



## DAVID MORRIS MP

Member for Mornington

# Parliamentary Spending Needs Greater Accountability

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**Mr MORRIS** (Mornington) (18:12:52) — I am pleased to rise this evening to speak with regard to the Appropriation (Parliament 2018–2019) Bill 2018. I am consciously reading that because the title can be a bit of a trap for new players.

It is often not appreciated that the Parliament is in theory at least financially independent from the executive — hence the existence of this bill and the existence of a visible separation in the discussions we have about funding the Parliament. That has almost always been the case. The various forms over the last 160 or so years have changed quite radically, but that separation, or at least that implied separation, has always existed.

Perhaps at various times in the history of this state that separation has been more implied than real, and I know from talking to others and from the records that certainly behind the scenes there have been some battles royal about the resourcing of the Parliament — not to my knowledge in recent years — because of course this bill does not emanate from the Parliament. It needs to come into the Parliament with the implicit agreement at least of the Treasurer, because if he is not of a mind to fund it, it is simply not going to work.

Those comments should in no way diminish what I see as the importance of the independence of the Parliament in having its own bill and having its own separate appropriation. Of course this appropriation does not only fund the operations of the Parliament; it also has for some years funded the operations of the Auditor-General and it has also for the last year, and again in this bill, funded the Parliamentary Budget Office, and we have recently appointed the inaugural Parliamentary Budget Officer.

The contents of the bill, as the schedule identifies, identifies some separations between what were originally a collection, I guess, of individual fiefdoms, so we still have a Department of the Legislative Council, we still have a Department of the Legislative Assembly and we still break off the parliamentary investigatory committees. The Department of Parliamentary Services (DPS) is a relatively new combination of various business units, such as the library, the refreshment rooms, grounds and maintenance services, and electorate office services, now all included in Parliamentary Services. Finally, the Auditor-General and the Parliamentary Budget Office.

The bill proposes a relatively modest increase this year, from \$146.286 million to \$154.293 million. If we look a little more closely into the figures we see that that is a total of

\$8.007 million extra; \$5.085 million of that actually goes to the Auditor-General by way of additional funding, and the lion's share of that, \$4.67 million, is in addition to the net asset base — in other words, capital expenditure. The rest of the bill is relatively straightforward. As we can see, the amounts for the Council and the Assembly are relatively modest, at \$4.6 million and \$4.981 million respectively; the investigatory committees, \$7.451 million; Parliamentary Services, \$112 million — and I will come back to that in a second or two; and then the Auditor-General at \$21.674 million; and the Parliamentary Budget Office as the new office on the block at \$3.3 million.

It is a very slim and relatively straightforward bill, but what it is funding is the institution that allows us to call Victoria a democracy, so it is a reasonable sum of money. Let us not say that in excess of \$100 million is not a reasonable amount of money; it is. Perhaps some people outside may not agree, but I think we actually do generally provide in a global sense some value for money, although I certainly have some differences with the way some things are done in this place, and I intend to identify those differences in a few minutes time.

We now have a new structure under this government where the Public Accounts and Estimates Committee hearings are held after the budget has actually passed the Assembly. You would almost wonder why we bother, frankly. Certainly I am sure, as you Acting Speaker Dimopoulos know only too well, we do sometimes wonder why we bother when we are actually going through the process. But in all seriousness, even if the scrutiny is in fact retrospective, it is important that the scrutiny occur. It would be preferable to be ahead of the game, for it to be a proactive process, but unfortunately it is not. At least there is scrutiny and ministers are still answerable to the Parliament. I think, again, that is an important part of our democratic process.

I am not able to refer to the most recent briefing from the presiding officers, the secretary of DPS and the clerks. I am only able to refer to the handout from the 2017–18 budget. Some things change, and some things remain the same, I am sure.

Certainly last year the focus was on the unfortunately necessary security upgrades that were occurring in the vestibule and on the perimeter fence along Macarthur Street, which has been a major investment. All that work has of course now been completed but the ongoing work of making this place safer for us and those members of staff who work with us is, as I say, a necessary evil. It certainly is for someone who like myself remembers being able to walk in off the street, walk into the gallery and see the Parliament at work without hindrance. It is now not such a straightforward process. That is regrettable but we know what the potential outcome could be if we did not take steps to protect ourselves and the people who work with us. It is unfortunate that those changes had to occur but I must say that I think it has been done reasonably well.

