** — \$2 million of taxpayers money.

**Mr BOURKE** — It is a lot of money, yes.

**The CHAIR** — It would do a lot to strengthen the fire service in a whole range of ways.

**Mr BOURKE** — Yes, there is no doubt.

**The CHAIR** — Just to completely understand how this operated, this was conveyed to you, but there was no written documentation.

**Mr BOURKE** — No. I have never seen any written documentation.

**The CHAIR** — And would you have normally taken such a matter to the board or to the board chair?

**Mr BOURKE** — Normally if it was something — if it was the matter at hand, yes. I would advise the board that something like this was occurring and that we were starting to think about how we would respond to it. I did not get any further than that.

**The CHAIR** — So you would normally have done that?

**Mr BOURKE** — Normally I would go to the board chair with something like that and we would have a chat about which way we might go from there.

**The CHAIR** — So we heard that you did raise this with the board chair, is that correct, on 2 February?

**Mr BOURKE** — Yes, that could well be right. It would be somewhere around that second to third or fourth — I was only there for about four days in that week.

**The CHAIR** — Right. And her response?

**Mr BOURKE** — I do not recall it, David. I do not recall it. But I know Claire very well, and she would take it very seriously, and so too would Michael Wooten as acting or interim CEO.

**The CHAIR** — To be frank, you are a very experienced CEO. You have been in a number of organisations over the years. Have you had demands of that type for several million dollars in payment made in this way previously?

**Mr BOURKE** — No. Obviously we have dealt in a lot of litigations and many of those types of activities — and some that have got summarily costs that you might pay out and the like — but no things like that come past you.

**The CHAIR** — It is quite unusual. Was there any involvement from the Premier's office?

**Mr BOURKE** — Not to my knowledge, no.

**The CHAIR** — With Chris Reilly?

**Mr BOURKE** — No. The name means nothing to me.

**The CHAIR** — No-one from the Premier's office. So it was simply that communication from the chief of staff to the minister and then a discussion over it — —

**Ms SHING** — Where do you get the chief of staff to the minister? That is not what the evidence has been.

**The CHAIR** — Yes, I think it is, actually.

**Mr DALLA-RIVA** — The chief of staff of the minister.

**The CHAIR** — Of the minister.

**Ms SHING** — Of the minister, not to the minister.

**The CHAIR** — Well, the chief of staff to the minister is the same thing.

**Ms SHING** — No it is not; it is very, very different, Mr Davis. You cannot actually verbal the witness.

**Mr BOURKE** — Sorry, what is the question?

**The CHAIR** — And then the link-up with the department — do you know if this was sent further up into the department?

**Mr BOURKE** — No, I do not, no.

**The CHAIR** — And is there an industrial relations committee or group inside the CFA that would have dealt with this matter?

**Mr BOURKE** — There was a process running between CFA and DOJ on that matter.

**Ms SHING** — Mr Robertson, you mean?

**Mr BOURKE** — Yes.

**The CHAIR** — And who internally inside the CFA would have given you advice on this matter?

**Mr BOURKE** — We had some in-house counsel. We would have used some of the counsel we were using at the current time in other industrial relations matters.

**Ms SHING** — Thanks, Mr Bourke, for your evidence and for the discussion in relation to your position. In working as the CEO from 2009 to 2015, you would have had a financial delegation. Is that correct?

**Mr BOURKE** — That is right.

**Ms SHING** — And that would have included the capacity to enter into agreements up to a certain level, including as they relate to litigation. Is that correct?

**Mr BOURKE** — While I do not recall those things in total, I do recall at one stage that the financial delegation for the CEO had been increased, and I think it was up to about \$4.5 million.

**Ms SHING** — \$4.5 million was the financial delegation?

**Mr BOURKE** — That is what I believe, yes.

**Ms SHING** — That is a significant delegation. Is that an unusually high delegation to your thinking in relation to an operation that has a \$500 million working budget, Mr Bourke?

**Mr BOURKE** — No. That is not too unusual at all. But in that process one does not just pull out the chequebook and write a cheque for that sort of money.

**Ms SHING** — One certainly does not.

**Mr BOURKE** — Again — I must iterate this — there was a close relationship between the board chair and myself in terms of decision-making, and those types of things are thoroughly worked through before any staged payments could be made.

**Ms SHING** — In the course of this particular committee in fact that question was put to Mr Wootten — that it was within his level of responsibility to make that decision and to make that payment as the interim CEO. Would you have any reason to disagree with Mr Wootten's evidence that it was within his delegation?

