

Legislative Assembly

Tuesday, 3 May 2005

THE SPEAKER (Mr F. Riebeling) took the Chair at 2.00 pm, and read prayers.

SCITECH DISCOVERY CENTRE

Statement by Premier

DR G.I. GALLOP (Victoria Park - Premier) [2.01 pm]: As Minister for Science in this government's last term I was able to provide a helping hand to Scitech Discovery Centre through initiating an important funding boost. Our investment has proved to be extremely fruitful, with the news that admissions to Scitech are the highest in its 18-year history. The funding program began in 2003 and provides \$24 million over five years to 2008. This \$24 million includes the provision of \$10.2 million for capital works projects. The first phase of the refurbishment, the new Horizon Planetarium, is celebrating its first year of operation with more than 50 000 people having passed through its doors. Indeed, in the period July 2003 to July 2004 almost 185 000 people visited Scitech, which is a 14 per cent improvement on the number for the previous year. The recent admission figures are great news to this government and an indication of the community interest, which, over the past five years, has re-emerged in the centre, which had previously experienced a plateau in attendance numbers.

I will not hide the fact that I am a great exponent of science and learning. To this end, Scitech is strongly supported by a number of this government's initiatives. As members will be aware, an undertaking of this government last term was to develop the Office of Science and Innovation. Scitech works closely with this office on the development of its science education activities and is also a member of the Premier's Science Council's science education working group. This support has also enabled Scitech to run a number of broad-reaching initiatives, including its successful science roadshow and the new science network web site, developed in coordination with the Office of Science and Innovation. Currently there are more than 2 000 subscribers to the web site's electronic journal and there have been more than 9 000 unique visitors to the site since January.

The world is changing at an amazing pace and Scitech is an important public facility that can help to demystify some of these changes through teaching the community about science and technology. Scitech provides an excellent forum for raising the awareness of science and technology in the community, and especially in our youth. I believe Scitech has become synonymous with science education in this state. A large part of its admissions are schoolchildren, and an investment in science education is an investment in the future of our children and, therefore, our state through the development of a knowledge economy.

I am encouraged by the growth and success experienced by Scitech Discovery Centre, and equally importantly, the benefits with which science education will endow this state, thereby strengthening the future for Western Australians. It is my belief that science and technology will play an important role in increasing the diversity of our future skills base. I am very happy to have passed the science portfolio into the extremely capable hands of the Minister for the Environment and look forward to continuing progress in the portfolio.

MAGISTRATES COURT

Statement by Attorney General

MR J.A. MCGINTY (Fremantle - Attorney General) [2.05 pm]: I wish to inform the house of the significant reforms to Western Australia's court system that came into effect yesterday, 2 May 2005. The reforms seek to provide a more efficient and accessible justice system and implement 220 Western Australian Law Reform Commission recommendations. The new Magistrates Court of WA is an amalgamation of the former Courts of Petty Sessions, the Local Court and the Small Claims Tribunal, bringing this state into line with New South Wales, Queensland, Victoria and South Australia, which all have unifying summary courts.

Although the activities of the District and Supreme Courts often make the headlines and occupy time in this chamber, it is the Magistrates Court that impacts on most ordinary Western Australians. The Magistrates Court is the state's busiest court. Some 100 000 new criminal cases involving 150 000 charges were registered in the past 12 months, and more than 43 000 new civil actions were lodged in that same period.

From this week the upper limit to the civil jurisdiction of the Magistrates Court has increased from \$25 000 to \$50 000. This will increase again to \$75 000 in January 2009. This rise means that many cases that would previously have started in the District Court will now be commenced in the Magistrates Court, giving people greater access to more court locations with less formality and potentially quicker and less costly resolution. For disputes involving less than \$7 500, which will increase to \$10 000 in January 2009, a minor cases procedure now provides people with a less

formal procedure for resolution of matters, generally without lawyers. This procedure is user friendly; for example, litigants can provide case statements rather than formal pleadings. Previously, only litigants with claims under \$3 000 could use an informal process, and about 70 per cent of those litigants elected instead to go to the Local Court's general division, with its more formal process. Claims under \$7 500 will generally attract a no-costs order.

This reform package introduces a new and consistent civil judgment enforcement process in the Supreme, District and Magistrates Courts. This process will be significantly improved; for example, it will now enable a judgment to be enforced through direct deductions from the wages of people who wilfully fail to pay. In the criminal jurisdiction, this reform package will improve case management, reduce late adjournments and listing delays, and simplify processes to allow greater community access and more efficient use of resources; for example, there will be more demanding disclosure requirements on both the prosecution and defence, ensuring that both parties are fully informed at the earliest possible stage. In addition, trials will be fairer, with the defence having the right to address the jury last and the court having the power to permit the prosecution to reply if the defence raises new material in that address.

This week is hugely significant in the history of our courts, and I commend to the house the new Magistrates Court and all the benefits it brings.

METROPOLITAN REGION SCHEME AMENDMENT 1080/33, PIONEER PARK

Statement by Minister for Planning and Infrastructure

MS A.J.G. MacTIERNAN (Armadale - Minister for Planning and Infrastructure) [2.08 pm]: I present to the house metropolitan region scheme amendment 1080/33, Pioneer Park, Gosnells town centre, City of Gosnells. The amendment transfers approximately 1.58 hectares of land reserved for parks and recreation adjoining the Gosnells town centre to the urban zone, and approximately 0.5 hectares of urban zoned land to the parks and recreation reservation.

The amendment will assist the City of Gosnells with a major component of the Gosnells town centre revitalisation plan, which is providing urban zoned land for the construction of a new road bordering Pioneer Park, as well as allowing for new residential and commercial development overlooking the park. The amendment will benefit the local community by greatly improving the amenity of a currently underutilised recreation and landscape feature. The amendment will assist in providing the Gosnells town centre with an attractive and usable landscape setting.

The amendment has been advertised for three months for public submissions. Nine submissions were received, all from state government agencies. All the submissions supported or had no comments or no objections to the amendment. No hearings were requested. The Environmental Protection Authority agreed with the amendment proceeding. In view of the nature of the submissions, there are no issues to be addressed and no modifications recommended. The amendment has been considered by cabinet and will now be tabled in each house of Parliament.

[See papers 381 and 382.]

METROPOLITAN REGION SCHEME AMENDMENT 1078/33, KALAMUNDA ROAD, HIGH WYCOMBE

Statement by Minister for Planning and Infrastructure

MS A.J.G. MacTIERNAN (Armadale - Minister for Planning and Infrastructure) [2.11 pm]: I present metropolitan region scheme amendment 1078/33, Kalamunda Road, High Wycombe, Shire of Kalamunda.

Summary: This amendment proposes to reserve land to widen a section of Kalamunda Road between Abernethy Road and Hawkevale Road to provide the road standard necessary for existing and future transport needs. Designs were refined to seek the absolute minimum reservation to achieve a safe and adequate road standard, while achieving the minimum possible effect on adjacent landowners.

Public Consultation: Extensive public and local government engagement was undertaken in advance of initiating this amendment. This achieved refinement of the reservation proposal in the manner most acceptable to the community. The Environmental Protection Authority has determined that no environmental impact assessment of the amendment was needed. Three months of advertising was also undertaken in accordance with the Metropolitan Region Town Planning Scheme Act. Thirteen submissions on the amendment were received. Five of these were objections. Five hearings on the amendment were conducted. Considering the potential sensitivity of the proposal, the number of objections was remarkably small. The necessity of the proposal to allow for a safe and adequate roadway standard on Kalamunda Road appears to be broadly accepted by the community.

Mr J.H.D. Day interjected.

Ms A.J.G. MacTIERNAN: I will be happy to check that for the member, if he wishes. The Western Australian Planning Commission found an opportunity to address a landowner objection by further reducing the proposed reservation, and the amendment has been modified accordingly. The amendment has been approved by cabinet and gazetted. I will now table the report on the amendment.

[See papers 383 and 384.]

QUESTIONS WITHOUT NOTICE**MASTER MEDIA CONTRACT****112. Mr M.J. BIRNEY to the Premier:**

I refer the Premier to the status report on the Western Australian government's master media contract that was last tabled in Parliament on 16 August 2000 by the former coalition government.

- (1) Despite wave after wave of blatantly political advertising by the Gallop government since being elected, why has the government not provided a status report on the Western Australian government's master media contract since about 2000-01?
- (2) Will the Premier table in this house by the end of business on Thursday a status report on the Western Australian government's master media contract for the years 2001 to 2005?

Dr G.I. GALLOP replied:

(1)-(2) I will consult with the Government Media Office on the last part of the question and respond to the member. In respect of his claim that my government is engaged in political advertising, I would point to advertisements that have been in the newspapers in recent days on behalf of the people of Western Australia in the issue against the commonwealth government. Those advertisements should be supported by all members of this house. We defend that advertising because it is most important that the people of Western Australia get the facts. That is what they need on this issue between the commonwealth government and the states. I will consult with the Government Media Office about the status report and respond to the Leader of the Opposition -

Mr M.J. Birney: When will you respond?

Dr G.I. GALLOP: As soon as I get the information available. If it is possible to table it in the house, I will do so.

FUNDING THREATS FROM FEDERAL TREASURER**113. Mr M.P. MURRAY to the Premier:**

Given that Peter Costello has given the state government until tomorrow to respond to his funding threats, what is the state government's response?

Dr G.I. GALLOP replied:

We do not recognise the deadlines that are laid down by the federal Treasurer, Mr Costello. This government does not respond to threats and bullying. We govern in the interests of the people of Western Australia. I am accountable to the people of Western Australia. That is the way I will govern this state. The government of Western Australia has honoured its side of the goods and services agreement. We have abolished eight taxes - five more than that agreement required. Western Australia does more than its fair share in this federation, but continues to receive less than its fair share when the final product is distributed throughout the country. Western Australia contributes significantly; every Western Australian subsidises the rest of the nation to the tune of about \$1 000 a year. Western Australia's booming economy is helping the federal government to balance its books and deliver the surpluses it talks about. Confirmation of the role of our economy is provided by an article in today's *The Australian Financial Review* by Mike Nahan, who certainly does not always agree with the policies of my government. However, in his article he points out the role that Western Australia and Queensland are currently playing in the Australian economy, propping up the other states and the commonwealth. Western Australia continues to be called upon to fund its essential infrastructure to fuel new projects, and receives little or no assistance from the commonwealth. I took this issue up at the last federal election, and got no support from John Howard. The new Minister for State Development took the issue up recently with Hon Ian Macfarlane, the federal Minister for Industry, Tourism and Resources, who said that Western Australia would not get a cent out of the federal government for infrastructure. We want the Leader of the Opposition and his members to support the government in its fight for Western Australia. That is what they should be doing. The other states of Australia have toll roads and poker machines, from where they get their revenues. However, the government of Western Australia will not impose poker machines on the people of Western Australia, which is good for our society. The government has an extensive tax reform program, involving \$1.5 billion in relief, in payroll tax, stamp duty on property conveyancing and land tax. Further measures to assist families were announced in the state budget. The government of Western Australia has honoured its side of the deal, and it is now up to the federal government to honour its side. We do not expect any cuts to Western Australia. We are the strength of the nation, and the commonwealth government should be supporting us, because we support all Australians with what we achieve in this state.

DESALINATION PLANT, RENEWABLE ENERGY**114. Mr P.D. OMODEI to the Minister Assisting the Minister for Water Resources:**

I refer the minister to the answer he provided last week about the powering of the desalination plant by renewable energy.

- (1) Why did the minister alter *Hansard* to change his answer from stating that the government directed the Water Corporation to use renewable energy to stating that the decision was made by the Water Corporation?
- (2) If the decision to power the desalination plant by renewable energy was made by the Water Corporation, why was it announced in the Labor Party policy in the lead-up to the election rather than by the Water Corporation itself?
- (3) Given that the Water Corporation has previously stated that it was committed to purchasing gas-powered electricity to fuel the plant, did the government officially direct the Water Corporation to switch to renewable energy; and, if so, when was this directive issued?

Mr J.C. KOBELKE replied:

- (1)-(3) The question is predicated on a misunderstanding and an intention to imply things that are not there, in suggesting that somehow I was answering a different question. The minor changes I made to *Hansard* did not go to that extent at all; they were simply made to reflect more accurately what I said. The member will find that there is nothing sinister whatsoever in that. The issue was that those announcements were of decisions made by the government in consultation with the Water Corporation. There was no formal direction to the Water Corporation. What the government was trying to do in providing secure water for the people of Western Australia fitted very much with the agenda of the Water Corporation, which also wanted to ensure that secure sources of water were available in the south west of Western Australia. In that case there was a meeting of minds between the view of the government and the view of the Water Corporation, and therefore there was no difficulty. For the member to suggest that somehow there was something sinister only shows the way his petty mind works, and not the facts of the matter.

DESALINATION PLANT, RENEWABLE ENERGY

115. Mr P.D. OMODEI to the Minister Assisting the Minister for Water Resources:

I have a supplementary question. What will be the additional cost to the Water Corporation and consumers as a result of the government's insistence that renewable energy be purchased for the plant?

Mr J.C. KOBELKE replied:

I will be very happy to answer that question when we have concluded a supply contract for the energy the desalination plant will run on. As I indicated in the answer to the question last week, that is a matter that is still being negotiated; clearly, I cannot give any figures until that is the case.

MINING INDUSTRY, SKILLS SHORTAGE

116. Mrs C.A. MARTIN to the Minister for State Development:

Can the minister outline what is being done at a state level to address the skills shortage in the mining industry?

Mr A.J. CARPENTER replied:

I thank the member for Kimberley for the question. We were talking about this issue several years ago, and everybody now understands there are skill shortages across the Western Australian economy. Something had to be done about it and something is being done about it, particularly in the mining and resource development area. The state government has a range of initiatives in place to try to ensure that we build up our skills base. We need to recruit more people into the traditional skills areas and apprenticeships and encourage them to move into the mining and resource areas that are appropriate to their skills.

At training and school levels the government has introduced the School Apprenticeship Link Program, and I thank the member for Peel for his initiative there. It is one of the most far-sighted initiatives the government has been able to take. A group of young people are now building up the skills base by locking themselves into apprenticeship programs. The government developed the "Skill Up for the Burrup" campaign - again another program delivered to government very much by the member for Peel - to build up our skills base and to prepare ourselves for the coming growth in demand. In partnership with the Australian Petroleum Producers and Exploration Association, we have initiated programs in schools to encourage teachers, parents and students to consider careers in the resource industry. Likewise, we have set up a range of programs with the Chamber of Minerals and Energy to get people to go into the mining industry. Also, we have established the skills migration unit and the skills task force to establish the exact areas and shortages and to help recruit people from overseas in the short term to try to fill the current vacancies. We are developing a fast-track system for already skilled but not fully accredited workers in the metals industry and for that, in combination with the School Apprenticeship Link Program, we are contributing something like \$4.2 million to get people to move into those areas.

I will contrast that with the attitude of the commonwealth government. There has been a lot of discussion in recent times about the commonwealth and its attitude towards us and our tax base, as well as its accusation of us double dipping, double taxing and so on. Last week, almost unnoticed it seems in Western Australia, it was revealed that the skills fund that we have put in place and revitalised for the Building and Construction Industry Training Fund, through

which we contribute \$6.6 million to build up skills in the building industry, is being taxed by the commonwealth government. Thirty per cent of that money goes to the commonwealth government. It is actually taxing our initiative to encourage employers to offer apprenticeships. The commonwealth government provides assistance to employers and then taxes that. The commonwealth provides assistance to employers, allegedly to take on apprentices, and then it takes that money back.

The Western Australian government is working extremely diligently with the stakeholders in the mining and resource industries to address the skills shortage issue over a range of areas, such as bringing new people on, upskilling existing workers and recruiting workers from overseas, where that is necessary. We are being hampered, not supported, in that effort by the commonwealth government. I would like to see the other side of politics, particularly from the Leader of the Opposition, who represents Kalgoorlie, support us on this issue by taking it up with the commonwealth. Why is the commonwealth taxing our initiatives to encourage more people into the resource industry? I would like to see some response from the member on that issue.

GERALDTON GENERAL PURPOSE POLICE DOG SERVICE

117. Mr G.A. WOODHAMS to the Minister for Police and Emergency Services:

I refer to the minister's pre-election policy announcement to establish a general purpose police dog service for Geraldton as a community safety initiative and to support front-line police in the region.

- (1) Precisely when will the canine squad be operational and where in the city will it be located?
- (2) How many officers and how many dogs will be deployed to the Geraldton canine squad?

Mrs M.H. ROBERTS replied:

(1)-(2) I thank the member for that question. As members would be aware, this matter has been raised on many previous occasions by the member for Geraldton. In fact, the member for Geraldton has been at the forefront of this initiative for some time. During the election campaign, with his terrier-like attitude, he was successful in getting a commitment from the Gallop Labor government for the establishment of a canine section in Geraldton. As part of that initiative, we also committed to establishing canine sections in Kalgoorlie, Albany and Bunbury. Bunbury has had one dog on its establishment in the past and we will be increasing that to two. In each of the other centres, it is proposed to locate two dogs. However, that initiative was launched in Geraldton, and Geraldton will receive two dogs. I understand that they will be located at the Geraldton Police Station complex. Further, this will form part of the coming budgetary process. Our election commitments and promises for those canine centres will be delivered during that budgetary process and the money will be provided over the next four years. As far as I am concerned, Geraldton is a priority and I have made that clear to the Police Service. An announcement about the exact allocation of funds and when the dogs will come on line will be made as part of the budgetary process. I look forward to informing the members for Geraldton and Greenough about that matter during the estimates debate.

GENERAL PURPOSE POLICE DOG SERVICE, GERALDTON

118. Mr G.A. WOODHAMS to the Minister for Police and Emergency Services:

I have a supplementary question. Can the minister inform the house when that will happen? I do not have a date.

Mrs M.H. ROBERTS replied:

I understand the budget will be brought down on 26 May and the estimates will be considered soon after that.

ANTI-HOON LEGISLATION, RESULTS

119. Ms J.A. RADISICH to the Minister for Police and Emergency Services:

This question is close to my heart and the heart of people in my electorate. Will the minister inform the house about the results of the innovative anti-hoon legislation introduced by the Gallop government in 2004?

Mrs M.H. ROBERTS replied:

The Police Service has been working very successfully to target hoons and those people involved in hoon-style behaviour in our suburbs and in the regions. Since the legislation came into effect on 4 September last year, members of the Police Service have confiscated some 256 vehicles, evenly split between metropolitan and country areas. I am pleased that police in regional Western Australia have taken at least as strong a focus towards cracking down on the hoons and the hooning behaviour as has been the case in the metropolitan area, with 50 per cent of the offences occurring in the metropolitan area and 50 per cent of the cars being impounded in regional Western Australia. The police have also been very positive in the way they have targeted this group of people who are a menace on our streets and in our suburbs in metropolitan and regional Western Australia because of their hooning behaviour, which endangers other people's lives. We are also targeting a group of road users who feature too often in road crashes and road trauma. People under the age of 25 account for about one-third of our road fatalities; they are vastly over-represented. Nearly 80 per cent of the 256 vehicles that have been impounded were being driven by individuals under the age of 25 years.

We are certainly targeting young people, and young men in particular. A 47-year-old male has also been apprehended, and I think a 15 or 16-year-old girl, but there were nine women only among the 256. That shows a clear demographic of the people who are offending with hooning behaviour.

I also understand that on 6PR this morning the member for Hillarys said how much better it would be if members of the public could provide sworn statements that were admissible for impounding someone's car. It was somewhat hypocritical for him to say how good that would be and how the Liberal Party supported it, because the only reason for that not being in place here and now, and the only reason more than double the number of cars have not been impounded since September last year, is the amendments moved by the Liberal Party in the upper house by Hon Peter Foss and Hon Derrick Tomlinson! It was the Liberal Party that removed the provisions from the legislation in the upper house that would have allowed evidence from members of the public to count. I also point out that when cars are impounded from young people, many of them also lose their driver's licence. When they are charged with hooning behaviour they are often charged with speeding, or reckless or dangerous driving offences. The drivers often lose their licences for three or six months at the same time. The cars are impounded for 48 hours in the first instance; up to three months in the second instance; and, in the third instance, vehicles can be forfeited. I am pleased to say that, as an indicator of this legislation working, only one person has been caught for a second offence. Hopefully, people are getting the short, sharp message.

MINISTER FOR HOUSING AND WORKS, COMMENTS IN PARLIAMENT

120. Mr D.F. BARRON-SULLIVAN to the Premier:

I refer the Premier to the denigrating and offensive remarks made by the Minister for Housing and Works in this house last Thursday. They were made in front of the public gallery, which was packed with schoolchildren.

Several members interjected.

The SPEAKER: Order, members!

Mr D.F. BARRON-SULLIVAN: Further to my correspondence to the Premier, what disciplinary action has been instigated or taken against the minister for his offensive and inappropriate remarks?

Dr G.I. GALLOP replied:

I have not initiated any disciplinary action against my parliamentary colleague. I wonder why the member did not take action in this Parliament. If any member objects to words used in a debate, the matter can be taken up under standing orders and the Speaker will make a ruling. There are two issues here. One is the continuing hypocrisy of the member on this matter. He did not do anything about this matter in the Parliament when he could have. Secondly, is this the member's attempt to create a diversion from the massive divisions and problems that exist in the Liberal Party? The member is always up to tricks. I will not take any action against the minister on this issue. If any member of this Parliament objects to comments made in the Parliament, he should refer to standing order 98, which outlines the procedure that should be followed.

MINISTER FOR HOUSING AND WORKS, COMMENTS IN PARLIAMENT

121. Mr D.F. BARRON-SULLIVAN to the Premier:

I have a supplementary question. When will the Premier finally have the strength of character to discipline one of his ministers when he steps over the line?

Dr G.I. GALLOP replied:

The member is pathetic.

RAIL FUNDING FROM FEDERAL GOVERNMENT

122. Mr D.A. TEMPLEMAN to the Minister for Planning and Infrastructure:

Will the minister please advise whether the federal government is providing its fair share of rail funding to Western Australia?

Ms A.J.G. MacTIERNAN replied:

I thank the member for his question and his profound interest in rail. We thought that members opposite had gone to sleep. As soon as we start talking about rail, they all get excited and whipped up! The government will have a rail question every week because it is the only way we can raise members opposite out of their slumber.

The Gallop government has made an investment of \$10 billion in infrastructure over the past four years. It has committed a further \$8 billion over the next three years. The strategic investment is being made to ensure that Western Australia remains the powerhouse of the nation. When it comes to transport funding, Western Australia continues to be short-changed by the federal government. Particularly of late, we have heard a lot of pontification by the federal government about transport infrastructure bottlenecks. All we hear is pontification and rhetoric. We get very little practical help. Despite our contribution to the national economy, most members will be shocked to hear -

Ms S.E. Walker interjected.