In terms of the breakdown of the total budget in 2017–18, it was expected that some 41 per cent of the expenditure was directed towards members electorate office expenses, training budgets — that sort of thing — and what is referred to in here as members administered budgets. The Department of Parliamentary Services itself last year was costing \$27.84 million, occupying 24 per cent of the expenditure. As I mentioned in connection with the bill itself, for the Assembly, the Council and the committees they are in fact relatively modest amounts of money.

That is pretty much the budget as it stands. It is traditional, but I do this very genuinely as well, to at this point recognise the excellent service we receive as Members of Parliament. Perhaps in the light of comments I am going to make in a couple of minutes what I am

saying now might seem to be a little disingenuous, but I do sincerely mean what I say because I think we are very, very well served by our clerks, of course, and our chamber staff, who are with us here and when we have been here through the night they have been here with us through the night. Of course the most recent time that occurred it was a relatively new and untested group. I think I probably said privately at the time but I do want to say publicly in the house that under the new Clerk's management I think they did an excellent job in what were testing circumstances. I am sure to some extent they were blooded and they are now well equipped to continue providing the excellent service to which we have all become accustomed. The attendants as well — I want to include them in those comments — and the Hansard staff.

The other people that we talk to most days and work with, of course, are people like the security staff and to a lesser extent the protective services officers (PSOs). I am very pleased that we do not have plastic police in this place. We have terrific service from our PSOs and I do want to recognise that. They do not always get the recognition I think they deserve. There are also the catering staff and the grounds staff.

Sometimes I think the focus on this building as a heritage building is at risk of overshadowing the importance of the institution, the importance of what we do on a day-to-day basis as the Parliament of Victoria. Whether or not that is the case the buildings and grounds team, particularly in the past 10 or so years, I think have done a terrific job working with an asset. I did not bring it up with me but when you look at the DPS annual report and the value of the asset, I think \$480 million or thereabouts is the effective replacement cost of this building — not that you could ever replace it, but it needs to be maintained.

I also want to acknowledge of course the work of the people that we often talk to on the phone but do not necessarily see every day in the Department of Parliamentary Services, particularly their frontline staff. The IT staff, the Electorate and Security staff that work with Sam Matthews and others I think do an excellent job.

I do want to put those comments on the record, and they are genuine comments. But I also need to move on because I think it is important that some other comments be placed on the record.

Earlier in this contribution I spoke of the importance of the financial independence of the Parliament. This is something which I am personally committed. I have done what I can — in a relatively modest way, it has to be said — to make sure that there is no backsliding and, if possible, that we actually move forward a little bit on this issue. If we are to have financial independence of the Parliament, then as a Parliament we need to be confident that the administration is sound and that the administration has demonstrated the capacity to deliver what is required, particularly given the effectively unfettered access that we would have to public money.

I am not suggesting that, if total independence were to eventually be achieved, the parliamentary budget is suddenly going to become \$500 million. It is not. I think the members of this house would not permit it, and even though they have less say, I am sure members of the other place would be with us on that. We need to ensure that we have a competent and confident administration that has demonstrated its capacity to the satisfaction of the Parliament but has the confidence of the community as well.

As I said earlier, the work that has been done on this building, particularly in the last 10 years or so, has been terrific. Frankly when I was first elected it was a mess. I was not

surprised and I was not disappointed, because I had been in here often enough to know what it was, but it was dirty, it was tired and it was desperately in need of a paint. I brought up a whole bucket of cleaning stuff to clean up my office over the dome because it was just an absolute shambles. There were issues with the buildings stonework. There were issues with lumps of stone falling. It desperately needed some money spent, and enough money had not been spent on it for a very long time.