**Mr BOURKE** — Again, if the delegation covered whatever the amount was —

**Ms SHING** — Was within the \$4.5 million-odd that you have referred to as being the upper ceiling of your financial delegation.

**Mr BOURKE** — Yes, he would have that.

**Ms SHING** — Mr Bourke, litigation is something which the CFA is familiar with, and we have heard evidence from Ms Higgins this morning that in fact the granularity of matters that were considered at a board level was limited as a consequence of that \$500 million operating budget, of issues like Fiskville which were being dealt with from an operational perspective. Litigation is part and parcel of dealing with the running of an organisation such as the CFA. Would you agree with that?

**Mr BOURKE** — Yes, certainly. We manage litigation on a frequent enough basis.

**Ms SHING** — So you would regularly have to consider matters that relate to legal proceedings and litigation.

**Mr BOURKE** — Yes, we would.

**Ms SHING** — Perhaps that goes to your evidence that you were surprised to some extent when you had a request in your final days around the progress of a private arbitration but that surprises happen every day. Is that consistent with the work that happens around the ebb and flow of litigation as it proceeds?

**Mr BOURKE** — It had been a very high flow of activities around litigations, including the bushfire litigations and including other ones as well. We had a fairly robust structure around those things.

**Ms SHING** — So when you were in the process of dealing with litigation around, for example, the bushfires, and, for example, the discussions around Fiskville, because there were legal proceedings emanating from that at that time as well, was everything required to be committed to writing? I am just speaking as someone who has conducted negotiations and been engaged in litigation — it often is a very, very fast-moving set of conversations and discussions to negotiate resolutions. What is your experience in the context of process and how that works when things are often moving at quite a pace?

**Mr BOURKE** — I am not quite sure where that is going, but for me litigation is something that would move through fairly steadily: understand why it is there, remember that it is the community's money, understand that people can get ahead of themselves at times and you have to keep managing people; that the writing of a cheque at the end of the day is the easier part but managing people to get to an outcome is the harder part. Sometimes that can take a year or more.

**Ms SHING** — But obviously the discussions around negotiations are — —

**Mr BOURKE** — But in the main, if that is what you are talking about, in the ebb and flow of business we do that. We have in-house counsel, we have external counsel, we work those things through. You get involved from time to time but not too often in the minutiae.

**Ms SHING** — So they are the conversations that happen as part of equipping you to do your job as the CEO and to keep the organisation going, to resolve matters?

**Mr BOURKE** — Yes. And that would be the same for many other entities of the same size.

**Ms SHING** — Yes, absolutely. You have also indicated that Claire, being Ms Higgins, and Mr Wootten would take very seriously a matter like this.

**Mr BOURKE** — Yes.

**Ms SHING** — So in the context of the nature of a request around a settlement for the purposes of litigation, is that consistent with what you have said about them taking this issue seriously? That they would not be cavalier about it? They take their own reputations very seriously around discharging the same obligations to spend money in an appropriate way. Would you agree with that?

**Mr BOURKE** — Yes, that is right — certainly for the interim CEO. Boards do not generally sign too many cheques.

**Ms SHING** — No, they do not, particularly not where there is a financial delegation of up to \$4.5 million.

I would like to go to your evidence in which you indicated that you spoke with Neil Robertson. He in fact dealt with this particular issue in response to questions at the Public Accounts and Estimates Committee hearing, which was a public hearing that took place earlier this month. It was put to Mr Robertson that:

In March prior to the year under discussion the CFA entered into private binding arbitration and covered the UFU legal fees incurred during 2010 to 2014 ... can you confirm whether the request was made by a ministerial officer, a parliamentary officer or a member of Parliament — to cover those fees?

Now, Mr Robertson, to whom the question was directed, said:

I am not aware either.

Thus agreeing with the secretary of the department —

To my knowledge, and just to go back a few steps in that process, I think that emanated from the full Federal Court appeal around it. The court actually asked the parties to come back to it with a proposal as to how the question would be resolved. I think the answer to that was, as you rightly say, the private arbitration, and it was funded by the CFA.

The deputy chair of the committee then said:

Well, it does not indicate who authorised the payment, no.

Mr Robertson then said:

Okay. My understanding again was that it came from the CFA and it was a consequence because the parties agreed that the outcome of the arbitration would bind them. So it flowed from that. As to who in the CFA, I am not exactly certain.

Mr Robertson then went on to say that he assumed that the figure of the settlement:

... would have been under the cost of the litigation line or however that is described.

Now, if the amount that was entered into as a consequence of that private arbitration came under the delegation amount — and Mr Robertson's evidence is that it had come from the CFA because of the proposal to try to come to a settlement — how is it that Mr Davis's remarks about interference to pad the pockets of the UFU can coexist with the evidence that has been given to previous parliamentary committees and also evidence to this committee? Do you have a view?