Ms A.J.G. MacTIERNAN: Mr Speaker, I know that you want me to get on with answering the question, but I crave your protection from the member for Nedlands.

The SPEAKER: It is very difficult when the minister stands and criticises opposition members for not being vocal during question time and then objects to them becoming vocal.

Ms A.J.G. MacTIERNAN: Point taken. Mr Speaker, the federal government has a long-awaited rail infrastructure program of \$1.8 billion, of which \$1.6 billion will be spent in New South Wales, Victoria and Queensland. The total share that Western Australia will get from that program is \$14 million; that is 0.8 per cent - not even one per cent of the total pie. The government calls on all members of this house to help us petition the federal government to give us a fair go. We have made an application for an upgrade of the east-west standard gauge line, which has been one of the great success stories of rail in this country. In fact, 80 per cent of the freight travelling east-west goes on that rail line. However, we need \$45 million to re-sleeper the line with concrete sleepers and to construct additional crossing loops so that additional slots can be scheduled for the freight trains. We are seeking a contribution from the federal government of about \$30 million. Even if we got \$30 million, we would have a total of 2.5 per cent of the national pie. I reckon that that is not good enough, but at least it is a start. We therefore call on all members of this house, particularly National Party members, to get out there and support us. We know our big problem is that the National Party has created a fiefdom of the transport portfolio at a federal level. It cannot deliver in this instance because there are no federal party members -

Several members interjected.

The SPEAKER: Order, members!

Ms A.J.G. MacTIERNAN: The National Party's favourite dish, as we all know, is pork barrel topped with a little bit of gravy train. We ask all members of this house to support us by telling the federal government that it is about time we got a better share of the rail infrastructure money available across the country.

NEW METRORAIL PROJECT, COST INCREASE

123. Mr J.H.D. DAY to the Minister for Planning and Infrastructure:

I refer the minister to her recently announced cost blow-out that has lifted the estimated total cost of the Perth to Mandurah rail project to \$1.563 billion.

- (1) How many working days have been lost due to industrial disputation on the New MetroRail project?
- (2) What part of the \$45.2 million blow-out in this project is attributed to industrial disputation?
- (3) When will the minister provide a full breakdown of the \$45.2 million cost blow-out, as she promised in this chamber last Thursday?

Ms A.J.G. MacTIERNAN replied:

I thank the member for some notice of this question.

- (1) The days lost to industrial disputes on the southern suburbs rail are: package A, 3.5; package E, 22; and package F, 28. It should be noted that because of the timing of works, the number of days lost due to industrial disputation may have occurred concurrently and therefore do not represent a net total time lost for the whole southern suburbs rail and, in some instances, may have been made up by additional shifts.
- (2) None. Although we announced a budget increase at the same time as the revised timetable, the two issues are unrelated.
- (3) As we explained last week, we are adding \$45.193 million to the contingency following the review of the contingencies as part of the budget process. The area in which costs most exceeded expected expenditure was the stations. The original estimated cost of the southern suburbs railway stations and the Victoria Park station was \$117 million. The cost to complete them is now forecast at \$143 million, meaning the stations overall will cost \$26 million more than originally budgeted. Compared with the original package budget contained in the New MetroRail budget of \$1.518 billion, the principal increased costs that have eroded the original contingencies are: firstly, the stations - which I have mentioned; secondly, the rise and fall, which is an extra \$6.237 million; thirdly, earth and bonding, which is the electrical insulation and which will cost an additional \$5 million; and, fourthly, environmental management, which will cost an additional \$907 000.

Prior to the increase of the project budget that was announced last week, the overall contingency allowance on the project had been reduced to \$26.446 million. Following the additional sum allowed, contingencies will be allocated to the following aspects of the project: rolling stock, \$2 million; the northern suburbs extension, \$2 million; Perth to Thornlie aspect, \$4.358 million; and Perth to Mandurah aspect, \$65.081 million. Therefore, the total allocation for contingencies is now \$71.639 million. That comprises the \$26.446 million plus the additional \$45 million the government allocated last week.

STATE CANCER CENTRE, SIR CHARLES GAIRDNER HOSPITAL

124. Ms M.M. QUIRK to the Minister for Health:

Currently, 52 000 Western Australians are living with cancer. Will the minister please inform the house on the progress of the state cancer centre that is planned for the Sir Charles Gairdner Hospital?

Mr J.A. McGINTY replied:

I thank the member for Girrawheen for the question.

Work on the new cancer centre at the Sir Charles Gairdner Hospital is scheduled to begin in the next few weeks and stage 1 is expected to be completed by the end of February 2006.

Several members interjected.

The SPEAKER: Have the members for Girrawheen and Nedlands finished their private conversation?

Mr J.A. McGINTY: The construction of the cancer centre was fully endorsed by the Reid report and constitutes a very important part of the government's blueprint for the future of Western Australia's health services. Stage 1 will cost \$12.3 million and will bring to Western Australia urgently needed additional treatment facilities for those patients who need radiation therapy. Currently, some patients with non-urgent cases are waiting for up to six months from the time of their operation to their treatment with radiation therapy to deal with the cancer. The allocation of \$12.3 million will pay for the centre's construction costs and for two additional linear accelerators. This will double the radiation therapy capacity at Sir Charles Gairdner Hospital.

The creation of three "bunkers" during stage 1 of the facility will house three linear accelerators in total. These machines administer radiation therapy treatment for cancer patients and will be used to treat most types of cancer. Radiation therapy allows intensively focused treatment to target tumours while avoiding normal tissues. About 50 per cent of all cancer is treated by radiation therapy. Around 1 780 patients a year make a total of 34 087 treatment visits. Some 95 per cent of these visits are conducted as outpatient visits, which allows people to carry on their normal everyday activities. Some 610 additional patients a year will be treated once the new centre opens. Currently almost 500 people are on the waitlist for radiation therapy. The current long wait for treatment experienced by patients will be eliminated when the new machines are operational. Staff at Sir Charles Gairdner Hospital are currently working extended hours and are looking for other ways to meet the pressures of demand while we wait for the new facilities to come on stream.

Stage 2 of the project will integrate services for cancer patients and, when completed, will house the State Director of Cancer Services for Western Australia, who will lead the coordination of state cancer network services. The facility will provide one-stop care for patients who are having treatment for cancer. Medical oncologists, haematologists and radiation oncologists will treat patients in a multidisciplinary environment.

The government will also establish a cancer centre at the Fiona Stanley hospital to provide an equivalent service to patients in Perth's southern suburbs. The Western Australian Cancer Services Taskforce, a body of clinical experts in cancer care, is chaired by Professor Christobel Saunders and is developing a state cancer services framework to improve cancer treatment services across the state.

ROE HIGHWAY, STAGE 8

125. Mr T.R. SPRIGG to the Minister for Planning and Infrastructure:

I refer the minister to repeated requests I have received, including requests from dyed-in-the-wool Labor supporters and the Transport Workers' Union of Australia, for the construction of stage 8 of Roe Highway - that is, the section west of Kwinana Freeway - to commence as soon as possible. Will the minister review her government's decision to delete or defer the construction of stage 8 of Roe Highway?

Ms A.J.G. MacTIERNAN replied:

I find it very extraordinary that the member would come into this chamber and seek to have the government break a firm and clear election promise it made to the community of the southern suburbs. We could not have made it clearer that we had no intention of building stage 8 of Roe Highway. We explained that, in any event, given that the Fremantle eastern bypass would not be constructed - it was deleted from the metropolitan region scheme - the construction of Roe Highway stage 8 simply did not make sense. We also pointed out that it was highly unlikely that we would get environmental approval through either the Environmental Protection Authority or The Department of the Environment and Heritage to construct that road. Therefore, rather than flap around with projects that are not going anywhere, this government is very much focused on projects that it can deliver. I make the point that the previous government promised to construct the Fremantle eastern bypass, but all it did was put it back in the metropolitan region scheme. It had eight years in which to build it, but it never built it, which is an indication that it was not serious. When this government says it will build a road, it builds it.

ROE HIGHWAY, STAGE 8

126. Mr T.R. SPRIGG to the Minister for Planning and Infrastructure:

I ask a supplementary question. Is the minister aware that the member for Riverton suggested that I ask the previous question?

Ms A.J.G. MacTIERNAN replied:

I would suggest that the member has had one football too many kicked to the head.

The SPEAKER: That is not a supplementary question.

VOCATIONAL EDUCATION AND TRAINING, FEDERAL FUNDING

127. Dr J.M. WOOLLARD to the minister representing the Minister for Education and Training:

- (1) In December 2003, why did the state government reject an offer from the Australian government of \$325 million over three years for vocational education and training - including \$21.8 million above the 2003 funding levels - which, according to the federal Minister for Education, Science and Training, resulted in the loss of an additional 7 141 training places being created in Western Australia over three years?
- (2) What is the state government doing to establish higher education contribution scheme arrangements, similar to those provided for university students, for TAFE students who currently have no option but to pay TAFE course and tuition fees up-front?

Mr A.J. CARPENTER replied:

I thank the member for some notice of the question. I received notice last week and was ready with an answer, but the member for Alfred Cove did not get the nod. I will use my memory to answer the question. First of all, I am delighted to have been asked the question. I seem to get more questions about education and training now than I did during the four years that I was minister, which is befuddling.

- (1) As I recall, in relation to the assertion from the federal minister, please, please, please - I say this from experience - do not take anything that the federal minister says at face value. He is a very nice and amiable fellow; however, members should not accept anything he says about commonwealth contributions to the states and what the states are not doing because, invariably, they will not be given the complete picture. In December 2003, I was the Minister for Education and Training. What the commonwealth did then - as I understand it, it is still trying to do so now - was to impose conditions on states for accepting funding for training. The situation related to the building industry, as I recall. The commonwealth wanted all the states, as I recall it, to place all workers on building projects on Australian workplace agreements, or something along those lines. That was totally unacceptable to the states. In fact, for that very reason, Victoria had earlier refused to accept something like \$90 million of commonwealth contributions for the redevelopment of the Melbourne Cricket Ground. Ideological impositions were put on funding for training because of issues that the commonwealth government wanted to take up in the building industry - they had nothing to do with training. The second point is that there was no growth funding in the commonwealth's offer. As I recall it, we would have been worse off under that offer than if we rolled the funding over. That is what happened - the funding model was rolled over. All states universally said that, first, they would not accept those conditions and, second, they would not accept a funding package for the next three to four years that allowed for no growth in training.
- (2) The second question asked why the state government had not established a higher education contribution scheme for TAFE. HECS is administered by and run through the Australian Taxation Office. The state government does not have the capacity to unilaterally put in place a higher education contribution scheme, no matter what people think of the desirability of doing so. That cannot be done.

INFANT SWIMMING LESSONS, FREMANTLE KALEEYA HOSPITAL*Petition*

DR J.M. WOOLLARD (Alfred Cove) [2.50 pm]: I present the following petition on the proposed cessation of infant swimming lessons at Fremantle Kaleeya Hospital -

To the Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

WE, the undersigned, all being residents of Western Australia, are opposed to the proposal by the Minister for Health that the infant swimming lessons offered by Oceanic Waterbabies should cease to operate at the hydrotherapy pool at Kaleeya Hospital from 1 July 2005.

The pool is used by more than 250 families who bring their children to these important swimming and water safety classes that are held each afternoon, Monday to Friday.

As drowning remains the major cause of preventable death in children under five years of age, it is vital that these classes continue to provide parents with the essential education and guidance to ensure that young children develop the necessary water safety and survival skills.

We ask that the Assembly request that the Minister for Health reverse his decision so that these important child swimming lessons can continue to be provided by Oceanic Waterbabies at Kaleeya Hospital's hydrotherapy pool.

The petition bears 672 signatures and I certify that it conforms to the standing orders of the Legislative Assembly.

[See petition 16.]

TELSTRA RALLY AUSTRALIA

Petition

MR P.D. OMODEI (Warren-Blackwood - Deputy Leader of the Opposition) [2.51 pm]: I present the following petition on the cessation of Telstra Rally Australia -

To the Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, say that we are devastated by the decision of the State Labor Government to cease having the Telstra Rally Australia event in Western Australia.

The impact of this decision will seriously affect business and in particular tourism in the Western Australia. Further our International exposure to Motor Sports enthusiast will also severely damaged.

The reasons given by the Labor Government for this decision beggar belief and the rational for the decision are seriously questioned.

Now we ask the Legislative Assembly advise the Premier of our serious concerns and request that the Government reverse their decision and re-instate the Telstra Rally Australia event on a permanent basis.

Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners as in duty bound.

The petition bears 74 signatures and I certify that it conforms to the standing orders of the Legislative Assembly.

[See petition 17.]

FINANCIAL ADMINISTRATION LEGISLATION AMENDMENT BILL 2005

Consideration in Detail

Clause 1 put and passed.

Clause 2: Commencement -

Mr D.F. BARRON-SULLIVAN: This clause obviously needs to be read in conjunction with clause 31, which, of course, is the clause that repeals section 14 of the Government Financial Responsibility Act. That section essentially relates to the current government financial results report that we have talked about previously. Clause 2(3) states -

A day for the coming into operation of section 31 is not to be fixed under subsection (1) until the prescribed period referred to in section 14A(1) of the *Government Financial Responsibility Act 2000* is 90 days or less.

Perhaps I should first of all ask the Treasurer to explain how this operates, because clearly this is the mechanism that the Treasurer will argue provides for the new annual report on state finances to ultimately and eventually be released within 90 days. Before I go into it in detail, will the Treasurer confirm that that is the case?

Mr E.S. RIPPER: As previously explained, the government financial results report, which is currently required to be tabled within 90 days or fewer of the end of the financial year, will remain in production until the timing for the audited annual report on state finances is brought back to within the 90-day period. For the interim period, there will be two reports, and when the audited annual report on state finances can be produced within 90 days, it will at that stage replace the government financial results report.

Mr D.F. BARRON-SULLIVAN: Let us work through this.

Mr E.S. Ripper: That is just what will happen. There is no need to work through it. That is the scheme.

Mr D.F. BARRON-SULLIVAN: The point I am trying to make - I have made it to the Treasurer before - is that we do not take anything at face value. If it is not in the legislation, there is no guarantee that it will happen. That is the way things operate. If something is not set out -

Mr E.S. Ripper: You can hold us accountable.

Mr D.F. BARRON-SULLIVAN: That is exactly what we are doing.

Mr E.S. Ripper: If statements that I have made in this place about the way in which this will operate are not borne out by the way in which it does operate, you can ask questions and make comments.

Mr D.F. BARRON-SULLIVAN: That is my point entirely. As I have said before, the Treasurer will not answer the questions; he will ignore us. That is the whole point. The intention of this legislation, supposedly, is to improve the degree of financial accountability in this state. What the Treasurer is saying right now proves our point entirely. We must trust the Treasurer. Right now I can look at this document, and I know by law when the document will be produced. The Treasurer is saying we should trust him; he guarantees that we will get the annual report within 150 days. That is all the Treasurer can guarantee under this legislation. The only other criterion is the prescribed period. However, we do not know yet what the prescribed period will be. Have the regulations for this legislation been drafted yet; and, if so, will the Treasurer provide a copy of them? The Treasurer will not answer that question. Is the Treasurer willing to answer any of my questions about this bill?

Mr T.R. BUSWELL: I support the comments made by the member for Leschenault. As we highlighted last week during the second reading debate, a number of significant issues are associated with this bill. Those issues relate to accountability. I have no doubt that the advisers provide information to the Treasurer in a purely professional manner. However, as we have said, and as we will say time and again as we move through this bill, what concerns us is the tools that this bill will give the Treasurer and the government to hide their financial performance from proper scrutiny by the people of Western Australia. Last week we talked about the proposed amendments to section 14 of the Government Financial Responsibility Act. I will not dig out the debate in *Hansard*, but the Treasurer said we would get onto that matter when we get to consideration in detail. Lo and behold, we are now in consideration in detail, and the Treasurer is not willing to answer any of our questions. The fundamental component of any financial reporting regime is the timeliness with which the Treasurer and the government deliver the financial reports to those people who just happen to be - funnily enough - interested in the financial management of the state of Western Australia. We are concerned about the fact that the only legislative safeguard that the Treasurer is prepared to give us is the one that is set out in proposed new section 14A(2), which defines "prescribed period" as -

- (a) 150 days after the end of the financial year;
- or
- (b) the period after the end of the financial year prescribed by the regulations, whichever is the shorter period.

The Treasurer was just asked a direct question about whether the regulations have been prepared, and what sort of guarantee they will give us. However, he chose not to answer that question. The Treasurer made the classic statement that we can hold the government accountable. That is what we are trying to do now - although perhaps slightly earlier in the process than 150 days after the end of the financial year. I am trying to work out long that is.

Dr G.G. Jacobs: Five months.

Mr T.R. BUSWELL: The member for Roe is excellent with these matters. Five months after the end of the financial year, the Treasurer can come into this chamber and provide the finance statements. In fact, the Treasurer does not even need to provide the financial reports after five months, as we will talk about later. We are concerned about accountability. I am sure the member for Leschenault and I will stand many times to request answers from the Treasurer on accountability. We are holding the Treasurer accountable now for the legislation that he brings into this house. We expect the Treasurer to have at least a basic understanding of what he is asking his parliamentary colleagues to vote on. It is only a basic understanding. The Treasurer has three people sitting at the table to help him with the detail. We will sit back and see how he goes.

Mr D.F. BARRON-SULLIVAN: We have not been given an answer to the question. Have the regulations to this legislation been prepared yet?

Mr E.S. Ripper: When you have finished your comments on this clause, I will provide the answer.

Mr D.F. BARRON-SULLIVAN: That would be nice. I had to jump to my feet last time because the question was about to be put.

Mr E.S. RIPPER: It is proposed in this measure that the time for the production of the annual report on state finances be prescribed by regulation, and, of course, regulations are disallowable by either house of Parliament. The regulations are not yet drafted, but the government has outlined the proposition to the house; that is, the prescribed period will change over a three-year period so that, eventually, the prescribed period will be 90 days. At that stage, the audited annual report of state finances will be available within a 90-day period. That is a significant advance on the present system, in which we have two reports - an unaudited report available within 90 days, and the audited report that has no deadline whatsoever on its production. I note with some concern - I am sure members of Parliament share my concern - that the timeliness of our reporting on the outcome of state finances for a financial year on an audited basis is now behind the situation found in other states. I would like an improvement in that regard, and an improvement is proposed in this legislation. A prescribed period for the audited report will be set by regulations. That prescribed period, as

announced to Parliament, will be reduced to 90 days over three years. The opposition asks how it can know that we will do this, and says that we are asking it to take us on trust. I say two things to the Opposition. First, the legislation provides sufficient safeguards. I illustrate that point by stating that the very clause under debate provides that unaudited reports will continue to be available: the clause that abolishes the unaudited report deadline will not come into effect until the prescribed period for the audited report becomes 90 days. Therefore, the very clause before us provides the safeguard that members opposite need. Second, I have outlined to the house how this proposition is expected to work. That provides members opposite with an opportunity in future years - this is beyond the safeguards in the legislation - to ask me questions, make statements, issue press releases and do all the other things members of Parliament can do if government statements of policy to the house are not borne out by the way events unfold. I accused the opposition, perhaps unwisely, of being paranoid about this matter. The government is improving its financial reporting and the timeliness of its financial reporting, and it is doing so on a phased and sensible basis. A magic wand cannot be waved over the entire public sector to require within a period of a year that every agency bring forward significantly the timeliness of its reporting. It must be done on a phased basis. That is why the scheme has been proposed in this manner. The principles are in the legislation; the precise details will be in the regulations. The regulations are disallowable by Parliament. Members will always have the opportunity to say that they do not like the regulations and that they should be thrown out. We do not have a majority in the upper house of Parliament, so the government cannot on its own require that the regulations remain in law. We cannot, member for Vasse - we need the support of people in other parties.

Mr T.R. Buswell: I was more reflecting on your lack of majority in the upper house that you're well on the way to fixing.

Mr E.S. RIPPER: That is another debate.

Mr T.R. Buswell: True.

Mr E.S. RIPPER: I doubt that will be the outcome. The real safeguard in this bill, for a completely untrusting opposition - it is entitled to be untrusting if it wants - is that the clause that abolishes the present report, unaudited and produced within 90 days, does not come into operation until its substitute report - the audited report - which is required to be produced within the 90 days.

Mr D.F. BARRON-SULLIVAN: Section 14 of the Government Financial Responsibility Act provides for the government financial results report to be prepared in accordance with external reporting standards. As the Treasurer just pointed out, section 14 of the Government Financial Responsibility Act will not be repealed until this prescribed period takes effect - a period that the Treasurer will not include in legislation, but on which he expects us to trust him. One day, hopefully in three years when that period is 90 days, section 14 of the of the GFRA will disappear because it will be repealed.

Will the Treasurer advise whether the definition of external reporting standards, which applies to the government financial results report, will be in accordance with the GFRA, or this bill? I assume it will be in accordance with this bill, which amends that particular definition.

Mr E.S. RIPPER: This refers to an issue that I intended to debate later. Reference was made during the second reading debate to the proposal in this legislation to amend the definition of "external reporting standards". That proposal was based on a view that, in due course, accounting bodies will produce an amalgamation of Australian accounting standards for government and the government finance statistics. Governments will then report under a single scheme. We could not have the GFS and accounting standards as the basis for reporting if, for example, GFS disappears as a basis for government reporting and is subsumed into Australian accounting standards.

It is important to note that the GFS and Australian accounting standards are two different bases for preparing reports. At present, there are effectively two reports: one on a GFS basis unaudited, and one on Australian accounting standards basis audited. It is proposed that the report on state finances be a report that contains, if we like, two subreports prepared according to the two different bases - GFS and the Australian accounting standards. The Australian accounting standards section of the report will be audited because to be audited something needs to be prepared in accordance with the Australian accounting standards.

The government's approach was to replace the word "and" with the word "or" to prepare for the day when, rather than there being two alternatives, both of which we would use, there would be one single set of accounting standards.

However, we do not need to deal with that issue right now. This legislation will institute some immediate reforms prior to a full-scale rewrite of the Financial Administration and Audit Act. If I can achieve the required legislative priority in consultation with my colleagues, I propose to bring to this house a full rewrite of the Financial Administration and Audit Act later this year, or perhaps in the first session next year. During that full rewrite, we can assess whether practical progress has been made towards the amalgamation of these accounting schemes.

Given the concern raised by the opposition that the government might be engaged in presentation shopping by inserting the word "or" instead of the word "and", and given that the government never intended that that would be the case and that it was simply preparing for the possible amalgamation of the standards, I propose to set the opposition's mind at

rest by not proceeding with the replacement of the word “and” with the word “or” in the relevant clause. I think that will probably set the member for Leschenault’s mind at ease. I have discussed this with the Department of Treasury and Finance to determine whether this matter needs to be dealt with now. I am advised by the department that it does not need to be dealt with now. Given that there will be a prospective rewrite of the Financial Administration and Audit Act, we will probably still be in time for the accounting authority’s consideration of an amalgamation of the two. I have a memorandum from the Acting Under Treasurer on this issue, and given that we will be debating this issue a little later, I will table the memorandum so that members can read the advice.