I am not making this a political point at all, because the problem goes back to the 1950s when some fairly dodgy refurbishment work was done. I am sure Brian Bourke was accurate in telling me all about that. Almost 12 years on from my first election we have a significant improvement in the fabric of the building, certainly in the public spaces. The less than public spaces are improving as well. Some of those changes have been forced, as I have mentioned, because of security issues. Some changes have been forced effectively of necessity because of the failure or potential failure of the building.

I recall sitting in the estimates hearings in 2012. At one stage we looked across the room to the front of the building and there was a painting missing. At the second or third break — it must have been when the Presiding Officers came in — I asked the Presiding Officers, 'Why is that painting missing?'. They said, 'It's because there is too much moisture coming through the wall, and the National Gallery of Victoria wanted their painting back'.

The building does look magnificent, but there was a fair amount of work to be done. So some of those changes have been forced upon us, and they have cost an enormous amount of money. It is money that members have made available through the parliamentary appropriations and agreed to spend, and I think that has been entirely reasonable. At the same time the push for financial independence has strengthened. I think it is fair to say that the quantum of funds which has been expended in the last 10 or 12 years has shown a reasonably generous approach from both sides and a very different approach to that of earlier governments.

I do particularly want to acknowledge the work of the member for Malvern, who as Treasurer of Victoria was able to support and facilitate a change that effectively allowed the depreciation of money that would be set aside and under normal circumstances returned to Treasury to be retained by the Parliament and expended to maintain and ultimately expand this facility, effectively without the need for consent from the Treasurer or the Treasury and government more broadly, but of course again with parliamentary consent.

I do strongly support financial independence for this Parliament, but frankly I do not think we have the structure — a sufficiently strong structure. I do not think we have a sufficiently accountable structure to manage full independence successfully. I will certainly support full financial independence, as long as I am in a position to have any influence in the matter, but only if there is a structure that is more accountable to the public and directly accountable to the Parliament. I do not believe we have that structure at the moment.

It seems to me that unfortunately we have fallen into the trap — I have seen this again and again across the state with council after council — where an organisation reaches a certain size and they tend to forget why they exist, that they are actually there to serve a community, in this case the community of the Parliament of Victoria. The focus then becomes serving the needs of the organisation. I think that is where we have come to in this Parliament. It is no longer about serving the needs of the members of Parliament; it has become far too much about serving the needs of the organisation. More and more too many organisations have become focused on meeting their own needs, and frankly I think

at that point in many cases they have outlived their usefulness.

I will give three examples that came to mind in the last hour or so when I was thinking about what I might say this evening, although frankly there are many others. Two of the three demonstrate clearly that proposition that I have just put forward about serving the organisation rather than serving the people that they in fact exist to serve. The other shows the degree of disdain for people with whom we all as members work very closely — and frankly I find it amazing — the electorate officers.

Firstly, members of the 57th Parliament will remember the great phone debacle. We had electorate offices that were equipped with perfectly serviceable multi-line phones. They had an intercom system built into them, so you could actually communicate between offices without having to raise your voice and yell, and without people waiting in reception hearing the yelling between offices. Calls could be picked up by hitting a button and picking up the phone — a very simple, very serviceable phone system. Then out of the blue this perfectly sensible, serviceable phone system that I know is still in use in government offices today was replaced by the Cisco phones that we must, in my view, tolerate, today and, I have got to say, at a considerable cost to electorate office productivity.

Cisco is not a bad phone, and it is fine for a location like this building, where there used to be what was a private automatic branch exchange system — I am sure it has a different title now. No doubt it saves some money on calls, because it went across effectively to the voice over internet protocol system. I am sure it did that, and it has all sorts of other things, like cameras, that we do not really need, but all the bells and whistles are there if you can find them. But it did not do the basic job it needed to. It cut back on electorate office productivity quite significantly, and we are still dealing with the fallout from that decision seven years on.

Perhaps if there had been a little better communication with the electorate offices — my recollection is there was none; I stand to be corrected on that, but certainly there was not wide communication — the members might have actually been spoken to, our staff might have been spoken to and we could have said, 'Guys, this is not going to work for us. It is fine for you in this building. It is not going to work for us'. There are 128 offices still living with consequences of that poor decision, simply because there was no sensible communication.

It is a real pain in the backside, to say the least. Seven years on, it is still a pain in the backside.