**Mr BOURKE** — No.

**Ms SHING** — That is the longest question and the shortest answer, I think, we will have in the history of the Parliament.

**Mr DALLA-RIVA** — Even I got lost on that one.

**Ms SHING** — Yes, exactly. The reason that I am asking is that, again, it is important to know that the officers that were responsible for the spending of money did so in a proper and diligent way. You have indicated that Ms Higgins would have taken this seriously, that Mr Wootten would have taken this seriously and that you would have taken this seriously; that litigation was something which was part and parcel of the organisation which you were CEO of; and that you were surprised but not gobsmacked to hear that a litigation, which the CFA had been unsuccessful in, had resulted in a discussion about costs. What is your view on that?

**Mr BOURKE** — Again, in the closing time of my tenure at the CFA, there was only one day that I had to work with that. I did not have a whole day; I only had a part day. So I briefed Michael Wootten, who was the interim CEO. The appropriate thing for me to spend my time on at that time was not the litigation; it was ensuring that we had the right people in the right roles to continue the business.

**Ms SHING** — Absolutely. And to that end, you do talk about the handover that you had and that this discussion was a particularly brief part of it. You said 3 or 4 hours. Mr Wootten gave evidence that it was in fact about an hour and a half. He said:

The only discussion we had was during the very brief handover we had between the day that he announced his resignation and the next day ... This was one of about probably 30 or 40 matters that he handed over to me.

Would you agree with the number of matters that you handed over, Mr Bourke?

**Mr BOURKE** — You know, it could be somewhere between 20 and 40, so I would not be surprised.

**Ms SHING** — So it is a pretty enormous handover to have to do within a short amount of time.

**Mr BOURKE** — A relatively short period of time. But, again, we had a full complement of executives, and most of these things are generally spread around to the appropriate people to do the appropriate things and bring it back. As a CEO you do not get to make many decisions, unless you have got incompetent executives, and I had competent executives.

**Ms SHING** — So you had competent executives, and so on that basis would you say that the advice that would have been received by those executives around the quantum of the payment that was ultimately paid for



costs would not have gone through a gatekeeping process where competent executives would have let it through if it had not been all right?

**Mr BOURKE** — I think that is the way we do business.

**Ms SHING** — So the way you do business is for good decisions to be made in the interests of the prudent expenditure of taxpayer funds?

**Mr BOURKE** — That is right.

**Ms SHING** — In this case, then, if the executives let it through, if you take it that Wootten and Higgins take this seriously, then in fact the ebb and flow of litigation that you have talked about was not something that was in fact was so out of the blue that it was unprecedented.

**Mr BOURKE** — No. I suppose, in fairness, when you have been through a long litigation process, it has to end somewhere —

**Ms SHING** — It certainly does.

**Mr BOURKE** — so someone comes to do that. But the thing that did surprise me a little was that there was a very early call for funds to go to the UFU. I was not expecting it to come that way. I was still expecting them to come and knock on the door for some money, but I would have been well gone by then. But it was just — it only came verbally from the chief of staff. That I found a bit unusual.

**Ms SHING** — So that conversation related to \$2 million, and then obviously the end amount, as the report for the UFU says, was \$484 000. So a couple of million dollars, which is what you refer to, which is also something that Mr Melhem has referred to in asking other people questions in the course of this inquiry, is a very, very different figure. What does that say to you?

**Mr BOURKE** — Last time I looked two million bucks was two million bucks. That is the approach we take to it. I think Michael Wootten and Claire would have taken a view of what was a reasonable — if there was a process that could be used, how would it be reasonably managed.

**Ms SHING** — Right, and so do you accept that when parties claim costs in litigation, they may claim the entire amount and not get that?

**Mr BOURKE** — Yes, that can occur.

**Ms SHING** — I mean, that frequently does occur. There are jurisdictions that cost things all the time, and there is a sliding scale. So on that basis, receiving just under \$500 000 is in fact a significantly lesser amount than the \$2 million which was talked about as part of the original claim.

**Mr BOURKE** — Yes, but that is after my time.

**Ms SHING** — Yes.

**Mr BOURKE** — I cannot give you any view or advice on that.

**Ms SHING** — Okay. But obviously with the executives who were competent and the board and the leadership that were competent, they would have gone to the nth degree to make sure that money was not simply thrown out the window.

**Mr BOURKE** — Again, I was not there, so I cannot see it, so I cannot attest to it.

**Ms SHING** — No, but in the generality you would agree that the board and the chair and the executives would not have taken decisions that threw taxpayers money out the window.