[See paper 385.]

Mr D.F. BARRON-SULLIVAN: What that political speak means is that, yes, the opposition was right; the government made a mistake on this legislation. I am holding a page of notes from the second reading debate. The Treasurer hoed into us the other day; he would not admit that he was wrong. He would not admit the significance of changing one little word in a piece of legislation. He said that the government would not be presentation shopping and so on. He had to read a memo from his adviser. The point we were making was very simple. I am glad that the Treasurer has admitted that he is wrong and that this can be changed. It is just a shame that that cannot be the case with other parts of the bill as well.

Mr E.S. Ripper: I do not know; the power of your argument and rhetoric and the charm of your personality might lead to more changes.

Mr D.F. BARRON-SULLIVAN: The charm of my personality might do it, but I know that logic will not do it for the Treasurer.

The question I asked was a very simple one and the Treasurer still has not answered it. If I ask the question again, I have a one in 100 chance that I might get an answer. The way in which this legislation will operate is that until there is a requirement by regulation for the new annual report to be produced within 90 days, section 14 of the Government Financial Responsibility Act will apply. That obviously relates to the government financial results report, which must be prepared in accordance with external reporting standards. . Although I understand what the Treasurer will say later about not changing the word “and” to the word “or”, I would like to know that the definition of “external reporting standards” in the GFRA will now relate to whatever comes out of this bill.

Mr E.S. RIPPER: The answer is yes. What the government is doing by stating that we will not seek to replace the word “and” with the word “or” in the definition of external accounting standards is simply confirming the way in which we have always intended to operate. The government had a perfectly reasonable rationale for proceeding in the way it initially intended to proceed. However, it is not an issue that needs to be dealt with now. We do not want to give rise to fears that the government might be presentation shopping or that it is not being open and accountable because we do not have that intention; we have the intention of being open and accountable and improving the way in which our financial accounting works. The opposition may have to confront this issue again, because when we deal with the Financial Administration and Audit Act rewrite, we might have made more progress on amalgamating the government finance statistics and Australian accounting standards. It would be untenable for us to have a piece of legislation that required us to report on the basis of an accounting paradigm that had been abolished. I do not think the member would see that as a tenable way of approaching the issue. The Parliament will have to assess carefully the evolution of these accounting standards issues to make sure that our legislation is flexible enough to deal with the range of possible outcomes. It may be that the way to do it is not to replace “and” with “or” but to have some other phrase that provides for flexibility or allows the matter to be altered by regulation should accounting standards move in the way that they probably ultimately will. In any case, it is a matter for subsequent debate.

Mr D.F. Barron-Sullivan: Would you be prepared to tighten this bill to provide a legislative requirement for that 90-day provision to be in place within three years?

Mr E.S. RIPPER: I can see that there is an arguable case for that. My view, though, is that cooperation of agencies right across the government is required. The Treasurer does not have direct control of all the necessary accounting operations to be undertaken to get to this result; in other words, an accounting shemuzzle in some far-off province of government under the control of an entirely different minister might affect the ability of the Department of Treasury and Finance to produce the annual report on state finances. What we have done is allow a little flexibility within the overall paradigm in case some agencies that have real difficulties with meeting these requirements are simply not able to comply. The government’s very firm intention is to proceed in the way I have outlined. I believe there are some risks in putting that directly into legislation when the levers for the control of the matter are not quite as dramatic as the member might think they are.

Mr D.F. BARRON-SULLIVAN: Essentially, the Treasurer is saying that we are right; the point we have been making is that there is no guarantee that the report will come out within 90 days unless it is stipulated in this legislation. The Treasurer has just said that we need flexibility because it may not happen and so on. The Treasurer mentioned another minister, so he is suggesting that possibly within the next three years he may not be Treasurer.

Mr E.S. Ripper: That has been entirely misinterpreted.

Mr D.F. BARRON-SULLIVAN: The Treasurer implied quite clearly that perhaps another minister -

Mr E.S. Ripper: Another minister responsible for another agency.

Mr D.F. BARRON-SULLIVAN: I think the Treasurer is the only person responsible for the new annual report on state finances.

Mr E.S. Ripper: The input to the annual report on state finances can be affected by accounting issues that arise in other agencies reporting to other ministers. The Treasurer does not have control over every accountant in every government agency. There are 17 ministers. The accountants in different government agencies report to those 17 different ministers. I am outlining to you that this bill gives us the power to establish the improved reporting framework that I have outlined. I believe the framework is right. The principle is in the bill. We have outlined how to improve the situation, the regulations to embody the actual details and what we intend to do. You can hold us accountable. In the meantime you have a protection, because until we achieve the objective, the current unaudited government financial report results will be available to you.

Mr D.F. BARRON-SULLIVAN: We might touch on that a bit later. The point I am making is that the Treasurer has just indicated exactly what we have been saying; that is, the only way that we can ensure a guarantee for the time frame for introducing the 90-day limit is to put it into legislation. The Treasurer has just confirmed that. All I can say is that the point has been made.

Mr E.S. RIPPER: Of course, it is possible that we can do better than the three-year phase-in period, if this is driven hard. If we do so, we will be able to draft the regulations in the necessary way, and perhaps do it in two years, rather than in three. In trying to introduce these improvements in accounting and financial reporting, it is wise to have a little flexibility, while driving for the ultimate objective, which is more timely audited reports. The government has a laudable objective here, and I am disappointed that the opposition is trying to tarnish that objective. The government is trying to improve the situation. I am not saying that the present government is alone in that.

Mr D.F. Barron-Sullivan: How are you improving it? At the moment the period is three months and you are making it 150 days.

Mr E.S. RIPPER: At the moment the deadline is three months for an unaudited report, and there is no deadline at all for the audited report. The government is proposing a deadline for the audited report, and it will introduce regulations, which this bill will enable us to do, to bring that deadline forward. Until the same 90-day deadline that exists at present for the unaudited report is achieved for the audited report, the unaudited report will continue to be issued. It is wholly and entirely an improvement. The situation could not be worse under this legislation than that which exists at the moment. At the moment, there is a deadline of 90 days for the unaudited report, and no deadline at all for the audited reports. This legislation provides for a deadline for the audited report, and a framework that will give the government power to bring that deadline forward further, so that eventually an audited report will be issued within 90 days. At that time the unaudited report will be discontinued, but not until the audited report is available within 90 days. I hope that I am balanced enough in my political approach to recognise that the Court government engaged in some significant reform of financial accountability and reporting. The government is really just taking that one step further. There is still some work to do before best practice is achieved.

Mr D.F. BARRON-SULLIVAN: I will paint one potential scenario. I said earlier that a situation could arise in which the Labor government realises that it faces some serious problems in a couple of portfolio areas. I mentioned the New MetroRail project, but it could be any other area. The government may be looking at some very serious financial difficulties that will be revealed in one of these documents. I can see the Treasurer saying that he realised that the government said a couple of years earlier that it would bring in the 90-day time frame within three years, but other agencies are having difficulty getting the information together, or whatever excuses he gave a moment ago. He might then say that it will be done in two or three stages. The first stage may be to bring the time frame down from 150 days to 130 days. Further stages would gradually bring it down more, but the initial reduction is to 130 days. The moment those 130 days are prescribed, clause 14 of the Government Financial Responsibility Act is repealed. That is what the bill says.

Mr E.S. Ripper: No, it does not.

Mr D.F. BARRON-SULLIVAN: That is what it says. The Treasurer may correct me if I am wrong, but clause 2(3) reads -

A day for the coming into operation of section 31 is not to be fixed under subsection (1) until the prescribed period referred to in section 14A(1) of the *Government Financial Responsibility Act 2000* is 90 days or less.

My apologies - it is 90 days or less; the Treasurer is quite right. However, what would happen if a time frame were prescribed for the introduction of the 90 days? Is that possible? Could the Treasurer, in other words, set a time frame by regulation, that would be 120 days this year, 110 days next year, 100 days the following year and 90 days the year after? Would that be possible?

Mr E.S. RIPPER: I do not think the prescribed period is 90 days until the 90 days is in operation. I do not think that if the regulation stated that the prescribed period will be 90 days in 2058, it would mean that the prescribed period is

90 days. It would be something more than 90 days. The opposition should also recognise that these are not the only reports that are published. If the government has some financial difficulties, they will show up in the *Mid-year Review of Public Sector Finances*, or, if an election is coming up, in the *Pre-election Financial Projections Statement*. Richard Court's government had some pretty serious financial difficulties and it had to reveal in the *Pre-election Financial Projections Statement* that two deficits were forecast across the forward estimate period. Under the existing framework the Court government was not able to escape the consequences of its decision making throughout the year 2000. I cannot see any deterioration in the finances not being revealed in the mid-year review or, if an election is coming up, in the *Pre-election Financial Projections Statement*. Each of the mid-year review and the *Pre-election Financial Projections Statement* documents includes a summary of the policy decisions or the matters that have given rise to changes in the financial aggregates. For example, if a financial problem in a particular agency was contributing to an overall deterioration in government finances, the overall deterioration would be revealed in the mid-year review or in the *Pre-election Financial Projections Statement*, and a paragraph would appear in the summary of policy decisions affecting the budget aggregates explaining the circumstances. This all has to be seen in context: these are not the only reports. There is a lot of focus on the mid-year review and a big focus on the *Pre-election Financial Projections Statements* when they come out, so there are other ways, in addition to these reports that we are talking about now, of honouring these accountability requirements.

Clause put and passed.

Clause 3 put and passed.

Clause 4: Section 3 amended -

Mr D.F. BARRON-SULLIVAN: Subclause (2) deletes reference to the Joint House Committee, Joint Printing Committee and Joint Library Committee from the Financial Administration and Audit Act and replaces them with the phrase "Parliamentary Services Department." I just want clarification - dare I say assurance - that there will be no further consequences from this. Is it simply a tightening of the situation resulting from a change of name; and will there be no other practical consequences from this amendment?

Mr E.S. RIPPER: I am emphatically advised that it is simply a name change, that there are no other consequences.

While I am on my feet, we have all taken for granted that we receive an audited report on the outcome of the state finances for each financial year. I was arguing that there was no deadline for the consolidated financial statements report, but I am further advised that not only is there no deadline but also there is no legislative requirement for the audited report, which is a further improvement we are making to this situation.

Clause put and passed.

Clause 5: Section 10 amended -

Mr D.F. BARRON-SULLIVAN: Clause 5 repeals section 10(3) of the Financial Administration and Audit Act, which relates to section 9, "Trust Fund", particularly subsection (2)(b) and (c), which states that trust funds shall consist of suspense accounts and other accounts established by the Treasurer, which are then listed. Clause 5 of this bill will do away with the need to include the details of those trust accounts as per section 9 of the FAAA. Firstly, there will be no change to section 9; presumably that information will still be compiled and so on. Will the Treasurer elaborate further where this information would then be published, if it is not provided in accordance with section 10?

Mr E.S. RIPPER: I require further clarification from the member for Leschenault. I think his first point related to the trust statement, which is the statement of purpose of the trust account. Is the member asking where that can be found?

Mr D.F. Barron-Sullivan: At the moment the information is required to be produced pursuant to section 9 of the Financial Administration and Audit Act, and that information relating to trust funds must be set out. This clause of the bill does away with the Financial Administration and Audit Act requirement that a copy of the trust statement of each account be included in the Treasurer's annual statement. I assume that at the moment the trust fund information goes into the Treasurer's annual statement. I assume that this section in the FAAA makes it a requirement that it be put it into this document, and the amendment in the bill takes away that requirement.

Mr E.S. RIPPER: The FAAA requires that when a trust account is opened - that is, the year it is opened - a trust statement, which is a statement of the purpose of the account, be published in the Treasurer's statement of accounts. There is a duplication, because the information is also required to be published in the annual report of the agency concerned. Frankly, its publication in the annual report of the agency concerned is appropriate. I do not see why there ought to be duplication by also publishing it in the Treasurer's annual statements. I cannot recollect a single parliamentary question on notice or without notice on the Treasurer's annual statement. I cannot recollect a single journalist's question on the Treasurer's annual statement. I cannot recollect a single question to me on trust statements, either on notice or without notice. I am of the view that rather too much is being made of this trust statement issue. I think that if it were such an important issue, I would have received the odd question about trust statements or trust accounts in the more than four years I have been Treasurer, either from members of Parliament or journalists. I would have thought that if the Treasurer's annual statements were such a great icon of accountability, members of the

opposition would have demonstrated that they had read them year by year and would have provided me with a stream of questions or media statements.

Mr D.F. Barron-Sullivan: But you would not get the questions; the questions would not go to you. They would go to the respective minister. You can see how dog-tagged my copy is, and I am not the shadow Treasurer. I do not go through them all. For example, I would not follow up this one about the Department for Community Development. That would be taken up with the respective minister. That is not the point I am talking about. All the Treasurer is confirming is that this part of the bill does away with the need for trust statements, which are currently put into the Treasurer's annual statement.

Mr E.S. RIPPER: What I am confirming is that trust statements are published in the Treasurer's annual statements only in the year in which the trust is created. They will continue to be published only in annual reports and not the Treasurer's annual statements because the bill does away with the Treasurer's annual statements. Is this a problem or not? Access Economics has described Western Australia as the clear winner in the overall fiscal reporting stakes. It has described Western Australia as the benchmark against which the efforts of other states can be judged. The Department of Treasury and Finance recently contacted Access Economics and spoke to the officers who compiled the fiscal transparency rankings to ascertain whether the abolition of the Treasurer's annual statements and quarterly statements would affect their assessments. The officer advised that the abolition of the Treasurer's annual and quarterly statements would not affect their assessments. He also advised that he receives the Treasurer's annual statements each year but does not use them because they have a narrow focus on the consolidated fund rather than the entire public sector and also because they are based on cash accounting rather than accrual accounting. I put that to the opposition to consider.

Mr T.R. BUSWELL: I raise my concerns about the removal of the consolidation of the government's operating trust accounts. I acknowledge what the Treasurer is saying. We can all go off and wander through various government department reports and select trust account balances and movements. It is a very handy tool to have them in one document. I have been particularly interested to peruse the movements in the sheep lice research account!

Mr E.S. Ripper: You are not even a member of the National Party!

Mr T.R. BUSWELL: No, but I could have sheep lice!

Mr E.S. Ripper: Have you had occasion to investigate the actions of white ants?

Mr T.R. BUSWELL: We should march on! The collision between white ants and sheep lice can be somewhat uncomfortable, as I am sure the member for Capel can attest.

It is important to have the information in a readily accessible format. As I have said, my background is in local government, as is that of members on either side of me. One of the tricks a person learns in local government is to very quickly analyse the movements of money in and out of trust accounts. I cannot speak about questions that may or may not have been asked of the Treasurer - but I will for the next three minutes and 35 seconds! The document provides a useful snapshot of how money is moving behind the scenes in government agencies. I think it is a valuable tool; it is certainly a valuable tool for me as an opposition member in my scrutiny of government actions. It will be useful to members of the public, whose knowledge of accounting processes is limited. It is a very simple set of accounts that gives an opportunity for people to gain a snapshot the figures. This cuts to the heart of why such matters are being taken from the public to make it harder for them to scrutinise. I am reminded of the movements of money in and out of the old consolidated revenue fund and the general loan and capital works account during the 1980s and 1990s, much to the long-term detriment of the state. I support the sentiments of the member for Leschenault.

Mr E.S. RIPPER: I have referred to the Treasurer's annual statements for 2003-04 and looked at the information on the trust funds in statement 5. I found a list of trust funds with balances as of 30 June. I do not find any information about the transactions that have occurred in those trust fund accounts. In fact, I am advised that if \$20 million went in and \$20 million went out and the balance stayed the same, all that would be shown is the balance. I am further advised that if the balance were zero, the trust fund would not be listed in statement 5. I must take some advice but, conceivably, it means there could have been a trust fund with \$100 million in it that was run down to zero and it would not be published in statement 5.

Mr T.R. Buswell: It would have to have a closing balance from the year before. That is my understanding from reading this. It would be very hard to run a trust fund down to zero. It could have been run up from zero and then run down.

Mr E.S. RIPPER: I have never tried to manipulate a trust fund. I do not have the member's experience in local government where these things might have been required! I imagine that, based on the member's experience of local government, there are lots of things he would be worried about concerning the operation of state finances. I do not have that local government background. All I can say is that statement 5 in the Treasurer's annual statements is not a very informative document. It is a list of trust funds and their balances. If the member wants more information, it is much better to refer to the annual report.

An opposition member: When can we read the annual report?

Mr E.S. RIPPER: That is an interesting issue. We need to bring forward the publication of the annual reports. Another part of this bill proposes a scheme that will give us the power to bring forward annual reports so that they are presented to the Parliament within 90 days. That would be good, would it not? Instead of getting annual reports for statutory authorities in November or December, it would be great if audited annual reports were received within 90 days, when matters are still timely.

Mr D.F. Barron-Sullivan: When is that going to happen?

Mr E.S. RIPPER: I understand that it has a three-year phase-in period. These matters have been discussed, consulted and agreed with the Auditor General. There are significant implications for the Auditor General in the way in which all this is done. We cannot bring forward, arbitrarily, the annual reporting deadlines without consulting with the Auditor General about how his auditing program will work.

Let us return to trust statements. There is no point in having duplication, particularly if the duplicated information is less useful than the alternative published in the annual report.

Mr D.F. BARRON-SULLIVAN: The Treasurer used statement 5 as an example. He indicated that it will no longer be published and that if we want to know any more information, we will have to refer to the annual reports. As we pointed out before, the statement contains a complete summary of the government's operating and trust accounts. I will give one example to illustrate why this is interesting. In fact, I will touch on two of the trust accounts later. I will use this document.

Mr E.S. Ripper: Good. In my fifth year as Treasurer the member will ask me a question about trust funds.

Mr D.F. BARRON-SULLIVAN: We will have some fun.

Mr E.S. Ripper: Full marks to you for innovation.

Mr D.F. BARRON-SULLIVAN: During a division the other day I opened this document and I chose one that I have nothing to do with. I picked the fisheries adjustment scheme's trust account and the fisheries research and development fund. I got the budget papers and so on. The estimated amounts in each case for the 2003-04 financial year differ quite significantly from the actual results contained in the Treasurer's annual statements. The document contains a ready snapshot of all trust funds. It is obviously accurate because it contains the actual amounts for 30 June 2004. For example, the fisheries research and development fund had a little more than \$15.7 million as of 30 June 2004. The estimated actual, which was in the budget papers a few months before that, showed an amount of \$6.8 million. That is quite a discrepancy. I am able to look at a snapshot of all the trust funds and my colleague the opposition spokesman for fisheries can telephone someone in the department to find out what is going on and so on. The point is very simple: the information must be prepared. That requirement is prescribed under section 9 of the Financial Administration and Audit Act. That information eventually goes into the annual reports, which we will have access to at some stage. The obvious question is: why is it a problem for the government to put together a few pages of that type of information and release it for the public and the opposition's consumption? This amendment will take away the amount of information the government provides to the public and the opposition to help scrutinise the government; it does not add to the amount of information that the government makes available.

We will not get anywhere on this issue. Obviously the Treasurer will not change his mind. However, I have used those examples to illustrate my point that the information in the Treasurer's annual statements is up-to-date information. It is available at a glance on three or four pages. For example, trust statement number 15 in the Treasurer's annual statements shows that a new trust is being set up under the portfolio of the Department for Community Development. The statement indicates the purpose for that trust fund and so on. People who want to follow it up in more detail can do so. Why does the government not want to continue to provide that type of information? I think we are pleading to deaf ears.

Mr E.S. RIPPER: I am sorry but, on this occasion the charm, wisdom and logic of the member for Leschenault has failed to convince me of his argument. The reason it has failed to convince me is that I looked at the requirements for reporting by departments and I saw that the departments must present their annual reports by 5 November, which is 128 days after the conclusion of the financial year. The Treasurer's annual statements are brought down later on 21 November, which is 144 days after the close of the financial year. In other words, the information is available first in the annual reports and is only repeated in summary form in the Treasurer's annual statements. I can understand why a shadow Treasurer might like to see a list of trust accounts, although I think that the shadow Treasurer would be operating on a cash accounting rather than an accrual accounting basis when seeking that information. Most members would tackle things on a portfolio-by-portfolio basis. If they were interested in education and they wanted to know what the Minister for Education and Training or the Department of Education and Training was doing, they would read the department's annual report to find out about its trust funds. Generally, I expect that people would approach the issue from the point of view of what is going on in a portfolio rather than from the point of view of trust funds in general. However, if a person was interested in trust funds in general, that information is available; it is in the annual reports.

Mr D.F. BARRON-SULLIVAN: Again the Treasurer has just proved our point. He said that he could understand why some people would want to look at the range of trust fund information. The Treasurer just said it. However, in the next breath he said that they would have to go through all the individual annual reports. I have with me the annual report for the Commissioner for Main Roads. I must dig through it and look for information for trust funds in that area and then I must refer to the fisheries report and then to a report about white ants or sheep lice or whatever it might be. It is ludicrous. Why does the Treasurer not agree to incorporate that information into the new annual statement that will be set up under this bill? We could then begin to look at other information in the Treasurer's annual statements and discover whether the Treasurer would like to include that information also. The Treasurer has made his point and we have made ours. This is one example of the fact that less information will be made available as a result of the passage of this legislation.

Mr E.S. RIPPER: The information published in the Treasurer's annual statements is less comprehensive than is the information published in the annual report.

Mr T.R. Buswell: The Treasurer would have to admit that it is a useful summary for some of us. I have the old one of 2002-03. There are 99 annual reports. One would have to read 99 annual reports to get the information contained in a five-page summary.

Mr E.S. RIPPER: Presumably the member would be interested in an individual trust fund. To do that, he would need to read the annual report. Although I have conceded that some people - demonstrably the member for Leschenault - might want to see a list of trust accounts, I do not think that is a sufficient argument to justify the duplication and continuation of a report that is essentially irrelevant. It is like an organ of the body - for example, the appendix - that is left over from evolution and no longer has a useful function.

Clause put and passed.

Clause 6 put and passed.