The second issue I want to talk about is the example of the current enterprise bargaining process for our electorate officers. The enterprise agreement expired in September 2016. The first pay rise that was due under the new agreement should have occurred on 1 May 2017, and it is still not signed. In fact the ballot that was conducted to approve it was stuffed up by management, and it must now be conducted again.

Honourable members interjecting.

**Mr MORRIS** — It must now be conducted again. Our staff, and I am talking about all our electorate staff obviously, may or may not get an increase before the end of the financial year — potentially 13 months on from the time that that increase was due — and effectively they are going to have to start negotiating the next one, because we are going to be close to two years into this one, to try and get the next one happening. Yes, there is a sign-on bonus, but many people who were due for a pay rise on 1 May no longer work with the organisation, they have now left parliamentary employment and that money will no longer

flow to them. They missed out entirely.

Frankly I do not believe that Parliament, and DPS particularly, has more than a very limited understanding of how hard many of our electorate officers work. The view seems to be, 'Well, you finish at 5 o'clock and you go home'. It does not matter how much work has got to be done. 'You finish and you go home, and if you're not getting through the work, that doesn't matter because you're funded for two or two and a half equivalent full-time'. We know that that is not the way the world works. We know that our electorate officers — almost all of them, I am sure — work extremely hard, and I am very concerned at the way they have been treated by management. They have been very poorly treated by management. It is simply not good enough.

I did also want to note in passing that I do not use the IT gear that is supplied by Parliament. I do not use it because, even though we do get excellent support from the IT staff, and I think they do a fantastic job — as I mentioned, I think all the frontline staff I am very, very happy with, and I thank them for the support they give us — frankly the equipment that is provided is not fit for my purpose. Now, that is fine. I am happy to spend the money to provide equipment that is fit for my purpose, because I know I am perhaps pushing the boundaries more than others. But in that sense I have an alternative. I can actually go out, buy something that will do what I need it to do and make it work.

That leads me to the next subject, and that of course is the subterranean Taj Mahal out in the backyard — the \$45.5 million, quaintly named Remediation of Office Accommodation Project. I think probably the title says it all. Anyone else would just say 'the new building', but we have to have the Remediation of Office Accommodation Project. Never use two words when you can use four or five.

Frankly I think there are much better ways of spending \$45.5 million of public money than this. Apart from anything else, once we have spent \$45.5 million out the back, we still have a heritage building surrounded by car parks because that need was not taken into account. I understand there is an intention to go back to the Parliament and ask for more money to pay for car parks in the future.

Then of course it was supposed to be finalised in December, then it was March and then it was before the budget, and now this week — budget week — we have got people moving in.

But of course it is not just a matter of picking up your stuff and walking across, as anyone in private enterprise would do. The swipe cards will not be activated until we have had the induction, and you cannot get the induction until you move. It appears we are not considered quite bright enough to work out the light switches. Seriously. We are busy people, and we are being stuffed around with all this nonsense. Seriously, we are.

It appears that someone has set out to have the most cumbersome process possible. I would like to know what genius decided that it was a good thing to move us into a new building in the middle of the budget debate!

Then there is the building itself. I hope it was someone playing games, but at one point we were told we could no longer use kettles in our own offices, not just because there was a central tea point outside but because the wiring would not handle it. As I say, I hope that is false, but that is what we were told. If it is not false, heads need to roll and they need to roll now if they have not already.

I am also told today that when you go into your office, the door locks behind you and you

cannot leave the door unlocked even when you are sitting in your office. You are a busy person, someone needs to come and see you, you have got to get up from your desk, go and open the door and say, 'Please come in'. You cannot just say, 'Come in'. Hopefully that too will be fixed, but —

**Mr Angus** — Put a chock in the door.

**Mr MORRIS** — 'Put a chock in the door', the member for Forest Hill says, but apparently there is an alarm on the door, so the alarm starts to go off if you chock the door open. God help you if you just like talking to your colleagues and have your door open. Again, it has just not been thought through.