**Mr BOURKE** — Yes, but I cannot put myself in that seat.

**Ms SHING** — But you have said that they take their job seriously.

**Mr BOURKE** — I have agreed with you about the process and how we do it and the diligence —

**Ms SHING** — And that they are a competent executive team.

**Mr BOURKE** — but I cannot say to you what they did.

**Ms SHING** — Not what they did, but the way in which they operated — they were competent, they were diligent, they were careful and they took their job seriously. That is the evidence that you have given, so is there any reason to think that they would not have done the same in this case?

**Mr BOURKE** — Again, I was not there.

**Ms SHING** — I am asking you for opinion though. Based on what you know of them, is there any reason to think that they would have done otherwise in this particular case?

**Mr BOURKE** — I do not know. I would tell you if I knew.

**Mr RAMSAY** — Stop trying to put words in his mouth.

**Ms SHING** — No, no. I am asking you — you have talked about — —

**Mr RAMSAY** — You have asked the same question five times, and he has given you the same answer five times.

**Ms SHING** — You have given evidence that in your experience from 2009 through to 2015 you found the board, the executive, the team of legal people who you worked with to be competent, to take their job seriously and to work diligently.

**Mr BOURKE** — That I agree with.

**Ms SHING** — Okay.

**Mr BOURKE** — But I cannot tell you what happened yesterday.

**Ms SHING** — All right. So as long as you agree that that is the case. Thank you very much, Mr Bourke.

**Ms DUNN** — I too with you, Mr Bourke, will do the same as I did with our former witness. I will go back to the terms of reference for this inquiry, which is around fire preparedness in this state. During the time of which the committee has explored issues so far with you, can you provide me with some commentary around your views as to whether the state maintained a sufficient level of fire preparedness?

**Mr BOURKE** — That is a really good question, Samantha, a very good question. Again if I try to put it in a sort of sequence, the sequence would be: when I came to the CFA what did we have — what capabilities, what talents, what resources — and then we start looking at other improvements we tried to bring about. Some of the things were simply about how do you keep volunteers engaged, their skills up to the levels we needed. You would have seen some of the field training grounds have been extended and developed further so that there was a place for the volunteers to do those types of things quite readily along with career firefighters. There were a great many new fire trucks, a lot of design work within CFA on those. I will not remember the number, but it is a significant number of additional trucks across the state, and there is a really strong linkage between how much of that movable plant and equipment you have and how hard you can hit a fire. So taking from that.

Plant and equipment was one. We built a lot of fire stations out around the countryside. Some would say we built too many big ones. Some would say they were not ever going to be big enough, but there was a lot of them. I think we did — 250 is a number that comes to my mind. Those facilities also have a second capability about holding communities together in part, so I think they are very valuable.

The capability, generally we were able to keep the numbers up in terms of volunteers and career firefighters. I say that in terms of the career firefighters are generally a very strong and personal aim for the volunteers to work with. Someone has to be full time there, getting them together and organising them, but when the flag goes up they know exactly what they are doing and they do it well — all the firefighters. So those sort of issues were quite pertinent.

When I got to CFA in September 2009 it was dysfunctional. People were in a lot of trouble, people took their lives. I do not want to go back to that part again, but it is still there for a lot of people. So the after-care processes we put a fair buck into, probably more than a couple of million, because we want those people to live and their families to be normalised. That is one of the things that I think has probably dawned on most emergency services. A fix for that will be hard and long, but you have to invest in it. You have to invest in more diversity if we want it over time within the firefighting structures, and I know that that is a challenge that is on the table but it is an important one.

**Ms SHING** — One hundred and twenty years now.

**Mr BOURKE** — Well, we have brigades where the women go out on the trucks when the bell goes off and one lady will stay or two women will stay and they will look after the kids. They will run the creche. So there is no reason why we cannot have a more invigorated and contemporary approach to those things. But coming back down, we did not get belted around the ears too hard on budget. We were treated pretty fairly.

After Black Saturday you are talking about an organisation that spent \$300 million in projects to ensure that we did not end up where we were on Black Saturday, but some of the big changes are about warnings to communities, awareness, trying to keep the flag up, because the community drops their head pretty quickly. You know, if everything else is happening, it is all right. So it was really about getting in the psyche of people, and I think the commissioner, along with the department and along with a lot of other players in the government and many people in the community — a hell of a lot of people in the community — brought through a lot of change. They did not want to see those things again either, so I think that in that time — and it is very potted — we got some progressions around many things, and the volunteers felt valued, which is really important if you want them to stack up again next week, and there seemed to be a bit of a balance starting to occur. I say ‘starting’. I do not say ‘there’ or ‘visible’ or as tangible as you would like, but it was there and it was working pretty well.