Clause 7: Section 27 amended -

Mr D.F. BARRON-SULLIVAN: Obviously this clause tightens up the situation regarding the twenty-seventh pay. Section 27(2) of the Financial Administration and Audit Act states -

The Treasurer may direct that such amounts as may be required to provide in a financial year for payment of salaries and wages for a twenty-seventh fortnightly and 53rd weekly pay period occurring in a future financial year shall be charged against the appropriate Consolidated Fund items and transferred to a suspense account;

They are the things the Treasurer does not want us to know about. That account is topped up and it is used to pay the twenty-seventh fortnightly pay. This phenomenon has not happened since 1993-94. Presumably, at some stage Treasurer's instructions have been given that departments and agencies shall put money into a fund for this purpose. I wonder whether the Treasurer could provide some background on this matter. We may need to ask him detailed questions on it. How will the twenty-seventh pay be met? Was it \$105 million? I will look at my copy of the Treasurer's annual statements. The accrued salaries are very clearly set out on page 79 under "suspense accounts". The accrued salaries were \$105.1 million as at 30 June 2004. That was easy, was it not? At least I did not have to refer to an annual report. Would the Treasurer comment about how the process operates? Currently about \$105 million is in the kitty. Is that enough to cover the amount required?

Will the Treasurer explain also why proposed subsection (2a) is required? It appears that on the one hand the FAAA currently gives authority to put money into a suspense account but it does not seem to give very specific authorisation to take the money out of that account to be expended directly for that particular purpose. Would the minister provide a broad idea of how we got to this situation and why proposed subsection (2a) is needed?

Mr E.S. RIPPER: This is quite an interesting issue. Departments have been appropriated moneys to provide for the eleventh year in which government employees receive their fortnightly pay on 27 occasions. The moneys have already been appropriated by the Parliament over the past 10 years to enable the departments to fund the twenty-seventh pay that will occur this year. Those funds have been credited to a suspense account. We are now approaching the eleventh year. Therefore, it is necessary to take out of the suspense account the money set aside for the departments for the payment of the twenty-seventh pay. Unfortunately, the relevant legislation requires that the money can be taken only from the suspense account and put into the consolidated fund. How does it then get to the departments? It can be given to the departments by supplementary appropriation. Another mechanism is available whereby the Treasurer's advance system could be used to provide supplementary funding to the agencies. The difficulty is that it creates an unfortunate double counting; that is, moneys that were appropriated to the departments in previous years are reappropriated, creating the impression that the departments have received double the money. In fact, they would have received the same \$105 million twice, through two appropriation systems. That does not seem to me or to the Department of Treasury and Finance to be a proper way to reflect what has actually happened. Therefore, we need a mechanism to get the money out of the suspense account and back into the departments so that the real situation - that they have received the money only once - is reflected in the books. It could be done another way, but that would possibly allow the same

money to be double counted, which would give a misleading impression of how much money the Parliament had allocated to various departments.

Mr D.F. BARRON-SULLIVAN: The Treasurer has just clarified the point that although it would be better to tidy up the legislation, for which the government has our full support, it could be done another way. The opposition indicated that it would be prepared to split the bill and rush this provision through if that were diabolically necessary. However, it is not, as it can be achieved in other ways. I am making the point that the opposition has offered every possible assistance to ensure that public sector employees receive their twenty-seventh fortnightly pay this year. I am not even on a commission for doing this! The Treasurer has just confirmed that it could have been done in another way. That is an important point.

I have a couple more questions. First, what Treasurer's Instructions have been issued to departments and agencies on putting aside this money into this account? My next question is very simple: is \$105 million one-twenty-seventh of the annual wages bill?

Mr E.S. RIPPER: I am advised that the \$105 million is sufficient to meet the need. The \$105 million deals with that proportion of the funding that is provided through the consolidated fund. Agencies have trust accounts. Agencies also have their own revenue, which is net appropriated to them. They take in their own revenue. To the extent that they rely on their own revenue, they would have been required to make their own provision for the twenty-seventh pay. The \$105 million is the consolidated fund portion of the twenty-seventh pay issue. Other portions of the twenty-seventh pay issue have been managed directly by agencies that manage their own cash flows.

Mr D.F. Barron-Sullivan: Why have some agencies put the money aside into a suspense account and others have not?

Mr E.S. RIPPER: I am advised that the agencies that operate on the consolidated fund have done this. Those that do not operate on the consolidated fund must manage the cash flows themselves.

Mr D.F. Barron-Sullivan: Have all agencies under the consolidated fund continuously put money into this suspense account, and does that cover the full cost of the twenty-seventh pay for them?

Mr E.S. RIPPER: In order for me to get appropriate advice, it might be preferable for the member to rise to his feet. That would give me the chance to hear more than just a snatched word from time to time.

Mr D.F. BARRON-SULLIVAN: Does the \$105 million amount to one-twenty-seventh of the annual wages bill for all departments and agencies that account through the consolidated fund?

Mr E.S. Ripper: If you ask a series of questions, I will then get up and answer them.

Mr D.F. BARRON-SULLIVAN: I am trying to work something out. I presume that a suspense account would have been set up to take into account all departments and agencies covered by the consolidated fund. I am trying to work out why some agencies have put money into this fund while others have not. Obviously, that would have implications for an agency that has not put money into the kitty over the past decade or whatever.

Mr T.R. BUSWELL: This matter is of course of some interest to the opposition. We are keen to make sure that the processes that the government has in place and the financial management system for which the Treasurer is responsible have ensured that enough funds have been set aside to cover the payment of the twenty-seventh fortnight. At the end of the day that will give a reasonably incisive indication of the extent or level of financial management that is being exercised in this state. As may have been deduced from the question of the member for Leschenault, the opposition is concerned that an appropriate amount of money has not been set aside to fund that twenty-seventh fortnightly pay period for the government departments to which it applies. The opposition is intent on finding out that information and on establishing quite clearly whether the budget that the Treasurer brought into the Parliament last year and upon which he no doubt stakes his credibility is based on sound management principles. It is also intent on establishing whether the Treasurer has managed to put in place a budget that will give him enough money to pay the salaries of public servants in Western Australia. The opposition is also keen to avoid being put in a position in which it is considered to be withholding or delaying in any way, shape or form the possibility of that payment being made. I am sure that our statements in the house indicate that that is indeed not the case. That allegation could not be levelled at the opposition by any sound, thinking person.

Mr E.S. Ripper: You must be sensitive about that because I haven't levelled that accusation.

Mr T.R. BUSWELL: The Treasurer can call it conjecture or political winds.

Mr E.S. Ripper: You must sit around thinking, "The Treasurer might say this, so I'll get in first."

Mr T.R. BUSWELL: The Treasurer has correctly highlighted that he is at the forefront of the opposition's thinking. We spend long hours pondering what he will say next and are often in some wonderment about what he has just said. Still, we survive and turn up here every day to enjoy his next ramble down the road in his assault on the federal system.

Mr E.S. Ripper: I am flattered. Would you like an autographed photo?

Mr T.R. BUSWELL: I may already have one.

Mr E.S. RIPPER: What an honour to be addressing you, Mr Acting Speaker (Mr P.B. Watson).

Ms J.A. Radisich: We have never flattered you so much.

Mr E.S. RIPPER: My colleague's interjection is quite correct; I get a rougher reaction in caucus than I do from the opposition.

Mr T.R. Buswell: Treasurer, I have a photograph of you here that you could perhaps sign, although the resemblance is becoming somewhat less.

Mr E.S. RIPPER: That was a very cruel contribution from the member to wave around that old document.

Mr T.R. Buswell: The sad thing is that it will happen to me.

Mr E.S. RIPPER: Let us come back to the issue at hand, which is the twenty-seventh pay. The \$105 million is not one-twenty-seventh of the total wages bill for the public sector. It represents only the consolidated fund portion of the overall obligation to meet that twenty-seventh pay. Some agencies rely substantially on their own revenues. We have moved over the past 10 years to assist agencies with their own revenues to take that revenue directly. The system that applied in almost all cases previously was that an agency's revenue went to the consolidated revenue fund, and was then reappropriated to that agency. It is now directly available to such agencies. Also, some agencies operate outside the consolidated fund; for example, public hospitals. My advice is that nurses' salaries, for example, will not be part of the \$105 million funding because hospitals operate outside the consolidated fund. I assure members that there is no difficulty in funding the twenty-seventh pay. If there were a difficulty, members would expect a lot more agitation and angst in the public sector than has been the case. Members cannot on one hand talk about the impending size of the surplus - as the Leader of the Opposition mentions - and on the other hand raise conjecture concerning a difficulty in meeting the twenty-seventh pay. Obviously, if we are heading for a robust surplus, we will have no difficulty meeting our financial obligations.

Mr T. Buswell: Can you apply that rationale to cutting taxes?

Mr E.S. RIPPER: I am using the surplus to fund the capital works program. That is an important aspect. The surplus is also spent on day-to-day expenses, such as the payment of salaries. The surplus is not stuck in a jam jar or gloated over in a warehouse with the Treasurer jumping around on top of a pile of money like Scrooge McDuck. The surplus is a funding source for the capital works program. If day-to-day expenditure and the capital works program are taken into account, it can be seen that we are most often in deficit; that is, one has a gradual increase in debt because of the need to fund the long-term infrastructure of the state.

Mr D.F. BARRON-SULLIVAN: Can the Treasurer tell us what one-twenty-seventh of the annual wages bill for the agencies that come under the consolidated fund represents? What is the comparable figure for those agencies that do not come under the consolidated fund? The Treasurer indicated that \$105 million will well and truly cover agencies under the consolidated fund. That is not one-twenty-seventh of the total.

Mr E.S. Ripper: What I'm trying to say, perhaps a bit clumsily, is that the \$105 million will cover the consolidated fund portion of the obligation. Plenty of agencies have not only an appropriation from the consolidated fund, but also their own revenue sources. For example, the Department of Environment collects licence fees, and the Director of Energy Safety in the Department of Consumer and Employment Protection collects licence fees. These are a different source of revenue from that collected from the consolidated fund, and those agencies must manage their cash flows in that regard.

Mr D.F. BARRON-SULLIVAN: Let us get simpler, and in a moment the Treasurer will form a picture of what I am trying to get at.

Mr E.S. Ripper: What is the fundamental, underlying concern? Are you concerned that the money has not been provided for, and perhaps funding cuts will occur in agencies as they struggle to meet the twenty-seventh pay? Is that the member's concern?

Mr D.F. BARRON-SULLIVAN: Let us take the specific example of nurses. How has the Department of Health managed the situation? Has the department put money away for the past decade, or has it reached this financial year and suddenly had to raise its wages expenditure by one-twenty-seventh? The answer can be by way of interjection.

Mr E.S. Ripper: I'll take advice on that matter.

MR D.F. BARRON-SULLIVAN: Has there been a Treasurer's Instruction in relation to this matter?

Mr E.S. Ripper: I'm advised, no.

Mr D.F. BARRON-SULLIVAN: Is the Treasurer able to table a list of agencies that have contributed funding into this suspense account?

Mr E.S. RIPPER: I am advised that, indeed, I can table a breakdown of the \$105 million. In fact, the information has already been provided to Parliament in answer to question without notice 156, but I think it was a parliamentary question asked in the other place. I am happy to table the breakdown of the \$105 million. Agencies that operate as

statutory authorities, including hospitals, of course, are outside this matter. As a matter of prudent financial management, all agencies have been expected to make provision for the twenty-seventh pay. I have some criticisms, I have to say, of the general standard of management to which this government and previous governments have been exposed by the Department of Health; it has not been one of our most successful departments in terms of managing its finances. I am sure members of the Court government would have had that view, and members of the Gallop government certainly have the view that improved standards of financial management in the health department are needed. Despite my criticism of the health department, it would be absolutely amazing if it had not provided for the twenty-seventh pay. I am told it has. I table the paper.

[See paper 386.]

Mr D.F. BARRON-SULLIVAN: I am after some detail. If agencies have been required to put money aside, whether into a suspense account, internally through their financial management arrangements or whatever, they would approach this year knowing money is in the kitty to cover that extra cost. The Treasurer has indicated that some agencies might not have made that provision.

Mr E.S. Ripper: I'm not indicating that at all.

Mr D.F. BARRON-SULLIVAN: Therefore, all agencies over the past decade or so have provided -

Mr E.S. Ripper: That's my advice.

Mr D.F. BARRON-SULLIVAN: Has no agency not provided money along those lines?

Mr E.S. Ripper: That's my advice.

Dr G.G. JACOBS: I address the Treasurer on the management of this suspense account. As he asked the member for Leschenault where the opposition was coming from with this line of questioning, I outline that the issue relates to this one-twenty-seventh fortnightly pay having accrued over 10 years, and now we are in the eleventh year. The question is about the \$105 million in trust. As the Treasurer intimated previously, if the funding accrued and the funding required do not match-up, do we dig into a bigger fund? I refer to the mood concerning this amendment. Does this bill give the Treasurer carte blanche, as he is flush with funds, to dip in and make up one-twenty-seventh of the wage budget to make up that extra wages funding? Is this matter really being managed? Does this relate to the accountability issue the opposition has talked about in this debate? Does this measure conform to the accountability abilities, or is it just a fund of this nature - "The money is there. We're not sure whether it will cover what it's supposed to cover. If it does not, we'll dip into other funds because we have plenty anyway"?

Mr E.S. RIPPER: The situation is this: agencies have paid money into a suspense account for the twenty-seventh pay and we want the authority to give this money directly back to the agencies. We do not want to be required to go through an artificial mechanism that will create the impression that we have given the money to the agencies twice when we have given it to them only once. I would like the books to reflect the real circumstances, which is that the agencies were given the money, they parked it in a suspense account, and now we want to give it back to them. If we do not pass this clause, we will have to engage in another mechanism that will make it look as though we gave the money to the agencies twice when we gave it to them only once. I hope that the opposition will pass this clause, because I am sure that it does not want to create the impression that the government has been providing funding more generously to agencies than it has been. It would rather create the impression that the government has been mean-minded, mean-spirited -

Mr T.R. Buswell: Tight-fisted.

Mr E.S. RIPPER: - tight-fisted, overtaxing and all those things. I am trying to help the opposition create the right impression. The government has just been through the budget process. The budget will be delivered on 26 May. However, we have had discussions with all the agencies and statutory authorities. Everyone in the public sector has had their discussions with Treasury about their particular financial circumstances. I am advised by the Acting Under Treasurer that no agency has raised a twenty-seventh pay issue. We have just been through a budget process. If any agency had a difficulty, I expect that that difficulty would have emerged in the budget process. If some agency in the far-flung provinces of government had been financially mismanaging its resources and had not provided for the twenty-seventh pay, I would have thought that that agency would have stuck up its hand by now and told the Department of Treasury and Finance that it had a problem. There is one thing for sure and that is that no public servant will be denied his or her pay. That is a fundamental. If we take that fundamental, we can say that if there is any possibility of that arising, it will be remedied. I expect that an agency would have raised that difficulty in the budget process if there had been such a difficulty. No such difficulty has been raised.

Mr T.R. BUSWELL: I have a quick question of clarification. I have been reading the list of departments that have contributed to the accrued salaries held balance. The Treasurer referred to the Department of Health earlier. Was he indicating that individual hospitals or the Department of Health per se was no longer involved in drawing down money from consolidated revenue?

Mr E.S. Ripper: The Department of Health proper is on the list, but not the hospitals.

Mr T.R. BUSWELL: To clarify another point for my own information, I take it by deduction that every other government department that is not on this list will have set aside the correct cash for the twenty-seventh pay. Is that the case, to the best of the Treasurer's information?

Mr E.S. RIPPER: I am advised that all agencies have done the right thing. I am always reluctant to comment when I am asked to put this sort of information on the public record in the Parliament, because I do not get a daily report from every agency.

Mr T.R. Buswell: I did say to the best of your information.

Mr E.S. RIPPER: My advice from the Department of Treasury and Finance is that agencies have done the right thing. As Treasurer, I have just been through the bulk of the budget process with the Department of Treasury and Finance, and no issue regarding a twenty-seventh pay has been raised as a difficulty.

Mr D.F. Barron-Sullivan: When you say that the agencies have done the right thing, do you mean that, for example, Sir Charles Gairdner Hospital has been putting aside money for the past decade so that this year it will have money in the kitty to make the extra twenty-seventh pay?

Mr E.S. RIPPER: When I say that they have done the right thing, I mean that they have managed their cash flows so that they can fund the twenty-seventh pay.

Mr D.F. Barron-Sullivan: Does that mean that this year some agencies, departments, hospitals or whatever will have to pay an extra twenty-seventh pay and will fund it entirely within their 2004-05 budget; that is, they have not brought money forward from previous years?

Mr E.S. RIPPER: I am advised that no, that would not be the case.

Clause put and passed.

Clause 8: Section 52 amended -

Mr D.F. BARRON-SULLIVAN: I will not dwell on this clause for too long. Section 52(12) of the Financial Administration and Audit Act will be repealed. It looks as though it is a consequential amendment, but will the Treasurer just confirm that?

I should ask this later, but the Treasurer might save our dealing with clause 20 at a later stage if he comments now. If he could elaborate on the changes in relation to the final reports on the abolition of departments or statutory authorities, I promise that I will not ask him any questions on it later.

Mr E.S. RIPPER: Every now and again, as Treasurer, I have to sign off on documents that appoint someone as the reporting officer for the preparation of the final report of a department that has been abolished as a result of government reorganisations; for example, the Department of Transport. My advice is that in the Financial Administration and Audit Act is a set of requirements for final reporting for statutory authorities and a set of requirements for final reporting for departments when either a statutory authority or a department is abolished. We are bringing together all the provisions that apply for statutory authorities and departments. The member for Leschenault is quite correct when he says that it is a consequential amendment. It is part of the scheme of having in the legislation one set of requirements that apply equally to departments and to statutory authorities. I am advised that there is no change to the essence of the requirements that have previously been established.

Clause put and passed.

Clause 9: Section 56 replaced -

Mr D.F. BARRON-SULLIVAN: I would not mind a bit of detailed explanation about this clause. At the moment the FAAA has a requirement for a principal accounting officer. The first subsection is similar to that proposed in this bill. It states -

- (1) Each accountable officer and accountable authority shall designate in respect of the financial administration of the services under his or its control one position of principal accounting officer and shall advise the Auditor General of that designation.
- (2) The principal accounting officer for a department or statutory authority shall be responsible to the accountable officer or the accountable authority, as the case may require, . . .

All that is pretty standard between the two pieces of legislation. The Financial Administration and Audit Act says that the principal accounting officer for a department or statutory authority shall be responsible to the accountable officer or the accountable authority, as the case may require, for the keeping of such accounting and financial management information systems, etc. It is very firm. It says that there shall be an accounting officer in an agency and that person shall be responsible for keeping the accounting and financial management systems that provide a whole range of information. I am wondering why that same wording, or certainly the tone of that wording, is not carried through to clause 9 of the bill.

Clause 9 first changes the title to a chief finance officer. I think that implicit in that is that there was an intention to change the role in some way. What the new chief finance officer is responsible for seems a lot more vague. The chief finance officer is responsible for the preparation of financial information to facilitate the discharge of statutory reporting obligations, the provision of advice on the effectiveness of accounting and financial management information and systems and the provision of advice concerning the financial implications of, and financial risk to, the department's current and projected services. They are responsible for the development of strategic options and the development of financial management skills. Nothing in the clause says that they are actually responsible for keeping the books. I would have thought that within the overall system we need as many checks and balances as possible. One of the beauties of the current position is that somebody is designated as the principal accounting officer. That person is responsible for keeping the books, not for providing advice only or preparing information to facilitate something. The person is responsible for the keeping of accounting and financial management information systems.

The advice we have been given is that this seems to represent a watering down of the current degree of responsibility. I wonder why that is the case. I am not aware of anyone in the public service who has complained that this is an overly onerous arrangement. Perhaps there have been complaints. I do not know whether any court cases or anything similar have indicated a problem. I wonder why there has been a watering down and a change in responsibility. I do not have any problems, and I do not think anybody else would have any problems, if it is necessary to build some broad additional functions of the chief finance officer, or what used to be the principal accounting officer, so that he is required to provide advice in different areas, develop strategic options and undertake those slightly nebulous duties. When it comes to keeping the books, that particular section seems to have been watered down.

Mr E.S. RIPPER: I think that is a perfectly understandable question. The principal accounting officer position has had responsibility for what might be called the bookkeeping. A chief finance officer has a broader strategic responsibility. I note that the member does not object to that broader strategic responsibility but is merely worried about who will be doing the bookkeeping.

Mr D.F. Barron-Sullivan: Who will be held accountable?

Mr E.S. RIPPER: The government is moving towards shared corporate services, so departments will not do their own basic accounts payable and receivable operations. They will not run their own payroll systems. That will be done in corporate services clusters. If each department has a principal accounting officer who is legislatively responsible for keeping the books, that conflicts with the corporate services reform. The corporate services reform is very important. It is projected to save taxpayers about \$50 million a year when it is implemented. We have looked at the cost of these basic corporate services transactions in government and found wide variations in costs. We have certainly found that many areas in the public sector are not performing to the level that exists in the private sector. If we simply bring everyone in the public sector to the level of best practice in the Western Australian public sector as it is now, let alone what is achieved in the private sector, we believe we can save \$50 million a year. Obviously we could save more than \$50 million a year if we were able to take everyone to best practice in the private sector. We are moving to shared corporate services as a way of saving taxpayers' money in these back-office operations, and releasing that money for service delivery priorities. In doing so, we are doing what other state governments are doing. For example, Queensland is making similar moves. We are also emulating what has been done in the private sector. We need to change the responsibilities of the principal accounting officer to facilitate the implementation of that corporate services reform.

The member also asked an important question when he asked who will be ultimately accountable. Section 53 of the Financial Administration and Audit Act provides that an accountable officer shall be responsible in respect of the services for which he is responsible and, among other things, under subsection (e), the effectiveness of accounting and financial management information systems. However, the basic work is outsourced, as it were, to the corporate services clusters.

Mr D.F. BARRON-SULLIVAN: Who now is made responsible for keeping the books? In other words, where bookkeeping is being done in corporate services clusters, as the Treasurer calls them -

Mr E.S. Ripper: That has not happened yet. That is where we are going.

Mr D.F. BARRON-SULLIVAN: That is where the government is going, and that is why the Treasurer is justifying these changes. That leads to another question, which I will come to in a moment. If bookkeeping is to be done in corporate services clusters, why not say that each corporate services cluster shall have a principal accounting officer who shall be responsible for keeping the books? In other words, why do we need to water down this degree of accountability for individual officers? Secondly, how many principal accounting officers are there at the moment throughout the public sector, and how will their roles change as a result of this legislative change?

Mr E.S. RIPPER: Agencies must be responsible for their own finances. They make the decisions to put resources here or there. They must deal with emerging issues that might be a risk to their finances. Therefore, the agencies must be accountable for their financial management. The accountable officer, who is usually the chief executive officer, is by this legislation held accountable for the effective financial management of the agency. However, at a lower level the routine transactions are being outsourced to the corporate services clusters.

Mr D.F. Barron-Sullivan: Why can someone in the corporate services cluster not assume the same responsibility that the principal accounting officer of a department has at the moment?