Then there is the furniture. Apparently we all have a desk with a steel pole in it to hold up the computer screen at the point that some genius decided was the right position —

**Mr Foley** — For the average person.

**Mr MORRIS** — For the average person, exactly — not for 128 not-so-average people. There are left-handers and right-handers and all sorts of different requirements. We have a toy conference table. Why, I do not know, because we are told we should not be having meetings over there; we should be having meetings in here. But we have a toy conference table.

Then of course we have the printer in the cupboard. We have the printer in the cupboard because you cannot have your printer out on the desk. It has got to be hidden away in the cupboard, so you have got to get up from your desk and walk across the room to take the paper off the printer. All of this is compulsory. All of this you must have whether you want it or not.

I have been trying to get to the bottom of this for some months, because there is a lot of finger-pointing going on. If you talk to the Presiding Officers, they say, 'Oh no, it's DPS'. If you talk to DPS or our clerks, they say, 'Oh no, no, it's the Presiding Officers'. No-one is prepared to take responsibility and argue the case.

I understand I am perhaps being a bit rude, particularly to Mr Koops at the table. I do not mean that, because I understand he is probably the meat in the sandwich. I do not wish to be too ungracious, but I am certainly very irritated that we did not get better value for our \$45.5 million.

Whoever it is — whether it is DPS or the Presiding Officers or whoever — failed to understand, as I just said in an aside to the minister, that we have 128 MPs and we have probably 128 different ways of doing things.

I understand there needs to be a standard fit-out. I am not suggesting for a minute that we should all have offices fitted out at vast expense to the community to suit individuals. I am not suggesting that for a minute. The costs would blow out even well beyond where they are, and of course that we do not know either. But we are being told we must have this equipment and that we cannot, at private expense, augment it or substitute it.

That is absolutely crazy. In my notes here I have written the 'Parliament House construction authority' because it seems that is the mentality here.

They are building something for the future so everything has got to be exactly standard. Well, sorry, guys, it is not. We are members of Parliament. We all have individual ways of

working. If the standard fit-out works, that is fine, but if the standard fit-out does not work, for God's sake get out of our way and let us do our job, because frankly this is becoming a royal pain in the backside.

You are actively preventing us from working effectively. You are actively getting in our way, and six months from the election I find that amazing, I really do.

It is an approach that demonstrates a complete lack of understanding of the needs of members of Parliament.

I checked before I got up to speak, and my understanding is that apart from the demonstration suite that was set up in the north library for a week or two there has been virtually no consultation with the House Committee. The Presiding Officers have fitted this building out to whatever design they think is appropriate, but there has been no widespread consultation at all.

Frankly, I think that if there had been any suggestion that this was going to be a 'one size fits all, you cannot set it up the way you want it' approach, I for one would have been saying, 'Do not spend a cent, because we have not got value for money here'.

This should be about improving the productivity of members of Parliament. Sure, some will like it — and I know that I am in a better office than many — but this is not going to help us get on and do our work, and that is the whole point. It is getting in the way, and it is not helping us do our work. I am sure that is not what people intended, but that is in effect what has occurred in this case.

As I said at the start and as I have said repeatedly through this contribution, I strongly support the financial independence of the Parliament — strongly. But the administrative arrangements need to be clear, they need to be transparent and they need to be focused.

The organisation needs to be focused on supporting members of Parliament, not on supporting the organisation and not on creating monuments in the backyard, and that is unfortunately the path that we appear to have gone down. The current arrangements are not delivering on behalf of the Parliament. It is as simple as that.

We need major change, and we have got to have major change before the parliamentary budget should receive any more independence. I have said on a number of occasions in this contribution that I would certainly be prepared to support very, very strongly the independence of the Parliament, but there is a lack of transparency, there is a lack of consultation and there seems to be a group of people who think, 'We are going to sit on top of the heap and give orders'. That is not the way it works.

Let me say very clearly: if you want financial independence from the government, you have got to earn it. The amount of public money that has gone into this building — and the amount of public money that has gone into that building out there — over the last 10 years, was a big step up from a very low bar.

So unless as Members of Parliament we get what we need and unless we get that cooperation, that consultation and a desire to deliver services to the Parliament rather than tell the Parliament how things are going to run, financial independence will be a pipedream for decades if not centuries to come.