We also had a lot of regional directors — an adequate number of regional directors. Most of them looked a bit like me or older, and it was time for some of those to change out and to bring some new blood through. That was hard. The organisation has got a big heart. It does not like to see anything hard happen, but it has to some days. So those changes are also important. Look, I could go along, Samantha, with a lot of discussion, but I think that the organisation by the time I left — or it was getting towards that point — we had done a lot of good things and achieved a lot of good things, but we had some things that we had not done quite right, and we had some legacy issues in industrial relations that we had not done right. I am not saying that it is an easy place to play industrial relations, but it was probably the bigger black hole left for us to conquer.

**Ms DUNN** — Thank you for that.

**Mr RAMSAY** — Thank you, Mick, for coming here today. It is National Red Balloon Day, which is a day where we recognise our volunteers. So your words in relation to the importance of the role that they play in our firefighting services are timely. I guess, being a volunteer myself, the question I ask around the payment is that it seemed to be underhanded. It was almost a slap in the face to volunteers that their money, and those that provided the funds and provided their unpaid labour, I might add, as volunteers, see that some of that money was going to be paid to a union organisation that was not in concert with their own interests.

**Ms Shing interjected.**

**Mr RAMSAY** — That is a statement, I know, and a question will come. We wanted to get down to the nuts of the basis on which this payment was made — and I think there has been some discussion around that — but also why the interim CEO may well have had capacity to pay. Ms Shing sort of skirted around this, that it was I guess the payment made to a union that was actually in litigation with the volunteers, almost, if I can put it that way, and I think that is where it cut into a lot of the volunteers, and certainly from what I am hearing on the ground at the moment there is a lot of angst currently.

My question to you is: given you have been a CEO of the EPA as well, the issue around Fiskville, the training site, and training generally for volunteers is still not resolved. I am just wondering if you would express a view about currently the works at the Fiskville to decontaminate but also about the government’s commitment to find a new training facility in the Ballan region that has not been fulfilled. In fact there has been no land purchase, far less any fire training facilities. We are not supporting our volunteers in the south-west by providing them with a

training facility. Can you give some idea as to whether your thoughts are that maybe Fiskville can be reconstituted to allow training to continue there?

**Mr BOURKE** — If we talk about Fiskville and then the PFOA, PFOS-type contaminations that are there, there is a lot of work that has occurred in the last couple of years that I have heard about, and it is starting to show a pattern that is quite different. I was speaking to some people only a fortnight ago, and they are using the blood bank as a source of sampling to determine whether these things actually come to levels that are of any impact to humans or not. So we could talk about that one all day, but there is some science in the area.

The clean-up processes, from my memory, were contained. I am not saying they were cleaned up. My understanding is they had got it pretty close to contained, so it was not going to run down the creeks et cetera. I think that the science, though, is going to have to guide the clean-up and the remediation. Your question, though, really, Simon, is about: can we reinvigorate a site like Fiskville? I have been through this one in my head too many times, but if you put the best science to it and the best clean-up to it, you might get it done, yet the cost might be too high to clean up. It might just be left contained, and you might be better to buy the polo club over the road or something like that. There is a very good piece of land down there that could do the same thing. But it needs the commissioner to look down on it and say where he wants his training capacity, and he has to do that in league with the volunteers. If we do leave too many broad gaps, then that is a risk for the community, I would say. If you do not have a capacity between Ballarat and Geelong that is quite significant, then I do not think that is covering the state terribly well. So we did put a facility up at Sunraysia because it is the other end of the earth, and I lived there for a long time — —

**Ms SHING** — Ballan has advertised for expressions of interest on land too.

**Mr RAMSAY** — Yes, it has been running for years.

**Mr MELHEM** — Thank you, Mr Bourke. I just want to take you back to fire preparedness. What were the challenges with fire season preparedness when you were at the CFA, and how have these things changed over time? Can you share that with us?

**Mr BOURKE** — Fire season general risk?

**Mr MELHEM** — Yes.

**Mr BOURKE** — Well, it is a good question, because how do you follow Black Saturday? It was the worst of the worst setting, as we all know. The royal commission after that time brought about its recommendations, and, as I talked earlier about that \$300 million spend, a lot of them were designed to meet those recommendations of the commission. So you can actually go back. They have all been looked at independently and challenged et cetera. They are there on the table, and they have been generally implemented.