Mr E.S. RIPPER: There will be an accountable officer for each corporate services cluster. The officer will be responsible for the effective operation of the cluster, but the cluster is only a service operation for the agencies that must be held accountable for their financial management decisions.

Mr T.R. Buswell: To whom will that accountable officer for each corporate services cluster report?

Mr E.S. RIPPER: The Department of the Premier and Cabinet is the reporting agency.

Mr D.F. Barron-Sullivan: So the accounting officer will be the chief executive officer of the Department of the Premier and Cabinet?

Mr E.S. RIPPER: The corporate services cluster will be a subdepartment of the Department of the Premier and Cabinet.

Mr D.F. Barron-Sullivan: The manager or director of the corporate services cluster will be the accountable officer for the purposes of the Financial Administration and Audit Act, will he?

Mr E.S. RIPPER: For the operation of the cluster, yes.

Mr D.F. Barron-Sullivan: However, within the cluster there will not be the equivalent of a principal accounting officer but a chief finance officer with those broader responsibilities. My next question will be: why?

Mr E.S. RIPPER: Will the member please rise to his feet and give me a chance to take some advice?

Mr D.F. BARRON-SULLIVAN: At the moment, regardless of whether there are clusters doing things on a centralised basis - we will have a debate about that on another day, I am sure - or whether there are individual departments with the chief executive officer as the ultimately accountable officer under the Financial Administration and Audit Act, or a principal accounting officer underneath him or her, we will now have the clusters but we will not have the equivalent of a principal accounting officer. There will be these chief finance officers. Why did the Treasurer not take the responsibility that a principal accounting officer had and hand it over to these people in the clusters, and they would assume some additional broad responsibilities or functions as set out in clause 9? I cannot understand why that was done. Will every government department and agency have its affairs looked after by these centralised clusters; because, if not, why will principal accounting officers not be left in those areas?

Mr E.S. RIPPER: We could argue that because the current FAAA states in section 53 that the accountable officer is accountable for the effectiveness of the accounting and financial management and information systems, and section 56 states that the principal accounting officer is responsible for the keeping of such accounting and financial management and information systems etc, that the existing FAAA produces a blurring of responsibilities. Who is accountable: the chief executive officer or the principal accounting officer? It is very important in these matters that the accountability be absolutely crystal clear, and making the chief executive officer or the accountable officer accountable for the effective management of the agency's financial resources is better than providing that role for the principal accounting officer. There is also an issue about the outsourcing of payroll and other functions. The member for Leschenault asked why not make the cluster accountable for all those functions. The real impact on the financial management of an agency is not from the operation of the payroll system; it is from the decision to employ a certain number of officers at a certain classification or salary level. That creates the cost. The payment of the bill for costs can be outsourced to the private sector or to a corporate services cluster. Imagine in the private sector a company making a decision to invest in a certain way or employ people, and it outsources the payment of its payroll. The accountability has to be with the people who make the big strategic financial decisions, not with the people who process the payroll, the leave application or the payment of an account. Nevertheless, the cluster itself has an accountable officer who will be held accountable for the effective operation of that clause.

Mr D.F. BARRON-SULLIVAN: Sir Humphrey could not have done better.

Mr E.S. Ripper: I am flattered. Do you read these scripts?

Mr D.F. BARRON-SULLIVAN: I can just see the new Murdoch hospital being set up with no patients and the Treasurer will be giving us a statement on how wonderful it is.

Mr E.S. Ripper: Do you ever use some of those examples in your political activities?

Mr D.F. BARRON-SULLIVAN: No, I do not need to. I hear enough from the Treasurer.

Section 53 of the Financial Administration and Audit Act is not being repealed or changed.

Mr E.S. Ripper: No.

Mr D.F. BARRON-SULLIVAN: There will still be an accountable officer, who is generally the CEO of the department. Correct me if I am wrong. Generally a CEO would fill that position; he is the top dog accountable officer. Section 56 of the FAAA operates in a very similar way to the proposed new section 56, which relates to the chief

finance officer position. On the face of it, the things the Treasurer was just saying about the principal accounting officer apply to the chief finance officer. They are not different. Section 53 is the same. Underneath the accountable officer is someone else who is responsible to the CEO, for example, for the keeping of accounts and so on. The chief finance officer is also responsible to the accountable officer, in other words the CEO or whoever; it is just that the role of the chief finance officer has changed significantly. No-one within the department is now responsible for the keeping of accounts and the financial management systems. The Treasurer might say that the CEO is. This provided another check or balance within the system and it provided someone within the department who was independent of the CEO. Imagine a situation in which a CEO had a political tendency. Let us hope that that never happens in any of our agencies. That would never happen under Labor!

Mr E.S. Ripper: No.

Mr D.F. BARRON-SULLIVAN: If that ever happened it would just be part of an overall equation, and financial accountability could be dragged one way or another, whereas if someone in an agency or department is the accountable person and that person is responsible for keeping the books, by God, he or she is going to do the right job. He or she will act in a very independent way, albeit they will still be responsible, ultimately, to the CEO. All we are saying is: why change it? If the Treasurer wants those people to be responsible for providing advice on all sorts of things and also doing these more general things, he should add that on if he thinks it is important, but someone should still maintain responsibility for keeping the accounts and financial management systems, whether they are in a department, a cluster or whatever. This leads me to my next question, which is very simple: when will the shared corporate services be in place?

Mr E.S. RIPPER: The member for Leschenault has advanced a \$50 million issue. If there is a legislative requirement for each agency to have a principal accounting officer who is responsible for the keeping of such accounting and financial management information systems as will allow confirmation that all departmental or statutory authority revenues and expenditures have been brought to account, and for the day-to-day supervision of the accounting functions and proper operation of the accounting systems of that department or statutory authority, there will be a legislative model for each agency to run its own information technology systems for the performance of these functions.

Mr D.F. Barron-Sullivan: That is not what I said.

Mr E.S. RIPPER: I will come back to the case for the change I am proposing. If we retain this section of the FAAA, arguably the government would not be able to legislatively implement its corporate services reform, and failing to do that would result in an ultimate cost or loss to the taxpayers of the savings of \$50 million a year, which the functional review and the subsequent studies have shown can be achieved by this corporate services reform. I appreciate the argument that the member is making, if I understand the position he is advancing. My understanding of his argument is that if there are two people, one with broad responsibility and accountability, and the other with a definite, specific responsibility for accounting systems, there is a check and a balance.

Quite frankly, I think the member is arguing that, if there were a dodgy CEO, the principal accounting officer's position and insistence on his or her rights might save the day; therefore, we should continue to have the two accountabilities. That seems to be the member's concern. I put to him if someone outside the corporate services cluster performed the functions instead of people directly under the control of the principal accounting officer, the same objective would be achieved. In other words, the member is looking for someone who has a parallel or complementary accountability so that it does not all rest on one person. As I understand, that is his argument for the retention of the role of the principal accounting officer. If that role is given, in some respects, to the corporate services cluster, there would be no loss because the complementary provision would still exist.

Mr D.F. Barron-Sullivan: The chief financial officer has a different role.

Mr E.S. RIPPER: I agree with the member, but he is arguing for the retention of those sections of the role of the principal accounting officer that will go to the corporate services cluster.

Mr D.F. Barron-Sullivan: So why not change the FAAA to reflect that? It is not going to happen for a while yet.

Mr E.S. RIPPER: We are in the thick of it; we are implementing it.

Mr D.F. Barron-Sullivan: Why not change the FAAA so that it states, in effect, that if a department has these matters dealt with through a shared corporate services department or whatever, the principal accounting officer is part of the cluster that deals with that particular function?

Mr E.S. RIPPER: Let us be clear about this. There is a separation between strategic financial management and operational issues and the management of transactions. The management of transactions will occur in the corporate services clusters and the strategic management of financial issues will occur in the agency, as it should. As the member is from the conservative side of politics, the best example to use is that of the private sector. It is like a big firm deciding that it will not run its own in-house payroll system and that it will contract it to an outside provider. The company will still maintain its responsibility for the management of the finances of the corporation, but it would not want to have a rule that stated that an in-house officer had to supervise an in-house provision of the transactional services.

Mr T.R. BUSWELL: I will pick up on a couple of points. I suspect that, in the technicalities, the opposition's key concern has been overlooked. I hear what the Treasurer is saying about transactional versus strategic. We are talking about responsibility and accountability. Responsibility and accountability often relate to transactional activity. Of course, we suffer greatly from strategic blunders along the way. My concern - I am sure it is shared by the member for Leschenault - is about this accounting model. I do not have a problem with the use of corporate services clusters and the like. However, where does responsibility lie in the process? If I were a shareholder in a great corporation, I would need to put my finger on where responsibility lies. If I attended an annual shareholders' meeting and was told there was a major problem with the payroll department and that X per cent of the total payroll for the year was lost, I would not want to have a go at the CEO of the payroll company to which the task had been outsourced; I would want the CEO of my company to be there. We are trying to keep those components of the principal accounting officer's areas of responsibility allocated to the chief financial officer. For members in opposition, it is all about whom we wiggle the finger at when there is a major issue.

Mr E.S. Ripper: On the basis of my experience in opposition and seeing opposition, you should kick the minister.

Mr T.R. BUSWELL: That is a very good point. It is turning out to be an enjoyable pastime!

Mr E.S. Ripper: You will soon tire of it.

Mr T.R. BUSWELL: The minister would be very surprised! Notwithstanding that, my concern - particularly concerning section 56(2) of the Financial Administration and Audit Act - is that by not transferring those responsibilities to the chief financial officer, a grey area of where responsibility rests will be created.

Mr E.S. Ripper: I beg to differ: if we do what you say, there will be a grey area. Who will be responsible: the accountable officer for the corporate services cluster or the principal accounting officer for the agency that is the customer of the corporate services cluster?

Mr T.R. BUSWELL: Whom does the minister suggest should be responsible?

Mr E.S. Ripper: The accountable officer for the corporate services cluster, because I want the clusters to work properly.

Mr T.R. BUSWELL: Fair point. Therefore, is the responsible minister the minister responsible for the corporate services cluster, the activities of which, as the Treasurer has indicated, are reported through the Department of the Premier and Cabinet? Is the Premier the person who has the responsibility for every transactional-based activity that occurs in one of those corporate services clusters, or should it be the minister of the portfolio? That is the point. Our preference is for responsibility to track directly back to the minister. We see that the model put by the Treasurer and the removal of those few words will make it a lot more difficult.

Mr E.S. RIPPER: Although many of my days in opposition were long and dreary, as the member's will be - I hope - I had some fun when I was the opposition spokesperson for education and the Minister for Education was presiding over the introduction of the PeopleSoft payroll system. The payroll system was failing to pay a sufficient number of teachers for an issue to be created. Were such an event to happen in the future, it would be the type of transaction that would be conducted within a corporate services cluster. The accountable officer for the cluster would be the relevant accountable officer and the relevant minister would be the minister to whom the accountable officer reported. In this case I believe it would be the Premier. However, he might create a "minister assisting" for the purposes of dealing with this exercise. I have a feeling I know which minister that might be! An active opposition might approach the relevant minister and ask what he or she is doing to support his or her employees who have been the victims of the unfortunate foul-up in the payroll system in the corporate services cluster with which there is a service level agreement. There would be accountability for the response; that is, what action did the minister take to raise the issue with the minister responsible for the corporate services cluster etc?

Mr T.R. Buswell: That seems very clear and concise!

Mr E.S. RIPPER: It is clear because accountability will be with the accountable officer of the cluster. These things are not necessarily easy because we are shifting from a devolved public sector in which every agency has done its own thing to a more whole-of-government approach in which we will avoid the circumstance of having more than 20 different payroll systems and huge investments in information technology and systems that do not talk to each other. We will save some money by doing things more efficiently, as the private sector is doing and as other governments are doing. I understand that some private sector organisations are considering one corporate services cluster for their entire global operations.

Clause put and passed.

Clause 10 put and passed.

Clause 11: Part II Division 12 repealed -

Mr D.F. BARRON-SULLIVAN: This clause is one of a number that repeal a range of provisions relating to current accountability reports. For example, under division 12 of the Financial Administration and Audit Act, which will be

repealed by this clause, the Treasurer's quarterly and annual statements and the reports to which I alluded earlier and love so much, will be abolished. I will not go through all the points about the Treasurer's annual statements. However, the deadlines will change and so too will the Treasurer's responsibility. For example, currently under division 12 of the FAAA the Treasurer shall cause annual reports to be sent to the Auditor General by 31 August. Under the proposed provisions there will be no requirement on the Treasurer to do so, and the bill will impose no time line other than the final target of 150 days. Division 12 of the FAAA provides also that the Treasurer shall table audited statements within 21 days after receiving the Auditor General's report. Our reading of the bill is that the Treasurer will not be responsible for meeting a time line, other than the final target of 150 days. The point I tried to make earlier is that currently the FAAA and the Government Financial Responsibility Act operate under a number of checks and balances within overall time frames. For example, under the heading "Treasurer's annual statements", section 60(1) of the FAAA states -

The Treasurer shall, by 31 August in each year, cause to be prepared and submitted for audit to the Auditor General statements of the receipts and payments for the financial year of . . .

The act then lists a range of information. Section 60(3) of the FAAA states -

The Treasurer shall cause copies of the statements referred to in subsection (1) . . . to be laid before both Houses of Parliament within 21 days of receiving the Auditor General's opinion.

Section 59 states -

The Treasurer shall, as soon as possible after the end of every quarter of the financial year, publish in the *Gazette* a statement of the receipts and payments for that quarter . . .

Mr E.S. Ripper: Could you read the last section again?

Mr D.F. BARRON-SULLIVAN: Section 59 states -

The Treasurer shall, as soon as possible after the end of every quarter of the financial year, publish in the *Gazette* -

Mr E.S. Ripper: There is no date.

Mr D.F. BARRON-SULLIVAN: That is not my point. I am referring to the Treasurer's responsibility. The FAAA points at the Treasurer and says that the buck stops with the Treasurer. The act makes sure that the Treasurer does this or that. In conjunction with the overall time lines set out in the FAAA, it imposes a direct process of accountability upon the Treasurer. It also ensures a system of checks and balances within the overall time frame, rather than set one time frame at the end of it whereby the Treasurer could rock up in Parliament and say that he cannot present a report because he did not receive some information some time ago, or whatever. Nothing in the bill points at the Treasurer.

Mr E.S. Ripper: If the Treasurer answered in the way you just indicated, would you accept it?

Mr D.F. BARRON-SULLIVAN: Is the Treasurer telling me that I have a choice?

Mr E.S. Ripper: I think you do have a choice to either agree that it is okay or give a speech against it.

Mr D.F. BARRON-SULLIVAN: If an act of Parliament stated that by 31 August the Treasurer shall have made sure that the annual reports are sent to the Auditor General, by God something would have to be done by 31 August. A Treasurer cannot blame something on someone for not sending a report to the Auditor General; the Treasurer has been expressly mentioned in the FAAA. The Treasurer is the bloke in charge of the purse strings in this state; there is no higher position in matters of Treasury in this state. The FAAA holds the ministers and the Treasurer responsible, whereas under the proposed legislation, we will have to wait for this information to come out. The point is that we do not trust the situation that has been presented to us in this legislation because we know that it will be easier to let these matters slide when political embarrassment could be caused as a result of financial ineptitude or whatever. That is a major concern. I would like the Treasurer to explain why the government is proposing to delete this specific reference to the obligations of the Treasurer.

Mr T.R. BUSWELL: I rise to reiterate the points made by the member for Leschenault and to give the Treasurer ample opportunity to prepare a response to the very valid concerns of the opposition about the erosion of the responsibilities of the Treasurer under the proposed changes to the Financial Administration and Audit Act. Members who take the time to read the act will notice that section 60 in particular and other sections under division 12 contain quite a detailed overview of the commitments and responsibilities that are expected of the Treasurer. We are of the opinion that those responsibilities will be significantly eroded under the changes proposed in the bill before us. It is interesting to note also that those responsibilities are not repeated in any detail in the Government Financial Responsibility Act 2000. The member for Leschenault highlighted more than adequately that it is a perception of an opposition that is somewhat wary of what the government is attempting to achieve by this legislation. We are concerned that it will significantly reduce the capacity of the Treasurer to be brought to account for the government's financial performance.

Mr E.S. RIPPER: Part II, division 12 of the Financial Administration and Audit Act, which clause 11 seeks to abolish, covers the Treasurer's quarterly and annual statements. During this debate, the members for Leschenault and Vasse

have referred to annual reports. This clause deals with only the Treasurer's quarterly and annual statements. The government is proposing to abolish those statements in favour of the reports that will be substituted for them by this legislation. I reject the member for Leschenault's argument that somehow or other the accountability of the Treasurer has been removed. The reports that will predominate are the reports under Richard Court's Government Financial Responsibility Act 2000. I had a quick look through it -

Mr D.F. Barron-Sullivan: It does not provide the same accountability.

Mr E.S. Ripper: I will respond to the member's interjection when I have finished my argument. The Government Financial Responsibility Act 2000 puts the responsibility on the Treasurer on a number of occasions. We are not seeking to alter that. For example, section 12 of that act states -

The Treasurer is to release a Government Financial Projections Statement . . .

With regard to the *Government Mid-year Financial Projections Statement*, section 13 states -

The Treasurer is to release a Government Mid-year Financial Projections Statement not later than 31 December in each budget year.

The replacement arrangements for the abolition of the Treasurer's quarterly statements and the Treasurer's annual statements put the same onus for accountability on the Treasurer as provided under the existing scheme.

It might be useful for me to table some information that the Department of Treasury and Finance has given me. The department has produced a table that outlines the existing financial reports and the proposed financial reports, and the existing time frames and the proposed time frames. It would add to the clarity of the debate if we all had access to that table. I propose to table that three-page document. I do not want to table it until I have quoted from it. I will table it at the end of my remarks, so that everyone can look at it.

We are dealing first with the Treasurer's annual statements, which under existing law must be tabled by 21 November. The relevant information is to be incorporated in the proposed annual report on state finances. That report contains audited information and is to be tabled earlier. We have already had the debate on that point. I intend to have that report tabled within 90 days, by instituting a series of changes by regulation to pull in that time limit over a three-year, phase-in period. The Treasurer's quarterly statements, which are also proposed to be abolished by this clause, have been superseded by the quarterly financial results report. A quarterly financial results report is currently provided for under the Government Financial Responsibility Act, and the Treasurer's quarterly statements are provided for under the Financial Administration and Audit Act. At the moment there is no legislated date by which the quarterly financial results report must be tabled. However, the bill proposes a time frame of 60 days after the end of the quarter. All in all it will be an improvement. I table the document.

[See paper 387.]

Mr D.F. BARRON-SULLIVAN: It will be interesting to see that document, because I have done a similar thing.

Mr E.S. Ripper: Would you like to table your document?

Mr D.F. BARRON-SULLIVAN: I mentioned during my contribution to the second reading debate that I would seek leave to incorporate it in my remarks. I will do that a little later, when it is appropriate, because they are my notes for these few clauses. As the Treasurer has done, I will wait until I finish referring to my notes before incorporating them. I do not have a problem with that at all. I really want to get stuck into these issues in earnest when we get to division 14. The main point is that the bill not only removes the necessity for the reports under the Government Financial Responsibility Act, but also reduces the direct degree of responsibility and accountability that sits on the shoulders of the Treasurer or the minister. That is my main argument. I will walk through this a little later with division 14. I just wanted to make that point during this division, because it relates to the responsibilities of the Treasurer, albeit in relation to reports that will not be required under the new legislation.

Clause put and passed.

Clause 12 put and passed.

Clause 13: Part II Division 14 heading replaced -

Mr D.F. BARRON-SULLIVAN: Although this clause deals with a heading, I will start by dealing with division 14 of the FAAA.

Mr E.S. Ripper: Could we agree to have a general discussion on the annual report issues rather than tackling it clause by clause, if the Acting Speaker (Mr M.J. Cowper) will let us?

Mr D.F. BARRON-SULLIVAN: I am happy to do that, if we can get it out of the way with this one.

Mr E.S. Ripper: The Acting Speaker will have to indulge us, but he may do so.

Mr D.F. BARRON-SULLIVAN: Let us see how far we get. The situation with the annual reports is pretty well set out in division 14 of the Financial Administration and Audit Act. The FAAA sets out not just a final time line, but also

the checks and balances within the overall time frame, and contains a number of specific requirements. I will start at the beginning. Section 66 of the FAAA states -

- (1) The accountable authority of a statutory authority shall cause to be prepared and submitted to the Minister, within 2 months after the end of the financial year of the statutory authority, an annual report . . .

Section 68 states -

The accountable authority of a statutory authority shall within 2 months after the end of the financial year of the statutory authority cause to be submitted to the Auditor General the financial statements and the other information referred to in section 66(1)(a) and (b).

A very interesting point is that under section 69 the minister must table copies of the annual reports. Section 70 is interesting. I alluded to this earlier. It states in subsection (1) -

Application may be made by the accountable authority of a statutory authority at any time within 2 months of the end of the financial year of that statutory authority to the Minister for an extension of the period within which the accountable authority is required to comply with sections 66 and 68.

Subsection (3) states -

Where the Minister grants an extension to an accountable authority under subsection (1) -

- (a) the Minister shall within 21 days after granting the extension cause both Houses of Parliament to be informed of the details of the extension;

The point I have been trying to make to the Treasurer is that if for some genuine reason a government department is running behind time in preparing information to present to the minister, the department can currently go to the minister and say that it cannot get the information together on time and will provide its reasons. If the minister accepts that explanation, he or she advises Parliament of the reasons for the delay and so on. That occurs early on in the process. In other words, the minister is brought in directly and is responsible for making a decision about whether the minister will accept the delay. The minister is able to intervene, to make a decision and to ensure that the whip is cracked and that, as much as possible, the reports are made available in a timely manner. The bill does away with all those checks and balances. Again, it puts one dollop of responsibility at the end of the process rather than provide checks and balances all the way through. As I said, under division 14, statutory authorities must report within two months to the Auditor General. Under the changes proposed in the bill, there will be no time limit within which a public service department must report other than the final time frame of 128 days, if it is able to report within that time. Under the FAAA, the minister must table the audited report in 21 days. Under the bill, there is no responsibility for the minister to meet a time line other than the final 128-day time frame, if he can make that. Under the FAAA, an application must be made for an extension beyond 31 August, which must be supported by detailed reasons. If the minister accepts them, that is reported to the Parliament within 21 days. Under the bill, no such requirement exists. The obvious question is: why has the Treasurer watered down those accountability provisions so substantially?

Mr E.S. RIPPER: With respect, that question is not obvious at all, because it is based on a fundamental misunderstanding of what is occurring. The clause to which the member referred relates to statutory authorities. At the moment, a statutory authority has 174 days after the conclusion of the financial year in which to table its annual report. Therefore, it can wait until 21 December before it tables its report.