I think the role of an emergency management commissioner is a very good one as well. It allows the different flags to fly under one leadership, and I think that is something that was overdue. I think Craig Lapsley has done a pretty good job all round in that respect, and his team. So in terms of a cohesive team, working as one I think is their flag — —

**Ms SHING** — ‘We work as one’, yes.

**Mr BOURKE** — I think they are doing very well. I think they are getting some harmonisation out of some of their other investments in training and facilities and the like. So those sorts of things have changed quite a bit, Cesar. I do not know if that is where you are — —

**Mr MELHEM** — I want to ask your opinion on the budget cuts between 2010 and 2014, particularly in 2014. I think there has been some reduction in numbers of 164 positions. What impact has that had on trying to meet the royal commission’s requirements?

The other one is the cultural issues which existed between career firefighters and the CFA. Generally speaking there have been a number of reports in relation to the cultural differences, and I think you touched on that. I am keen to hear your opinion on what sort of hindrance or what impact these matters had on you trying to achieve the outcome set out by the royal commission into bushfires?

**Mr BOURKE** — Probably part of that, Cesar, and I will not get all the detail right, is that to spend \$300 million in four years or five years is a serious undertaking and to do that we had to bring in many, many hundreds of people on short-term or medium-term contracts or in permanent roles. You have got to bring them through and train them and give them some development and the like. So at the outset we always knew that in a budget form, while we were running projects and putting labour to budget in that sense you can manage the budget quite easily, quite readily. It is when you stop, once you have spent all the 300 million. That is when the merry-go-round does not go any further and therefore you get those processes about reducing labour inside the business. We do not do that in a callous way. We feel very strongly about our people.

But that is a part of history that will not be repeated, I hope. It is a part of history that we do not want to see again. We want to make sure that the investments are never lost. I think it is a stronger setting, but it needs strong leaders. It needs people like Craig Lapsley. It needs others beside him who are very strong.

If I have got something that does rattle with me at the moment, it is the fact that too many senior people in the fire services in Victoria are not doing what they do best.

**Ms SHING** — What do you mean by that?

**Ms BATH** — Why?

**Mr BOURKE** — They have left, or exited might be another word. I am not afraid to put that on the table. We are all expendable at the end of the day in the roles we have. But there is a lot of capability in Victoria that we should be using as we can and as we used to in the past. Anyway, that is that.

**Ms SHING** — As well as to modernise the service, because that is the other thing you have talked about.

**Mr BOURKE** — Modernising the service. We only touched on the edge of it, let us be real. Women in CFA, for instance, have been doing the jobs that men did forever. There are many other people — we know there are different gender arrangements that people respond to or do not respond to. We know that there are different capabilities they can bring. We have not looked at all as to where we can get more flexibility.

**Ms SHING** — Population growth too. All of those things.

**Mr BOURKE** — Yes, all of those things.

**Mr DALLA-RIVA** — Thank you, Mr Bourke, for your evidence. Can I just take you back to the Chair's original questions in relation to the approach that was made to you by a senior staffer in the minister's office, in fact the chief of staff. You said you 'got surprised' — I think they were the words. Did you feel at any point that the behaviour that was undertaken for the ask was at a level that could be referred or should be referred to an independent, broadbased anticorruption commission?

**Mr BOURKE** — You think about these matters. The thing that I thought about was this was a verbal request. You do not do anything with a verbal request. You might worry about it, you might think about it, but you are not going to do too much with a verbal request. I never saw anything in writing, so I do not know. We keep hearing about the \$2 million thing, but I have never seen it written anywhere.

**Mr DALLA-RIVA** — In respect of the UFU, you were CEO from 2009 to 9 February 2015.

**Mr BOURKE** — Yes.

**Mr DALLA-RIVA** — You would have obviously had relationships with the UFU during your time as the CEO.

**Mr BOURKE** — Sure did, yes.

**Mr DALLA-RIVA** — And during that period of time did you ever experience or know of or personally have involvement with dealing with as a CEO any threats by the UFU in relation to any of your staff, any board members or to you personally?

**Mr BOURKE** — I do not recall any. I can say to you that while my chairman and I delivered the 2010 EBA, it was a willing setting. It was at times quite tense and aggravated, and we drank a lot of coffee.

**Mr DALLA-RIVA** — As you would.

**Mr BOURKE** — We would calm down, we would come back in and we would start again.

**Mr DALLA-RIVA** — You commenced the then EBA I guess again with Mr Marshall — or the new EBA process?

**Mr BOURKE** — No. You learn lessons as you go along. One of those lessons is that you only want to do one EBA.

**Mr DALLA-RIVA** — I mean, we jokingly say it, but why would you say you would only want to deal with one EBA?

**Mr BOURKE** — It is a document yea big. You have probably seen it; it is about 250 to 300 pages. Every one of those pages can be interpreted 28 000 times and differently. Sorry, that is not right — —

**The CHAIR** — We understand.

**Mr BOURKE** — You think that you have got the thing to the end and that it is wrapped, but it is not, so you go back and you go again. But I think we did that one in about six or seven months, maybe eight months.

**Ms SHING** — In 2010.

**Mr BOURKE** — 2010 was when it got signed off, yes.

**Mr DALLA-RIVA** — That process was about six to — what did you say it was?

**Mr BOURKE** — Six to eight months I reckon would be fair.

**Mr DALLA-RIVA** — From start to finish?

**Mr BOURKE** — Yes.

**Mr MELHEM** — That is a good effort.

**Mr DALLA-RIVA** — From your experience of the current EBA, why did it then take so long? We have seen movements of boards, CEOs and ministers.

**Mr BOURKE** — I cannot lead you anywhere on that.

**Mr DALLA-RIVA** — In terms of your resignation, Claire Higgins would have been the chair that would have spoken to you.

**Mr BOURKE** — That is right. She was.

**Mr DALLA-RIVA** — What did she say to you as to why you should resign?

**Mr BOURKE** — It was not about performance; it was about change. When you get into those settings, you have to have a plan, and we had that plan. Claire did not just come to tell me that, 'It's fine. You can go out and go home'. She came to say that we had to put the plan in place. When you live in the world that we all live in, which has got a bit of politics in it, anywhere where there is politics there is no rationale. No, I take that back.

**Ms SHING** — You do not need to take that back. If that is your evidence, that is your evidence.

**Mr BOURKE** — But there are needs that do not appear on the surface. So the process we had, we had this locked in from the time that the current Labor government took power, because we knew there would be change, and we knew that within that there would be personnel changes. And in that setting my responsibility and Claire's responsibility was to ensure that the business kept running. So if they shoot the CEO, then you bring in — —

**The CHAIR** — So it was an execution of sorts, wasn't it? But not on performance.

**Mr BOURKE** — There was nothing in there that was concerning. It was done in good spirit. This might sound strange, but it was in good spirit. But basically we have to keep the business running so if the CEO is out of action, then you bring Mike Wootten in.

**Ms SHING** — As with any change of government.

**Mr BOURKE** — Mike was the nominated interim, and he did a great job. If it had been the chair, then we would have asked the chair if it was going to be the deputy who would continue. We had those sorts of plans, and you should do it, because that is your responsibility. It is not about me, it is not about Claire; it is about the CFA, and it is about fire safety.

**Ms SHING** — Under any government.

**Mr BOURKE** — Any time, any government. Fires burn the same way.

**Mr DALLA-RIVA** — So you knew your head was on the chopping block. You said you were about to be — I think you used the term ‘killed off’ or something.

**Mr BOURKE** — No.

**Mr DALLA-RIVA** — ‘In the gun’ or something. Anyway, you knew there was a chance that your head was on the chopping block with the change in government?

**Mr BOURKE** — Yes.

**Mr DALLA-RIVA** — Is that normal?

**Mr BOURKE** — Been there three times. That is pretty normal — if you live long enough.

**Mr DALLA-RIVA** — Okay. To put it in some perspective, we now know the circumstances with the UFU and the fact that there has been a minister, boards, further CEOs, chairs and the ongoing saga of the demands of the UFU. I am going to put my ex-detective theory into practice. You were approached by the chief of staff in the minister’s office with a request/demand for \$2 million to satisfy — —

**Ms SHING** — That is not what the evidence was.

**Mr DALLA-RIVA** — That was not immediately forthcoming, and two days later you were asked to resign.

**Mr Melhem interjecting.**

**Mr DALLA-RIVA** — It is a fact, Mr Melhem. You may not recall 100 times, but they are the facts that have been put forward.

**Ms SHING** — The decision had not been taken, Mr Dalla -Riva.

**Mr MELHEM** — When he said he resigned — —

**Ms SHING** — Your chronology does not stack up, Mr Dalla-Riva.

**Mr DALLA-RIVA** — Take it to the High Court like you are taking the Ombudsman.

**Ms SHING** — Perry Mason is obviously asking his questions now.

**Mr DALLA-RIVA** — The concern I have is that two days later, after a demand was made or a request was made, you were out the door.