Mr D.F. Barron-Sullivan: Can you explain how it could blow out to 174 days? Could you give an example?

Mr E.S. RIPPER: That is how the current legislation works.

Mr D.F. Barron-Sullivan: It's the worst-case scenario.

Mr E.S. RIPPER: We are talking worst-case scenario.

Mr D.F. Barron-Sullivan: But the minister is made aware along the way, and he or she reports to Parliament.

Mr E.S. RIPPER: The current scenario is as follows. The department has 62 days before the report must go to the Auditor General. The Auditor General can spend until day 153 on the audit, and the report can be held back from tabling until day 174. That is how the time lines work.

Mr D.F. Barron-Sullivan: You have the accountability process along the way. The minister must make the decision.

Mr E.S. RIPPER: There is one accountability mechanism along the way to which the member referred, which, if exercised, would take the time line beyond the maximum time lines to which I have referred. The government proposes that statutory authorities must immediately come down from the 174-day limit to a 128-day limit. Pass this bill, and an immediate improvement will occur for statutory authorities reporting on the outcome of this financial year. It will come down from 174 days to 128 days.

My advisers are reassessing that advice.

Mr D.F. Barron-Sullivan: Drats - they've beaten me to it.

Mr E.S. RIPPER: Perhaps I have been overemphatic about the immediate improvement! I am now looking at another piece of paper that I understand is more accurate. I am one year ahead of myself: the improvement is for the reports from the 2005-06 financial year, not the 2004-05 financial year. I apologise for my enthusiasm. Nevertheless, a reduction from 174 days to 128 days is still significant.

An issue arises, too, with the way in which statutory authorities and departments work with the auditor. The current system is based on the idea that the statutory authority or the department decides that its accounts are absolutely correct and sends them to the auditor to see what the auditor states. In the private sector, people work concurrently with the auditor and do not sign off on the accounts, I am advised, until the auditor signs off that the accounts are correct. It is proposed that the public sector move to that mode of interaction with the Auditor General and work in a more collaborative and cooperative way by not signing off on the accounts until the Auditor General has indicated the accounts are an accurate reflection of what has occurred.

Mr D.F. BARRON-SULLIVAN: The bottom line is that some leeway is required. The next few clauses of the bill deal with annual reports. Clause 18 makes it clear that the minister will bring an annual report to Parliament within 128 days of the end of the financial year. The limit is currently 123 days. The minister can state it is 174 days, or whatever. My point is that the current legislation provides that the minister is held accountable for making decisions about holding up annual reports, and he or she must come before Parliament when that happens. Clause 19, I argue, takes the onus off agencies to a large extent to be as timely as they are required to be at the moment. Also, a department is not required to ask the minister for an extension, and the minister is not required to become involved or to take the matter to Parliament. If a report cannot be prepared on time, one can see the minister turning up in Parliament and blaming public servants. This government is very good at blaming public servants. The minister will blame public servants for not having prepared the report to be sent to the Attorney General on time, and then just sit down. The opposition will have no redress at all. That is the only part of the process at which any accountability provisions cut in. If the Treasurer were prepared to say that the government was bringing forward the time frames for annual reports, and that the opposition need trust the government to apply a prescribed period down the track that might be shorter because the government will introduce legislation by which reports will be in the Parliament within 90 days, I would still say that if something were to go wrong in the first couple of months, how about the minister coming to the Parliament to let us know? We could talk around in circles on this one because the Treasurer will not agree. The opposition has made this point before.

Mr E.S. Ripper: I've been entirely reasonable in regard to your earlier arguments. Why do you assume that this time?

Mr D.F. BARRON-SULLIVAN: One change was made. When does the Treasurer intend to reduce the prescribed period from 128 days for annual reports? What will the target be? The main question is: why not put that in the legislation?

Mr E.S. RIPPER: The paper that I tabled earlier needs some alteration. Those members of the opposition who are participating in the debate might like to turn to the last page, page 22, and look at the section headed "phase-in period". "Each financial year" should be the next financial year. It should read 2005-06, 128 days; 2006-07, 120 days; 2007-08, 105 days; and 2008-09, 90 days. Are we clear?

Mr D.F. Barron-Sullivan: Yes.

Mr E.S. RIPPER: Good. That in part answers the question from the member for Leschenault about the phasing in. I am asked why not put it in legislation. There are two sets of actors in these circumstances who are outside the direct control of the Department of Treasury and Finance, and hence the Treasurer. Those two sets of actors are, first, the Auditor General and, second, the agencies. The government must be assured before the law is changed that the Auditor General, who is an independent officer, is able to provide the audit opinions within the time frames required. The government must be assured that agencies that are albeit within our direct control have the capacity to meet the deadlines set. I will not preside over an artificial deadline. I will not participate in setting up the public sector for failure. I will ensure that all the operational requirements to meet the new rules are in place before the rules are given the force of law. I can tell members opposite that the policy is to pull back the tabling of annual reports so that we receive them within 90 days. If we can drive the schedule faster and harder than has been indicated to Parliament, we will. If we can produce a circumstance in which the Auditor General and agencies can meet tighter time lines, we will produce that circumstance. The intention is to provide Parliament and the public with a better service than they get at the moment, so that an annual report on the previous financial year is available by the end of September. I cannot put it any more strongly than that. I suppose that the opposition could advance an argument that there should be in legislation these days, these time lines and this phasing in. I prefer to have the opportunity to work with the Auditor General and the agencies to ensure that it happens rather than have something rigidly in the legislation that is not able to be met. In any case, the legislation as it stands should be endorsed by the opposition, because 128 days will be much better for statutory authority reports to be published than the current time frame.

Mr D.F. Barron-Sullivan: It is 123 of them.

Mr E.S. RIPPER: For statutory authorities -

Mr D.F. Barron-Sullivan: You are just giving a worst-case scenario.

Mr E.S. RIPPER: I am saying that for statutory authorities 128 days will be better.

Mr D.F. Barron-Sullivan: For statutory authorities; sorry.

Mr E.S. RIPPER: For statutory authorities there will be an improvement for 2005-06.

Mr D.F. Barron-Sullivan: What about government departments?

Mr E.S. RIPPER: Departments will stay the same on day one. For statutory authorities there will be an improvement.

Mr D.F. Barron-Sullivan: They will stay the same; they will not go out by five days.

Mr E.S. RIPPER: In the second reading debate, I indicated that I thought they would blow out by five days; in fact, that was the proposition advanced by the opposition. I have since further investigated the details of this issue and it is not the case that they will blow out. Departments will have the same time line, and statutory authorities will have an improved time line. When the regulations for the phasing in come into effect, everyone will have an improved time line, so that we will be getting annual reports by the end of September in the 2008-09 financial year.

Mr T.R. BUSWELL: We keep coming back to not the underlying reason for wanting to change these time lines, but the capacity for them to be misused at a future date by the government in attempting to - I do not like to use the word "hide" - not proffer accurate information as required in a timely manner.

Mr E.S. Ripper: The question I ask you is: what in the proposed legislation would enable the government to provide worse reporting than it currently does? I cannot see anything in the proposed legislation that would enable the government to provide worse reporting than it currently does.

Mr D.F. Barron-Sullivan: Just the checks and balances that you're taking out.

Mr T.R. BUSWELL: The member for Leschenault is correct. There is a failure to ensure through legislation that the time line that the Treasurer has outlined will be adhered to. I appreciate that there will be benefits if it is adhered to, but with the greatest of respect to the Treasurer, it is not our position to sit here and accept what he says because he says that we should trust him.

Mr E.S. Ripper: I'm glad you've used the word "respect". The point is that it is the difference between managing at a strategic level and micromanaging. You want the legislation to micromanage the process by which the annual report is produced.

Mr T.R. BUSWELL: No; unfortunately, we want the legislation to provide us with the opportunity to hold the government accountable. The Treasurer has heard neither me nor the member for Leschenault talk about his corporate service changes. We have not been critical of his intent and the cost savings that he hopes to enjoy. We are concerned that the timing of the electoral cycle in Western Australia sits somewhat unfortunately over the six months after the end of the financial year. We are very mindful of endorsing changes to the existing legislation that will give the government tools that it can hide behind as we move from the end of the financial year into the electoral cycle. I have made that point and I will continue to make that point. As I say, it is not meant to be disrespectful to the Treasurer; it is just our natural concern about the removal of checks and balances. I have only just started to review the table that the Treasurer has provided to us. No doubt the member for Leschenault will table his document shortly, in which the opposition has identified 19 accountability checks that will be removed by the legislation. We will stand and object to each of them as they arise, and we will continue to make the point.

Mr E.S. RIPPER: Clause 18 provides for the amending of section 69 of the Financial Administration and Audit Act, and states -

- (1) The Minister shall cause to be laid before both Houses of Parliament within the prescribed period -
 - (a) a copy of each annual report prepared under section 66 in relation to a financial year; and
 - (b) a copy of the opinion of the Auditor General prepared and signed under section 93 in relation to the financial statements and performance indicators contained in the annual report.
- (1a) In subsection (1) -

"prescribed period" means -

 - (a) 128 days after the end of the financial year; or
 - (b) the period after the end of the financial year prescribed by the regulations, whichever is the shorter period.

There is a direct legislated obligation on the minister to cause an annual report that has already been audited to be presented to the Parliament within 128 days. There is power to shorten, not expand, that period by regulation. The

opposition is arguing for the continuation of the current arrangement, in which there is an interim deadline for the agency to provide the report to the Auditor General, an interim deadline for the Auditor General to audit it and another deadline for the tabling. We are saying let us have a deadline just for the tabling and let us make the minister accountable for getting everyone to work together to ensure that that deadline is met.

Mr T.R. Buswell: Let us say that it stays at 128 days, for whatever reason. My understanding of the proposed replacement section 70, which refers to reports that cannot be tabled, is that that advice need not be supplied to the Parliament until the conclusion of the prescribed period; whereas currently an application for an extension of time must be made within two months of the end of the financial year, and 21 days after that, the information will be provided to the Parliament. One of the concerns we have is that the capacity to withhold information via an extension of time could well be enhanced in the bill before us.

Mr E.S. RIPPER: Section 70 of the FAAA states -

- (1) Application may be made by the accountable authority of a statutory authority at any time within 2 months of the end of the financial year . . . for an extension of the period . . .
- . . .
- (3) Where the Minister grants an extension . . . -
 - (a) the Minister shall within 21 days after granting the extension cause both Houses of Parliament to be informed of the details of the extension; . . .

Let us step that out. Under the existing legislation, the statutory authority can wait until one day short of the two-month period, make an application to the minister for an extension of time, and then the minister can wait for 21 days after granting the extension before informing the Parliament. Two months and 21 days after the end of the financial year will have passed before the Parliament hears that the very first step in the process, which is the preparation of the annual report, cannot be completed within the time frame. Members must bear in mind that this bill will require the minister to have the whole process completed within three months. The opposition is arguing that, in effect, a statutory authority being required to have the Parliament advised after two months and 21 days that it cannot complete its annual report on time is more accountable than a requirement that the annual report be done within 90 days.

Mr T.R. Buswell: How will section 70 apply? Are you suggesting that there is no recourse if the minister cannot cause the report to be tabled?

Mr E.S. RIPPER: The minister is required to have the report tabled within the prescribed period. If the minister cannot, the minister must come to the Parliament and say what has happened.

Mr T.R. Buswell: It could be up to 128 days after the end of the financial year.

Mr E.S. RIPPER: It could be 128 days in the first instance, but the prescribed period will eventually be shortened to 90 days.

Mr T.R. Buswell: Assuming that happens and it does not slip back out for some mystical reason.

Mr E.S. RIPPER: It will happen.

Clause put and passed.

Clauses 14 to 23 put and passed.

Clause 24: Section 94 repealed -

Mr D.F. BARRON-SULLIVAN: This clause does away with a very simple provision that provides the ability for the Auditor General to issue interim reports under the existing Financial Administration and Audit Act provisions. Section 94 provides a requirement for the Auditor General to provide an interim report. I understand that all the timeframes and so on have been changed, but why is provision not being made to ensure that the Auditor General should provide an interim report when matters might, quite frankly, get bogged down? We heard earlier in our discussion that that is a possibility. This is a very clear-cut provision. I am just wondering why it has been taken away rather than at least being amended to suit the new provisions.

Mr E.S. RIPPER: Before I forget, I have some advice for the member for Leschenault. I suggest that he put in his bring-up file a date 129 days after the end of the financial year in 2006. At that time he can start asking ministers whether they have tabled their annual reports, and if they have not, why they have not advised the Parliament. There is a good accountability exercise.

Mr D.F. Barron-Sullivan: What would you do if a minister had not tabled an annual report?

Mr E.S. RIPPER: I think it would be very embarrassing for the minister.

Mr D.F. Barron-Sullivan: That is it, is it?

Mr E.S. RIPPER: I think the opposition will move motions on matters of public importance and ask the Parliament to take appropriate action.

Mr D.F. Barron-Sullivan: What will you do? That is my whole point. Nothing will happen.

Mr E.S. RIPPER: We govern according to law. It is a serious issue if we do not meet our legislative obligations. Our accountability is to the Parliament. I would expect the Parliament to take appropriate action.

Mr D.F. Barron-Sullivan: Just today we found that there is a report that you have never tabled since you have been in government.

Mr E.S. RIPPER: Is there a legislative requirement to table the report?

Mr D.F. Barron-Sullivan: You talk about the highest levels of accountability.

Mr E.S. RIPPER: Is there a legislative requirement to table the report?

Mr D.F. Barron-Sullivan: There is no legislative requirement here as a result of your legislation. All that will happen is that your minister will stand and say he is sorry he could not do it on time and then he will sit down.

Mr E.S. RIPPER: I think the opposition will then ask questions. In any event, the member appears not to be accepting my kind advice, so we will move on.

The interim reports from the Auditor General are required under the Financial Administration and Audit Act when the Auditor General cannot meet his deadline. Under the existing arrangements the Auditor General is required to have the report audited by 15 October for a department or 30 November for a statutory authority. If the Auditor General has not been able to meet that deadline, he can make an interim report that must be given to the Treasurer and the minister in the case of departments and the minister in the case of statutory authorities. Then within seven sitting days the Treasurer or the minister must provide that to the Parliament. Theoretically, seven sitting days after 15 October in the case of a department or seven sitting days after 30 November in the case of a statutory authority, the information could be provided to the Parliament; the information being that the Auditor General has been unable for one reason or another to reach an audit opinion on the accounts of a department or a statutory authority. Bear in mind that we are aiming for a legislative obligation to have the annual report process, including the audit process, completed within 90 days; in other words, by 30 September.

Mr D.F. Barron-Sullivan: In the year 2009 maybe.

Mr E.S. RIPPER: Even so, in the year 2007-08 we are planning to have it down to 105 days, which would take us presumably to mid-October.

Mr D.F. Barron-Sullivan: Why take this responsibility away from the Auditor General?

Mr E.S. RIPPER: The Auditor General of course has the power to report to Parliament any time he wishes. He could report tomorrow.

Mr D.F. Barron-Sullivan: This provision requires him to do so.

Mr E.S. RIPPER: If the Auditor General thought there was an issue on annual reporting matters - he is an independent officer - he could report to Parliament tomorrow.

Mr D.F. Barron-Sullivan: He could, but this requires him to do so.

Mr E.S. RIPPER: Presumably the member has respect for the Auditor General and presumably he would be of the view that if the Auditor General thought there was a serious issue, he would make that report.

Mr T.R. Buswell: What would trigger him to think that if he is not required to look at it?

Mr E.S. RIPPER: He is required to audit the annual report. If there is an obstacle to him auditing the annual report, such as the agency refusing to provide the information or whatever, he has the ability to report to Parliament. What we are really aiming for here is a new way of the Auditor General, ministers and agencies working together. The rigidity of the existing legislation makes difficult that new way of working, which is the equivalent of the way the private sector works. That is why we want to change the legislation.

Mr T.R. BUSWELL: A new way and a new world - Aldous Huxley. I rise to harp on about the same thing, but I will only harp on for a minute because I am running out of strings in my harp. It is not to doubt the integrity of the professional officers who have put the suggestion forward, be it the Auditor General, the good gentlemen from Treasury or whomever; it is to reiterate the opposition's concern that a check and balance on the timeliness of the information provided by the government is being taken away. The Treasurer talks about legislative obligation. I want to pick him up on that point, because the legislative obligation is based on his word that the regulations will deliver that outcome to us. With all due respect, I think experience has shown that on both sides of politics, as the electoral cycle gets closer, the willingness to provide information diminishes. Also, to highlight the point the Treasurer has just made, under these changes ministers will face no sanctions whatsoever other than the scrutiny of the Parliament if they fail to fulfil their obligations. I would suggest that if for any reason, and not merely a reason of his own making or his own department's inability to perform the function, the Auditor General is unable to issue an opinion required by section 93, he shall

prepare and sign an interim report. That is a very important tool for us in opposition and it is just one more mechanism that has been taken away.

Mr E.S. RIPPER: I will make a suggestion to those opposite: they should go and receive a briefing from the Auditor General.

Mr D.F. Barron-Sullivan: Why not send the bill to a committee? That is how to do these things.

Mr E.S. RIPPER: Those opposite have the freedom to approach the Auditor General. The Auditor General is independent of the government. They should ask the Auditor General whether he would like to work with this process or not. I think they will find that the Auditor General has been fully consulted on this issue. He is supportive of the proposed process and he wants this process to be available. He is independent of the government and he has a legislative responsibility to ensure financial accountability, openness, probity and transparency. If the Auditor General is supportive of the process being proposed, that argument weighs against the opposition if there is to be some erosion of accountability.

Mr D.F. Barron-Sullivan: I think the Auditor General is a very important source of advice on this legislation, and I have argued before that I would like to bring other people before a committee. The Treasurer has already indicated that he will not send this legislation to a committee. He is now suggesting that the debate be adjourned to give us time to meet with the Auditor General.

Mr E.S. RIPPER: No, I am not suggesting that.

Mr D.F. Barron-Sullivan: I thought you were.

Mr E.S. RIPPER: That is an error on the member's part. It is understandable, but it is an error.

Mr D.F. Barron-Sullivan: So you are not really suggesting that we should talk to the Auditor General?

Mr E.S. RIPPER: I am suggesting that those opposite talk to the Auditor General.

Mr D.F. Barron-Sullivan: After we have passed the legislation?

Mr E.S. RIPPER: Yes, but before the legislation goes through the upper house.

Mr D.F. Barron-Sullivan: You would be one of those judges that hang people and then give them a fair trial.

Mr E.S. RIPPER: That appeals with regard to certain members of the opposition! However, the legislation is going to the other place; there will be a gap between the consideration of the legislation in this place and in the other place.

Mr R.F. Johnson: They are a bit snowed under at the moment, I believe.

Mr E.S. RIPPER: They are dealing with very important matters to do with the fairness of our electoral system. There will be a gap in time before the upper house considers this legislation. I invite opposition members to approach the Auditor General in the period between the consideration of the legislation by this house and it being dealt with in the upper house and receive a briefing. They can then take appropriate action in the other place if that is what they choose.

Mr T.R. Buswell: Would you agree that that is somewhat contrary to your advice last week, when we expressed our concern about the complexity of the bill and the accountability, and you told us that all our answers would be provided when we went into committee?

Mr E.S. RIPPER: I have provided all the answers, but opposition members appear still to have doubts. I am suggesting that if opposition members are worried about whether the Auditor General is on side with this legislation or not, they should have a meeting with him. I have provided all the answers that opposition members need, but if they need more they should have a meeting with the Auditor General.

Clause put and passed.

Clauses 25 to 27 put and passed.

Clause 28: Section 4 amended -

Mr E.S. RIPPER: I seek your guidance, Mr Acting Speaker (Mr M.J. Cowper). I am not proposing to proceed with subclause (3). I move -

Page 19, lines 24 to 27 - To delete the lines.

Mr D.F. BARRON-SULLIVAN: I wish to make one point. I do not want to rub it in too much when the Treasurer admits he is wrong about something in the legislation and wants to delete part of it, and he does not even have his amendment sorted out for something this simple.

Mr E.S. Ripper: Don't, otherwise I will withdraw the amendment and insist on the original piece of legislation.

Mr D.F. BARRON-SULLIVAN: I am pleased the Treasurer has been persuaded by the strength of our argument about this -

Mr E.S. Ripper: And your personal charm.

Mr D.F. BARRON-SULLIVAN: That is taken for granted. This indicates that we have pinned the government on one aspect of this legislation, and the Treasurer has admitted that he can see some merit in our arguments and so on. However, I make the point that there are so many complex aspects to this legislation that it is very difficult in this forum to adequately discuss and debate these matters. It is also impossible for us to call on advice and so on as the debate ensues. The Treasurer came very close to offering me the support of one of his advisers, but I understand that cannot and will not happen. The point is that we would like this legislation taken beyond the advice of officers from the Department of Treasury and Finance. I stress that we have indicated that we would like this matter to go to a committee. The fact that the Treasurer now wants to remove this subclause of the bill, after previously arguing so earnestly and waving a piece of advice around strongly supporting this provision, indicates that maybe - just maybe - we were right about some of the other things we were saying as well. That illustrates why this matter should go to a committee to be digested in an appropriate way. I think I have said enough about this clause, but I want to make the point that if ever there was a bill that should go to a committee, this is it. It has been very difficult debating this bill while looking at two pieces of legislation and *Hansard* records from previous debates, and furiously going through a calendar to determine that the Treasurer was wrong in one of the things that he said - it is too late for that now - and so on. It would be much better if we were able to go through this legislation in a considered manner. The best way to do that would be to send the legislation to a committee. I just wanted to make that point again, but I know the Treasurer will not agree.

Mr E.S. RIPPER: I believe in parliamentary debate and I try to listen to the arguments that are advanced by the other side. If a point is made that is worth incorporating in the legislation, I will incorporate it. On this occasion it would have been appropriate to proceed with the original proposal. There was nothing in the original proposal and the way in which the government intended to implement that original proposal that was objectionable. However, the opposition raised a concern: it took a particular interpretation from what the government had done. I totally disagree with that interpretation and, in order to reinforce my total disagreement with it, I am prepared to alter the legislation to cement clearly what the government intends to do. However, we cannot run away from the fact that the two accounting paradigms that are required as the basis for reports might be amalgamated into one, and that one will be called the Australian accounting standards, and government finance statistics might disappear as an accounting paradigm. If that happens, we will not be able to persist with the current legislation and the proposal before the house. We would need either the government's original proposal or some substitute. If it were not for the fact that I know I am coming back to the house at a later stage this year or early next year with a complete rewrite of the relevant legislation, I would not be agreeing to the opposition's position. However, because I know that we have a chance to deal with this at a later stage and that agreeing to the opposition's proposition will not cause any damage, and because I want to dispel any suggestion that the government will act improperly, I have agreed to the opposition's position.