**Mr MELHEM** — ‘Fact’? The truth does not matter. Tell the truth.

**Mr DALLA-RIVA** — The fact is that we then find that there was a subsequent settlement of \$484 000, and we do not know what happened. We do not know what the process was; we are told there are minutes, but we cannot get access to them. My Labor colleagues on my left continually say that we cannot get access to them. I refer, as I said, to my earlier question: should this matter be referred to the Independent Broad-based

Anti-corruption Commission for a better and full inquiry that will be able to subpoena witnesses to find out the truth, including evidence and documents?

**Mr BOURKE** — I cannot point you which way, Richard. But that facility is there in the state.

**Mr DALLA-RIVA** — It is there for a reason — to deal with these types of matters. Thank you, sir.

**Ms BATH** — Thanks, Mr Bourke. I will be as swift as my questions will allow. Mr Bourke, roughly at the time of your leaving the CFA, Mr Marshall was quoted:

Mick Bourke will not be missed by firefighters.

What does he mean by that?

**Mr BOURKE** — I don't know.

**Ms BATH** — Why would he say that, do you think?

**Mr BOURKE** — I don't know.

**Ms BATH** — Were there indications that your relationship with him was not particularly fruitful from his point of view?

**Mr BOURKE** — Possibly.

**Ms BATH** — Okay. Thank you. Over your six years as CEO, you would have been out into regional Victoria. Did you visit regional Victoria much?

**Mr BOURKE** — I did 60 000 kilometres every eight months.

**Ms BATH** — Fantastic.

**Ms SHING** — Excellent. I think that is about as much as all the regional members sitting here.

**Ms BATH** — I think that is almost more than country members. Thank you, Mr Bourke.

**Mr BOURKE** — Do you get an allowance for that?

**Ms SHING** — Get in the Territory!

**Ms BATH** — So you would have spoken to captains and lieutenants and group officers on a regular basis.

**Mr BOURKE** — Yes.

**Ms BATH** — Could you just describe — you would have spoken to many, but as a rule — what your relationship with those people would be?

**Mr BOURKE** — Sorry, 'those people' being?

**Ms BATH** — Say, brigade officers, captains, group officers.

**Mr BOURKE** — Look, they are wonderful people. If you ring up and say, 'Look, can the CEO drop in and say g'day on the way up or on the way back from Mildura?', they will always turn out, and there will always be a party pie and a few cakes, but there will also be a chat — the way it should happen, and the way it must continue. We sit around the table and ask whether there are issues — 'Do you think we're going the right way or the wrong way?'. You take people like Euan Ferguson. He would have done probably more miles than that, without a doubt. He would do the same thing — sit down, have a talk. 'What are you feeling? What are we missing? What are we getting right, for a change?'. You go through that process. You did it because they would bring up things. Could we fix them all? No. Could we fix many of them? Yes. Did they always want something? You bet; they would always ask for something. So we were out and about all the time, and we continue to work very, very closely with the volunteers. The relationship between the career firefighters and the



volunteer firefighters was seamless in almost every place — not all, but almost every place. So it was pretty good — a great place to be.

**Ms BATH** — Thank you. On those many brigade walls, was the volunteer charter hung?

**Mr BOURKE** — In the main the volunteers did hang the charter, yes.

**Ms BATH** — What do you think their opinion of that charter was?

**Mr BOURKE** — The volunteers took it as L-A-W law. That is what they expected.

**Ms BATH** — You mentioned before that, in terms of your six-year career, the black hole that you could not solve or make come to fruition was the industrial relations issue.

**Ms SHING** — Among other things.

**Ms BATH** — You mentioned the industrial relations issue was a black hole. What impact do you think that will have on fire preparedness moving forward if there continues to be a black hole?

**Mr BOURKE** — It is a pretty good question, isn't it? The CFA as it is today is a good working unit — SES is, MFB is, Parks Victoria are. I think the ability to work as one is critical. I am trying to get my head around industrial relations implications. They frustrate a lot of people. I think it was in the 2010 EBA process, or it could have been a later one, but we went to the process of putting a note out every time something happened — put out a bit of information so that people were informed — because in the agreement process prior to that we had to sign up not to be able to talk to anyone, so being able to talk to our people about what was happening and in the EBA was a step forward. I hope that we can get people who can do that. It takes people to do this; there is no machine built to do it. Relationships are important — really important. I think that in terms of the CFA it is hard for them to get people enthused to do that role.

**Ms SHING** — It is not easy.

**Mr BOURKE** — No, it is not easy. It is hard, very hard, and you burn people out, and you do not like that, but that is the way it is.

**The CHAIR** — Can I thank you, Mr Bourke, for your evidence today, and thank you for your service, not just at the CFA but in many other organisations in service of the public of Victoria. The secretariat may well be in contact on matters over the next period, but thank you for your evidence.

**Witness withdrew.**