Sitting suspended from 6.00 to 7.00 pm

Amendment put and passed.

Clause, as amended, put and passed.

Clause 29: Section 5 amended-

Mr D.F. BARRON-SULLIVAN: I have an obvious question. Can the Treasurer explain the significance of, and reason for, changing the wording in section 5 of the Government Financial Responsibility Act from the "Under Treasurer may, in writing, ask a public sector body for any information" to the "Under Treasurer may, in writing, request a public sector body to provide"? Will the Treasurer elaborate on that?

Mr E.S. RIPPER: The really important part of the clause is subclause (2), which inserts a new proposed subsection, which reads -

- (3) A public sector body is to comply with a request under subsection (1) within the time, and in the form, specified in the request.

I am not sure why the instructing officers and parliamentary counsel decided to reword section 5(1) to remove "ask a public sector body for" and replace it with "request a public sector body to provide". However, that is inconsequential compared with the critical element of the section, which is to put an obligation on public sector bodies to comply with the request. My understanding is that the section is required because there are some bodies, such as the Water Corporation and Western Power, whose financial operations form a material part of the financial reports of government but are not bound by the Financial Administration and Audit Act or Treasurer's instructions. Obviously, Western Power is a big organisation in financial terms. Critical decisions made within Western Power can affect the overall state of the state's finances. It has not been as easy as it should have been for Treasury to obtain information from organisations such as Western Power and the Water Corporation over the years.

Clause put and passed.

Clause 30: Section 9 amended -

Mr D.F. BARRON-SULLIVAN: This clause deals with section 9 of the Government Financial Responsibility Act, which deals with the tabling of reports and so on. After this bill passes through the Parliament there will be nothing in

the Government Financial Responsibility Act or the Financial Administration and Audit Act that will have the sorts of checks and balances within time frames that we referred to earlier to ensure that reports are proceeded with in a timely manner. During the dinner break I had a quick flick through the information provided to me by the Treasurer. Quite frankly, the proposed time frames could be described as “keep your fingers crossed, very best possible outcome”. The most obvious thing that hit me is that there is so little in this legislation that will guarantee improvement. The proposed time frames in the document tabled earlier by the Treasurer are not guaranteed by this legislation. We will have to rely on regulation. It raises a rather obvious point. Rather than erode the accountability measures we spoke about before, if the aim is to bring reports forward within a 90-day time frame, the other alternative would have been to do that within the existing legislative arrangements that provide for these accountability measures as well.

This makes provision for when the Treasurer is not able to release the reports, particularly the new annual report on state finances and the quarterly financial results reports. The Treasurer will simply come to Parliament and advise both houses that a report cannot be presented on time and give a reason. I can foresee that a reason may be that a department has not collated information quickly enough. The only way that the Treasurer is to be held accountable for the overall time line is at the end of the process. As we pointed out before, the existing legislation has provisions within the time frame to keep cracking the whip.

Mr E.S. RIPPER: At the moment the only audited report on the state’s finances is not even required by legislation. There is not even a requirement to produce a report, let alone a requirement for a deadline, let alone any requirement for an explanation to the Parliament if the report is not produced.

Mr D.F. Barron-Sullivan: Except the consolidated financial statements.

Mr E.S. RIPPER: That is right. That is the only audited report.

Mr D.F. Barron-Sullivan: Have you noticed that I have not really been saying that it is a huge priority in terms of overall accountability? You are referring to the one report that perhaps others and I do not rely upon as much.

Mr E.S. RIPPER: I am referring to the one audited report.

Mr D.F. Barron-Sullivan: All people need is a summary of the budget stuff you already know?

Mr E.S. RIPPER: Presumably the member would like to see an audited report. We are moving to an annual report on state finances that will be audited. We have had the debate about time lines, but our intention is to move from a situation in which there is no requirement to produce an audited report to a situation in which there will be a requirement to produce an audited report, and to produce it within a certain period. We intend to shorten that period so that it must be presented within 90 days. In any case, this clause at least requires the Treasurer to advise the Parliament of an inability to table the report within the time lines and the reasons for that inability. Currently, there is no sanction at all if the Treasurer does not produce the report. This clause at least requires the Treasurer to stand in the Parliament and say that he is unable to table the report and to give reasons. The member might think that is not a huge accountability mechanism, but it is in the context in which there is no accountability mechanism at all; that is, there is a requirement that the Treasurer table the report by a certain time, but nothing happens if the Treasurer does not.

Clause put and passed.

Clause 31: Section 14 repealed -

Mr D.F. BARRON-SULLIVAN: I asked the Treasurer previously for some simple advice on a Main Roads trust account. The Treasurer has gone to great pains to say that when section 14 of the Government Financial Responsibility Act is abolished, and consequently a range of existing information will no longer be required, access will continue to be available to the information currently contained in all these documents. Although this clause deals with the government financial results report, I use it to illustrate one matter indicated by the Treasurer when I gave a specific example. I could have used other examples but I used one about the trust funds that are accounted for in the Treasurer’s annual statements. I looked at a few examples randomly and pointed to the Main Roads trust fund. On 30 June 2004 there was more than \$35 million in cash sitting in that fund - a not inconsequential amount of money. All I wanted to know was whereabouts in the report of Main Roads that figure appeared. The Treasurer told us that all the information in this trust fund component of the Treasurer’s annual statements is contained in annual reports. I made the point that that meant we had to go through hundreds of annual reports, checking footnotes and so on. We now find that not all this information is in the annual reports. The simple fact is that the figure of \$35.6 million for the Main Roads trust fund does not appear in the annual report of the Commissioner of Main Roads. The Treasurer can come out with arguments that we may not need to use that figure and another figure may be more relevant, or whatever. The point I am making is that not all the information that is currently provided and is available in the documents that he intends to scrap will be available in annual reports. I quite coincidentally found one example of some information that will not be available in the annual report of the Commissioner of Main Roads.

I recall that last week, when the Treasurer referred to some of this information as unnecessary, the Treasurer’s view was that a lot of this information is currently provided in annual reports and this information in the Treasurer’s annual statement is unnecessary. That is not for the government of the day to determine; it is for the people who wish to keep

the government accountable to determine. Unfortunately, when the person making the rules decides that some information is unnecessary and to do away with that information, there is not an awful lot we can do about it. I make the point that the Treasurer said that all this information that I had referred to in statement 5 would be contained in annual reports of government departments, and I have found at least one piece of information - it did not take too much trouble to find it - that will not appear in an annual report.

Mr E.S. RIPPER: I understand the Main Roads trust fund is the operating account of Main Roads. The figure the member referred to is a cash figure. I suggest that he has not been looking at the cash-flow statement in the annual report. That statement deals with cash movements. I ask the member to look at the cash-flow statement in the annual report again to see whether the situation is more to his satisfaction.

Mr D.F. Barron-Sullivan: Which page of the annual report are you referring to?

Mr E.S. RIPPER: I do not have the annual report in front of me, so it is not possible for me to say.

Mr D.F. BARRON-SULLIVAN: I tell the Treasurer that unless he can show me a figure of \$35.7 million on a page of the Main Roads trust fund, the information the Treasurer provided to the house before is incorrect. He said that the information and all the information contained in the Treasurer's annual statements under statement 5 is available from annual reports of government departments. All I am highlighting is the fact that financial information that is currently available to the public, the taxpayers of Western Australia, and the opposition will not be available when this bill is passed.

Mr E.S. RIPPER: I do not have the document in front of me, but the financial statements in the Main Roads annual report should include a cash-flow statement, which would deal with the issues raised by the member. Nevertheless, I will ask Treasury to look again at the annual report and we will seek to guide the member to the appropriate information.

Mr D.F. Barron-Sullivan: While the Treasurer is on his feet, I have given him a copy of the annual report before; it is sitting on his left.

Mr E.S. RIPPER: There it is, okay. We shall look at it as the rest of the debate proceeds.

Mr D.F. Barron-Sullivan: It is the Main Roads trust fund dated 30 June 2004, and I am looking for a figure of \$35.7 million.

Clause put and passed.

Clause 32: Section 14A inserted and amended -

Mr D.F. BARRON-SULLIVAN: This is the key clause of this bill. It provides for the new annual report on state finances and will take over from a range of financial information that is currently available. Again, most of the points have already been raised, but I will reiterate a couple of the more important ones. The first is that proposed new section 14A, headed "Annual Report on State Finances", provides for the Treasurer to release this new report within the prescribed period. The prescribed period is defined as 150 days after the end of the financial year, or the period after the end of the financial year prescribed by the regulations, which we are told will eventually come down lower than the 150-day mark. We have been through this issue before. Why has the Treasurer picked 150 days for this when, for example, annual reports from other departments must be provided within 128 days? There is obviously a huge uncertainty about this prescribed period and whether in the future it will be reduced. The obvious point is that if the government is unhappy with deadlines on any report, it does not need to chuck out the baby with the bathwater; it could simply tighten the current reporting time lines. Fortunately, the provision in this clause that states that an annual report on state finances must be prepared in accordance with external reporting standards does not hold the same degree of concern, in itself, as it did previously, as the Treasurer has obviously agreed to essentially maintain the existing definition of external reporting standards. That is quite important. At the outset I asked whether regulations had been drafted. This is the type of clause that indicates why it is important to get hold of a copy of the regulations - even draft regulations - when dealing with a bill. The bill states that the annual report on state finances must include the financial result for the budget year and any other matter prescribed in the regulations. Currently we do not know what will be in the new annual report on state finances. The Treasurer has told us it will not include a statement on trust funds. We do not know exactly what it will contain. Have any regulations have been drafted and is the Treasurer prepared to present them to the house? If the government produces this report that will ultimately take the place of all the other reports to which we have referred, why does the government not look at expanding the range of information that is contained in the new annual report on state finances? Have the draft regulations been prepared and will a copy of them be tabled?

Mr E.S. RIPPER: Draft regulations have not been prepared because that task is usually undertaken when the legislation has completed its passage through the Parliament. The annual report on state finances is prepared in accordance with external reporting standards and must be a comprehensive report in accordance with those standards. All this reporting is additional to that received at the moment. We do not currently produce an annual report on state finances that is audited -

Mr D.F. Barron-Sullivan: You are doing away with three other reports.

Mr E.S. RIPPER: The government financial results report will still be available prior to 30 September. In addition, the annual report on state finances will provide bonus information that can be referred to, which information will be audited. Gradually, over a three-year period, that will be made available within 90 days. Only when it is available within 90 days will the government's financial results report no longer be produced.

I will take up a point that was raised earlier regarding the matter of timely reporting. The checks and balances in the system to which the opposition has referred are rigid systems that prevent the Auditor General, agencies and ministers from shortening the time frames for the delivery of these reports. If the Auditor General and agencies can work together in a more fluid and collaborative way and not be bound by defined rigid windows of opportunity for the delivery of each part of the process, we will have a better chance of shortening the time frames for the publication of the reports than if we continue with the existing rigid system. I am sure that the opposition can discuss this type of information with the Auditor General between the passage of the bill through this house and its consideration in the other place.

Clause put and passed.

Clause 33: Section 14B inserted -

Mr D.F. BARRON-SULLIVAN: I would like to hear the Treasurer on this clause.

Mr E.S. RIPPER: The spirit of cooperation that has entered this debate is marvellous. I have to confess that my Treasury advisers have found the relevant page of the annual report 2004 on Main Roads Western Australia. On page 126, section 18 lists the cash assets. The cash at bank amount is \$35.685 million, which corresponds to the trust account balance 2004 on page 75 of the Treasurer's annual statements, which is also \$35.685 million. On page 126 is recorded also the amount of cash at hand for 2002-03, which is \$43.25 million - I will have to ask Treasury about that because there is a very slight difference in the figure. It is practically equivalent -

Mr T.R. Buswell: Three of the greatest minds in Treasury have taken 10 or 20 minutes of collective time to find it. I do not know how that works out. It has taken probably 30 or 40 minutes of highly skilled time to find this information that the Treasurer says is readily available. I raise that matter to make a point.

Mr E.S. RIPPER: It is readily available. It is recorded in the financial statements. The figure for cash assets is the same for 2004 as in the Treasurer's annual statements. I suggest to the member that it is not a terribly important figure. The accrual presentation of the accounts is much more informative about what is going on than is the cash at bank figure on 30 June. Nevertheless, I said that the cash information was available in the annual report and there it is.

Mr D.F. BARRON-SULLIVAN: The member for Vasse has stolen my thunder. Our point is exactly that. There are four pages of these figures and it has taken three of the most senior Treasury officers this amount of time to work it out. It is because there are three of them that I can say something without dobbing in one of them. During the break one of the officers could not find that figure. Three very senior Treasury officers -

Mr E.S. Ripper interjected.

Mr D.F. BARRON-SULLIVAN: Oh, dear, when I learn of a Treasury officer being demoted tomorrow, I will know why. Seriously, it just goes to show. The Treasurer has just said that apparently the figure is not the same anyway. Maybe it is just a couple of dollars off, I do not know. The point we are making is that the information is collated anyway, so why does the government not continue to print it? Whether it is included in the new annual statement or whether the government continues with the current system, which the Treasurer considers to be outdated, is one argument against another. I think we have made our point. The government is making this information a lot harder to get hold of, if it is provided at all. That does nothing towards improving accountability. I assure the Treasurer that of the documents the government is scrapping, I could have picked a number of specific examples and done exactly the same thing.

Clause put and passed.

Clauses 34 to 46 put and passed.

Title put and passed.

TREASURER'S ADVANCE AUTHORISATION BILL 2005

Second Reading

Resumed from 7 April.

MR D.F. BARRON-SULLIVAN (Leschenault) [7.30 pm]: I envisage that the second reading stage of the Treasurer's Advance Authorisation Bill 2005 will not take anywhere near as long as the previous bill. That does not mean that it is an insignificant piece of legislation; rather, it does not have quite the same complexities or unintended implications as the previous bill. The Treasurer's advance bill stems from one of the pieces of legislation we talked about previously and the process that has been in place under both the current administration and the previous Liberal government. In a nutshell, for some years the Treasurer has had legislative authority to make payments or advances in accordance with the authorisation bill to a limit of \$300 million. That amount was increased a few years ago from \$200 million and,

undoubtedly, it will continue to be increased over the years. Each year a different advance authorisation bill is required to come before this Parliament which, put simply, allows for money to be provided through Treasury for various purposes and ultimately recouped from the departments or agencies concerned. A typical example is when Treasury pays the rent on a department's premises and then recoups that money from the department concerned. This is one way for Treasury to handle the initial stage of that financial transaction. The opposition will not focus on the \$300 million allocation in great detail. As I said, there is nothing in that component of the legislation that stands out from what has happened in previous years. However, I want to make some brief comments about the final clauses of the bill, which seek to increase the \$300 million figure to \$750 million for the current financial year.

The Treasurer's advance obviously relates to exactly that - making provision for payments or advances. However, clause 7 of the bill seeks to provide an additional \$450 million of funding through the advance authorisation process. The essential reason for this is to fund a range of commitments that were made prior to the last election. When I looked at the number of times the base amount of the advance authorisation has been amended in this way, the largest amount was \$350 million in one year. I do not have the notes with me, but I seem to recall that a bit over \$240 million was for one particular reason. I will not call it a technicality, but it was not for a grab-bag of spending initiatives such as we see in this legislation. When we look at the reasons that the Treasurer indicated he wants to increase the amount in the Treasurer's advance authorisation bill, we find items that amount to election commitments made in the lead-up to the election. The list that the Treasurer provided includes \$97 million of expenditure in the health portfolio. That includes a number of things, such as extra expenditure on trying to reduce hospital waiting lists and dealing with the crisis in our hospitals' emergency departments. It includes money for school building maintenance and \$88 million worth of financial assistance - I like that phrase - for the sale of the Dampier to Bunbury natural gas pipeline. I will not go through the others; they are set out in the minister's second reading speech. The point I want to raise - I will not criticise the process, because it is a legitimate way of providing the funding necessary to take care of those particular expenditure commitments - is that prior to the election an additional \$450 million worth of expenditure commitments were made. That demonstrates not only the funding increases that this government has implemented in recent times, but also that a revenue capacity exists to fund those commitments. Again, it demonstrates the increase in revenue that this state has obtained through a variety of sources, whether through taxation increases or increased revenue from the commonwealth and so forth. If we look, for example, at the cost of the Labor Party's expenditure decisions since the 2004-05 budget, we can see why this bill is necessary. For example, at the time of the 2004-05 budget the government had revenue initiatives - in other words, the government was forgoing revenues - of around \$176 million. It had expenditure commitments of more than \$147 million, so the total overall real cost of the budget was something in the order of \$323 million. When we track that through the midyear statements, we find that that total budget cost blows out in 2004-05 to \$504 million. In fact, it is more than \$504 million. To give members an idea of the scale of the increase in expenditure and the total budget commitments that either absorb or forgo revenue, let us consider the pre-election statement for 2004-05. There is a total budget cost of \$20.5 million for the fiscal year of 2004-05. As at the pre-election budget statements prior to that financial year - we are going back a few years - we can see that in 2004-05 there would have been budget costs of around \$20.5 million. However, the actual figure in accordance with the 2004-05 midyear statement ended up being around \$505 million. That is quite staggering, and it demonstrates the capacity that this government had at the time as a result of a huge increase in taxation revenue and revenue from other sources. That does not just apply to 2004-05, because the forward estimates reveal a similar type of thing happening. In fact, if we go through that exercise for a period of four years, we find that the total cost of the budget in terms of revenue forgone and extra budget expenditure commitments is more than \$4 000 million - more than \$4 billion.

Mr E.S. Ripper: I have not quite followed the member for Leschenault's argument. What base line are you assuming to make those judgments?

Mr D.F. BARRON-SULLIVAN: From 2004-05 onwards, I have had a look at the impact of the decisions that have been made from the 2004-05 budget - that is, Labor Party decisions since 2004-05 right through to its election commitments.

Mr E.S. Ripper: And then you take them on a four-year basis.

Mr D.F. BARRON-SULLIVAN: Yes, the cost of those commitments on a four-year basis. When the whole thing is tallied up, we end up with, as I said, more than \$4 billion. That is the impact over four years on the state's budget.

Mr E.S. Ripper: You are counting tax decisions as expenditure decisions.

Mr D.F. BARRON-SULLIVAN: Absolutely. That is what I was trying to get across. That is why I said revenue is forgone. In other words, it is the "cost" to the budget of revenue forgone or additional expenditure commitments. I am simply making this point to fit in with the fact that the government was seeking \$450 million in the 2004 Treasurer's Advance authorisation to provide for additional expenditure commitments in these cases, obviously, as part of the overall massive growth in government expenditure. I have added to that the areas in which the government has forgone revenue as a cost to its overall budget strategy.

Mr E.S. Ripper: Member, I appreciate the way in which you have made the calculations. You have really added together tax and expenditure initiatives, because they both have the same effect on the bottom line. However, you can't count \$1 billion in tax cuts as a growth in government expenditure.

Mr D.F. BARRON-SULLIVAN: No, but the point I am making, and I made earlier, is that to spend \$450 million extra, unless the Treasurer tallies up the debt or whatever, money must be coming into the till.

Mr E.S. Ripper: That's true.

Mr D.F. BARRON-SULLIVAN: The point we have been trying to make ad nauseam, and we will make in another debate at another time, is that we must look at how the government has gained that money and what the government has been saying at the same time as it has been getting such enormous revenue growth and so on. However, we will have our opportunity to speak on that in the not too distant future. For example - I have used these figures before, I think - since the 2000-01 budget and up to 2004-05, as the Treasurer knows, there has been cumulative revenue growth over a four-year period of more than \$7 billion, and at the same time the government has obviously been trying to blame the commonwealth for reduced revenues. The one point I want to make about that \$450 million - because that is what really stands out - is that the government barrelled into an election making some significant expenditure decisions. Now the Treasurer is essentially asking for the Treasurer's Advance Authorisation Bill 2004 to be amended to take into account those expenditures.

I will not delay the debate on this bill. I would like some information on a couple of matters. This is a good opportunity for me to ask for it, and I am quite happy if the Treasurer indicates he will provide the information later. The Treasurer presented by way of summary a number of items totalling about \$450 million that he wishes to fund through this measure. It would be appreciated if a further breakdown could be provided of each of those items. One of the reasons that we would particularly appreciate that breakdown is that we are trying to see the extent to which those commitments relate to capital expenditures versus recurrent expenditures. We are trying to see the sort of impact that some of these things will have on future year budgets.

We have no difficulty with the Treasurer's authorisation process. I just want to make the point that this government has managed to blow out government expenditure in an unprecedented manner. As I said, when the decisions from the 2004-05 budget through to the government's election promises are carried forward over a four-year period, there is a cumulative impact on the state's budget of more than \$4 billion. It must be borne in mind that I said that that was up to the election. Election commitments totalling in excess of \$1 billion were then made after the pre-election budget statement was produced. Once we wrap all this up - I am sure that will happen in due course - in the next four years the cumulative effect on the state budget will be in excess of \$5 billion. That is from a government that has indicated that it wants to practise discipline and restraint on government expenditure. Essentially, the government is coming to the Parliament saying that it wants \$750 million to spend through the Treasurer's Advance authorisation process. It wants \$450 million to fund a pre-election spending spree and commitments. The only conclusion we can draw from that is that although legislatively that is a perfectly adequate way of carrying out these financial management arrangements, it highlights a government that is unable to keep its belt in. I believe it demonstrates the Treasurer's addiction to the growing tax revenues in this state.

I do not wish to delay the house. The accountability provisions that underpin this legislation obviously touch on one of the other bills that we were discussing earlier. Perhaps we can go into this a little more after the budget has been delivered.

DR E. CONSTABLE (Churchlands) [7.46 pm]: I would not normally speak in this debate, but a couple of things caught my eye in the minister's second reading speech that I could not let pass by.

Mr E.S. Ripper: I made the mistake of providing too much information.

Dr E. CONSTABLE: Absolutely, he did, and I will ask him for a bit more also. Three items caught my eye in the part of the Treasurer's speech in which he referred to the \$450 million. I will speak about one of them in a bit of detail, and the others just in passing. All of us could spend a lot of time talking about school maintenance, which is one of the items that was listed in the shopping list that the Treasurer provided. In my electorate in particular, a number of quite old schools need a lot of work done on them. One of the things that is happening more and more is that, quite properly, the government is spending money on new schools in new areas, which it must do. However, it is also the case that the older schools often lag behind. I will give an example from a couple of years ago. Over many years, the parents of the children at Wembley Downs Primary School had raised \$26 000, I think - the P&C worked very hard - for some airconditioning in the school. When the P&C went to purchase the airconditioning, it was told that it could not install the airconditioning because the electricity supply to the school was simply not adequate, and it would cost another \$20 000 to upgrade it to the standard that would be found in a new school. I think in the end the government came to the party and provided a substantial portion of that amount. However, they are the sorts of problems that the older schools are facing all the time. There needs to be a very consistent program to make sure that older schools are properly upgraded and are of equal standard, or near equal standard, to the new schools that are being built. That is one matter for the Treasurer to keep firmly in his mind.

The second item that caught my eye - I am sure it would have caught the eye of every member - is the extra money spent on health, but particularly on mental health, which is mentioned in the Treasurer's speech. Again, over the next few years we must look closely at what is being done in the mental health area, particularly in mental health programs for very young children, children and adolescents. A lot of work has been done for newborns and children up to the age

of about three. This is an area in which there have been cutbacks in the state. There is a need to work with parents and infants, from a very early age in some cases, to make an investment for the future so that the very best is provided for those children with special problems, or for the parents of children with special problems, at a very early age. I mention that in passing. I am sure I will come back to that item at another time when we are dealing with mental health expenditure.

Mr E.S. Ripper: I was slightly distracted as you went on to your second point.

Dr E. CONSTABLE: I do not expect the Treasurer to answer that. It is the next part I am coming to that I would like the Treasurer to listen to very carefully. I must say that it is very distracting with so much talking going on. I find it distracting as well.

The ACTING SPEAKER (Mr A.P. O’Gorman): If members want to continue carrying on a conversation, they should do so outside the chamber. I am finding it rather difficult to hear the member, and I am sure *Hansard* is also having problems.

Dr E. CONSTABLE: That brings me to the main points in this shopping list of the Treasurer’s that I want to comment on. I think I have added this up correctly, because I have done my sums twice. The shopping list actually comes to \$424 million, so I imagine there are some other small amounts of money in that list. That gets back to the member for Leschenault’s question about what the other \$26 million will be spent on. That would be worth knowing.

Mr E.S. Ripper: I will provide that in due course.

Dr E. CONSTABLE: I thank the Treasurer. The item that caught my eye - I am sure it is obvious why - is the \$57 million grant to Edith Cowan University for the purchase of crown land at the Churchlands campus site. That site is in the heart of my electorate. I want to go back through what I understand about the handing over of this crown land by the government to Edith Cowan University. A decision was made by Edith Cowan University many years ago to vacate its campuses at Churchlands and Claremont and concentrate its efforts at Joondalup and Mt Lawley. At the time I expressed my dismay at that decision, because the neighbours in the area have appreciated having that tertiary institution, particularly with such a beautiful campus, in their area. However, times have changed, and the governing body of the university made that decision. That decision was agreed to by the Court government prior to this government’s coming into office, and it was announced by the Premier in a media statement on 16 December 2001. A number of conditions were attached to the announcement. The media release starts with the words -

Premier Geoff Gallop today announced a \$40million deal for a major expansion of Edith Cowan University’s Joondalup campus.

Under the arrangement, the state government will grant the university freehold title over its 19ha Churchlands campus site -

Mr Acting Speaker, it continues to be really difficult for me to speak because of the discussions that are taking place at the back of the chamber.

The ACTING SPEAKER (Mr A.P. O’Gorman): Order! Would members please take their conversations outside the chamber, because I am having some difficulty hearing the member. I am not sure whether the member is speaking close enough to the microphone, or whether it is working, because I cannot hear the member electronically; I can only hear her normal voice.

Ms M.M. Quirk interjected.

Dr E. CONSTABLE: It is a media statement from the member’s esteemed Premier, and I am sure the member would like to hear it, even though it is a few years old. The amount of \$40 million is mentioned again as the estimated value at the time of sale. However, the actual grant is \$57 million. I want to know where the difference of \$17 million comes in. The Premier said in his media release that two conditions were attached to the deal. Those conditions were -

Before the deal is finalised, ECU must undertake comprehensive consultation with local residents on the sale of the land and the future of a child-care centre on the Churchlands campus.

I want to address both those points, because I want to know whether the government gave any consideration to the consultation on both the sale of the land and the childcare centre. I doubt that it did. The university engaged in extensive consultation with the community. It went out of its way to employ experts to carry out that consultation. The consultation process was reasonably satisfactory. However, a couple of things happened early in the process that really concerned me and a lot of other people. The university said right from the beginning that no matter what happened, it wanted to net \$40 million from the development. That immediately put a clamp on what could happen with the development. It upset many people that the university was not particularly interested in the area in which it existed for many years as both a college of advanced education and a university; all it wanted to do was reap as much money out of that land as it could and move north to Joondalup. The university had an obligation to the community of Churchlands to make sure the development was satisfactory. When I raised with the powers to be at the university the question of public open space, they said that if we wanted to have more public open space, the housing densities would need to be higher. Public open space was a major issue during the consultation. A lot of people were involved in the consultation

and spent many hours going to meetings. That included people who lived in the surrounding streets; people who represented the various schools, such as Newman College, Churchlands Senior High School and Churchlands Primary School; people who represented the childcare centre, which had been part of the university for many years; and other groups. People put a lot of work into the consultation process and put their best foot forward. I attended a number of the meetings as an observer, and someone from my office went to the meetings when I could not get there, so my office kept in close contact with what was happening. The upshot of the consultation was that there would be 250 dwellings, zoned R20, R30 and R40. Everyone agreed that it was a good idea to have a number of small blocks, because there were a lot of people in the area who were of retirement age or beyond who did not want to stay on their large block in Woodlands, or whatever, but wanted the opportunity to remain close by, so the whole package fitted in very nicely with many groups in the community and came out quite well. The City of Stirling was very involved in the negotiations and was very happy with the proposal that there be 250 blocks.

After at least a year of consultation, the plan was put to the Western Australian Planning Commission. However, the Planning Commission changed substantially what had come out of the consultation process and proposed that there be about 350 dwellings on that 19-hectare site, with zonings of up to R60 and R80. The people who had been involved in the consultation were pretty angry about that, because they had put a lot of time and effort into it. The condition of the deal between the Gallop government and the university was that a consultation process be carried out. Many people felt that they had wasted their time on that consultation, because why bother to ask them if at the end of the day it would all be changed anyway?

Mr E.S. Ripper: Are you saying that Edith Cowan University was happy with the outcome of the consultation?

Dr E. CONSTABLE: Yes. It was the Planning Commission that changed it.

Mr E.S. Ripper: Will Edith Cowan achieve more yield from the land as a result?

Dr E. CONSTABLE: It has not sold the land yet. I suspect it will. That is the point I am making. It will make a lot more money now that it can put an extra 100 dwellings on the site. Edith Cowan University has said it will not do that, but we all know what the reality will be. It will probably make a lot more money. The City of Stirling was very unhappy, because it took part in the consultation process.

Mr E.S. Ripper: Have you taken up this matter with the Minister for Planning and Infrastructure or the Planning Commission?

Dr E. CONSTABLE: I gave evidence to the Planning Commission when it held the public hearings. However, that issue had not come up. It is too late by the time -

The ACTING SPEAKER (Mr A.P. O'Gorman): Order! I remind the member that under standing order 94 the debate needs to have some relevance to the bill, which is the Treasurer's Advance Authorisation Bill. The member is now verging into the expenditure side of things, which will come up at a later stage. I am allowing the member a bit of latitude, but I ask her to bring the debate closer to the bill.

Dr E. CONSTABLE: Mr Acting Speaker, I am addressing a matter that was raised in the Treasurer's second reading speech. I am going back to the original deal that was cut between the government and the university. I am addressing the grant of \$57 million. If the Treasurer was allowed to address that in his second reading speech, I should be allowed to address it in the second reading debate.

The ACTING SPEAKER: I will allow it, but I ask the member to bring the debate back to the bill.

Dr E. CONSTABLE: I presume the \$57 million grant has come back to the Treasurer now, because ECU is going ahead with the development. There is a major flaw in the \$40 million deal, because it is now a \$57 million deal, as the Treasurer mentioned in his second reading speech and as I am addressing now. There is a major flaw in the Treasurer's proposal. I do not think anyone asked whether this public announcement was satisfactory. At the end of the day it was not satisfactory, despite the university's best efforts.

The second condition of the deal mentioned in the Treasurer's second reading speech is the community daycare centre. The university had no intention whatsoever of helping that daycare centre. I have had ongoing consultation with the daycare centre, and it recently referred back to me. The university wiped it from the beginning, and said that if the centre could find the money to buy land in the development, then of course it could stay. That daycare centre was established with commonwealth money and is to remain on the campus until 2007, otherwise the university would have had to pay back the money. Development will proceed around the daycare centre until 2007. I suspect that might not be all that healthy for the children attending the centre. I would like to know whether anyone checked whether the daycare centre received a proper hearing from the university and whether the consultation was satisfactory. In one sense it was, but the final result was most unsatisfactory for the daycare centre people.

I wonder why the exchange of cheques had to occur. Was there some other way to handle that process? With regard to the \$57 million grant, did the university pay back \$57 million for the land or did it pay \$40 million? Did the university acquire any other money in that grant? Will the Treasurer explain the exchange of cheques between the government and the university?

Mr E.S. Ripper: I understand it was a straight offset; in other words, the university was granted \$57 million and it paid \$57 million for the land.

Dr E. CONSTABLE: Is that the case?

Mr E.S. Ripper: That is the case.

Dr E. CONSTABLE: Why was it \$57 million rather than \$40 million?

Mr E.S. Ripper: I imagine that was because the value of the land had risen to that amount and that was the correct figure to include in the account.

Dr E. CONSTABLE: That is 33 per cent more.

Mr E.S. Ripper: There has been a big increase in land values in the past three or four years.

Dr E. CONSTABLE: I know there has. Perhaps the Treasurer can advise whether that is the case.

Mr E.S. Ripper: That would be the case. The government had decided to allow the crown land to be sold to fund developments at the Joondalup campus, and the best way to deal with that in an accounting sense was to grant the university the \$57 million and have it purchase the land.

Dr E. CONSTABLE: That brings me to another point: Edith Cowan University is not a land developer, yet in arranging this deal, the government has turned the university into a land developer. Surely it would have been much better if the government had arranged the development through LandCorp and given the proceeds to the university. I have always wondered why the government wanted to keep this whole issue at arm's length. Did it decide to give the grant to the university and leave it with the problems in the community so that the government would be home scot-free? It has probably been done this way given what happened with the development of the old Scarborough Senior High School site. It was not really necessary to turn a university into a land developer. That might be an issue for another time; nevertheless, the Treasurer might like to comment on it.

The Churchlands campus site has been a very important issue in the heart of the Churchlands electorate for three years. I suppose that, as the sale of land starts this year, other issues might arise. I hope the Treasurer will be able to shed some light on a couple of unanswered questions.

MR T.K. WALDRON (Wagin) [8.04 pm]: The National Party has some concerns with this bill, which authorises expenditure of additional funding of \$450 million. In his second reading speech, the Treasurer highlighted six significant items for which the expenditure is required. I will comment on some of them.

It is interesting that, when the Treasurer requested additional funds shortly after the 2001 state election, he said that extra money was needed due to the spending excesses of the previous government following its last budget. The Treasurer said in his second reading speech of 2 May 2001 -

The new Labor Government is committed to a stricter program of expenditure management. The expenditure review committee will ensure that the systematic abuse of the Treasurer's advance will not occur in future. It has been our long-held belief that a substantially lower limit on the Treasurer's advance is desirable and we shall work to achieve this outcome in 2002-03.

As we can see, with this government lots of things have changed since those early days of 2001. We often hear the comment that it was the coalition government's fault.

Mr E.S. Ripper: The size of the budget has increased considerably.

Mr T.K. WALDRON: They are the Treasurer's words; these words are my words. However, the figures are there for everyone to see. Concerns have been raised about the increased rate of spending, which is approximately 9.5 per cent for the 2004 period. This can be sheeted home to increased expenditure across the board, particularly during the election campaign, that saw the Labor Party throw fiscal restraint and responsibility out the window. The Gallop government has overspent by about \$1.8 billion since 2001. It has made spending promises totalling \$800 million for as far ahead as 2008-09. The point has been made a lot over the past few years that taxes have increased by almost a third in the past three years, which is by far the most rapid increase in taxation of all states. The Premier's pre-election apology for increasing taxes can be seen now as a joke. As evidenced by this bill, the Labor government appears to feel no remorse for the tax increases it imposed during its previous term of government.

The government cannot continue to increase the base level of expansion by amounts such as this. If the state economy were to take a downward turn, or commodity prices were to ease, would the government have a stable funding basis to work from? The economy is okay now, when prices are good, but the situation will change down the track. Can the government say that, when that happens, the taxpayers of Western Australia will not be again asked to cough up more money to keep the economy ticking along? That is a fair question.

The Treasurer's second reading speech referred to the need to spend more money on health, and the member for Churchlands referred to mental health, which was also mentioned in the Treasurer's second reading speech. Where will that extra money be directed and how will it be used? During the past four years, members of the National Party have

spoken about the need to fund country health services. I said in Parliament last week that there are signs of improvement to health services. The new area manager for health in the wheatbelt seems to have taken on board a few issues that we have mentioned, and some positive signs are evident. I hope this money will be directed to where it is most needed. The focus of the Reid report, of which we have heard a fair amount, was to implement change in the health system and to limit growth of recurrent expenditure. I think approximately 79 of the 86 recommendations in the report dealt with reducing recurrent expenditure within our health system. Growth in health services is understandable, as are the increased costs; however, the annual spending on health has increased by \$89million, which was about 38.6 per cent in 2001. That is a large increase. By about 2006-07 it will be 30 per cent of our state budget and I wonder whether that is sustainable. If the government is to spend that money - it is fair to say that the general public demands money be spent on health - we must make sure that it is well spent. Like the member for Churchlands, I have no doubt we can do better with spending on mental health services. I have witnessed at close hand what is happening with mental health services in my electorate. It is an area that needs close examination.

Electricity has also been a big issue. Western Power is spending \$1.8 billion to improve the electricity network. I would like the government to outline the programs and activities in which that \$1.8 billion is being invested, and what return the community will get for the expenditure. The government should outline exactly what Western Power's business plan will be for both the short and long term, because \$1.8 billion is a lot of money. What guarantee has this government provided to the long-suffering Western Australian public on electricity prices and reliability? That \$1.8 billion needs to hit the mark properly, and I hope it will.

School maintenance is something the government will be hearing more about from the National Party, because some schools need immediate assistance. I notice that school maintenance is a part of the expenditure detailed, and that is fine. I also note that the state government payments of \$200 and \$400 to all years 11 and 12 students will begin this term. More than 60 000 parents will start receiving cheques for these amounts. An article in *The West Australian* on 27 April quoted the Minister for Education and Training -

"I'd like to see it spent on assisting the students in terms of the cost of education," she said. "I think parents probably will do it . . ."

These initiatives should be structured to guarantee that the students will benefit. If the government is spending this money, it must make sure that students will benefit and not just hope that will be the case.

I will touch briefly on transport, because part of the additional \$450 million requested is \$48 million for additional local government road grants to accelerate work on regional projects. This is fine, and it is certainly needed out in the regions. However, despite this \$48 million, we have seen road funding slashed by more than \$200 million since Labor came to office in 2001, and we will see a further \$160 million taken away from roads over the next three budgets, as has been recommended by the Functional Review Taskforce. The other point I will make on roads is that direct grants to local governments - I am speaking of this additional \$48 million - have been slashed from \$45 million in 2003-04 to the current level of \$23 million. When the figures are juggled around, it can be seen what is happening. I remind the Minister for Planning and Infrastructure that recently \$2 million was taken from 44 wheatbelt shires because it was needed for other roads. We also saw the minister have a good stoush with Co-operative Bulk Handling Ltd over who would pay for access roads at major grain receival points. It is conveniently forgotten by some that the 72 000 people who live in the shires serviced by those major receival points contribute \$3 billion to the economy of this state. Will money be returned to the wheatbelt to help maintain those roads, which are vital to our economy?

Before I finish I will quote a couple of figures from the document detailing the Gallop government's development commission funding in regional areas between 2001 and 2005. The Kimberley has received 36 per cent of the investment, or \$760.9 million, or \$22 141 per capita. In the wheatbelt, however, only \$16.05 million was spent, or one per cent of the total, amounting to \$223 per capita. It is a huge difference. I know that a number of factors are built in here. The Pilbara received \$364 million, or 17 per cent of the total.

Mr E.S. Ripper: There are a few hills and raging rivers in the Kimberley, though, not found in the wheatbelt.

Mr T.K. WALDRON: That is fine, but is that a fair gap? It is pretty astounding, is it not? Like the statistics in football games, the figures do not tell everything, but they tell a bit. I will not go through the whole lot, but I probably could.

The National Party is not confident that the Labor government is steering Western Australia on a responsible or stable course. Before the 2001 election the government made promises of openness and accountability. Conviction and discipline in financial management were also promised. Then the government ended up apologising for tax hikes in 2001-02 and 2003-04. Now it is asking for \$450 million over and above what has been traditionally requested to tide the government over between annual budgets. There is some concern about this bill.

DR G.G. JACOBS (Roe) [8.15 pm]: Essentially, I support this bill, as would many members on this side of the house. However, I will address a couple of issues relating particularly to clause 7(2), which proposes to amend the Treasurer's Advance Authorisation Act 2004 by substituting the figure of \$300 million with \$750 million. The Treasurer said in his second reading speech that the additional funding, totalling \$450 million, is required to meet increasing levels of services provided by agencies' increased spending on essential infrastructure. I will talk about three concerns I have as

a country member representing places a long way away from Perth. First, I refer to the \$94 million to address essential school building maintenance.

Mr E.S. Ripper: We are doing some work on the Esperance Senior High School.

Dr G.G. JACOBS: I thank the Treasurer for that comment. I have been approached by many people, including some of the people closely involved with this project, which is for a middle school at the Esperance Senior High School. This is a very important project, especially in the light of the Ravensthorpe nickel project that will come online in 2007, and the accompanying increase in the number of families coming into the area. An issue has been brought to my attention, and the Treasurer may be able to enlighten me about it at some stage. The original funding has been cut back by about \$200 000. That is causing a fair bit of angst in the region about the progress of this project. If we are to support this very laudable additional funding of \$450 million, the areas I represent are screaming out for some of this funding and would like to see some of it on the ground in areas very distant from Perth.

The second issue concerns the \$97 million to deliver key initiatives in the health sector. The second reading speech referred to waiting lists and emergency demand management in public hospitals, but, contrary to popular opinion, and even the opinion of some of my colleagues who work in the big hospitals, not everything happens in the tertiary hospitals. There is a feeling that everything smart and complex happens in the tertiary hospitals in the city. The thinking is that general practitioners in the bush fill in a bit of time, put on a few bandaids and any case that is important is put on the Royal Flying Doctor Service plane and sent to Perth. That is not the case and as a rural doctor, a procedurist, a GP, a surgeon and an obstetrician, I know there are some deep concerns about support for health services in the bush, particularly in my area. One of them is the mental health package that is referred to in the \$97 million that will be delivered in the key initiative.

The purpose-built area for short acute psychiatric stays in the mental health service in the Esperance hospital has been closed for over two years. We know that over 50 per cent of acute psychosis and mania can be settled locally in 24 to 48 hours in a short-stay situation locally. That saves us from having to put a very agitated patient on an RFDS plane, which is precarious in itself, to come to Graylands.

I would certainly like to see some of the initiatives that will be funded by this \$450 million spent in my area. I would like some of the \$48 million additional local government road grants to accelerate roadworks on regional road projects to be spent in my electorate. The state government has made a commitment to build six passing lanes on the South Coast Highway between the entry to the Ravensthorpe nickel project and Esperance. These passing lanes will take pressure off the South Coast Highway from the extra 52 road train passes which will be carting nickel to the Esperance port.

Thank you for your understanding, Mr Acting Speaker (Dr Thomas). I support the additional funding of \$450 million to meet increasing levels of services provided by agencies and increased spending on essential infrastructure. I have given three examples of where I would like to see some of this funding hit the ground in my electorate for the benefit of my constituents.

MR C.J. BARNETT (Cottesloe) [8.23 pm]: I will comment on this Treasurer's Advance Authorisation Bill and the current debate about federal and state relations, which relates to it.

Members often forget that while the cabinet of the day makes decisions about what money will be spent, how much money will be spent and where it will be spent, legally and constitutionally only the Parliament has the power to do it. The cabinet has no power. Cabinet is only a meeting of ministers. The authority to raise money and to spend money lies with this Parliament.

The Treasurer's Advance has existed by the good grace of this Parliament and for good reason. Because the budget is typically introduced towards the end of the financial year and previously was introduced at the beginning of the new financial year, the functioning of government needs to be able to continue. The previous government started introducing budgets in May so they would be in place before the new financial year began, and that is appropriate. Before that it had been customary to have budgets introduced around September. Obviously government had to continue; public servants - teachers and nurses - had to be paid from 30 June through to the time the budget was finally authorised by both houses of this Parliament. Hence the Treasurer's Advance allows the government of the day and the public service to continue with the normal ongoing functioning of government. It is quite proper and has always existed.

With budgets coming down as they should - this is an improvement - around May, there is still a need for the Treasurer's Advance because all parts of the budget may not be through the system before 30 June. It makes sense. This financial year, an extra pay day will occur in this cycle and this bill is reasonable. Also it is reasonable that, as the size of the economy grows and as the size of government grows, the Treasurer's Advance should increase. In this bill we are not considering a marginal or large increase; it is a dramatic increase, more than doubling the size of the Treasurer's Advance. It has gone from \$300 million, not to \$450 million, but with an additional \$450 million to \$750 million. That is not within the scope of the normal operation of government. What is this Parliament doing? Members are effectively telling the government of the day it can spend another \$450 million on whatever it wants without the formal approval of Parliament. It is beyond what the Treasurer's Advance was ever intended to do.

Members have said that the projects on which the money will be spent are all worthy projects, and maybe they are. An amount of \$97 million to be spent on health is fine! It is probably a good decision! An amount of \$95 million will be spent on school maintenance! This government had run down school maintenance by over \$70 million so no-one will argue with some catch-up being done on school maintenance. It also includes \$88 million for financial assistance for the sale of the Dampier to Bunbury natural gas pipeline. I have said a bit about that issue before and I will probably say a bit about it again in a more appropriate piece of legislation. Hang on, what are we doing? We are handing \$88 million in a grant, not a tax cut, to a private company - in fact, a consortium of three private companies. Why are we doing that? New members of this Parliament are today voting to give \$88 million to Alcoa, Alinta and another finance consortium attached to it. Why? I have no idea, but we are handing over \$88 million. That is the largest capital grant gift to any corporation in Western Australia since the WA Inc period. I know a bit about Alinta because as a minister I formed Alinta. I floated it - I formed it and privatised it. The company is now capitalised at \$2.2 billion. Alcoa, is a fully-owned American company. It is a great company with lovely people and they do a fantastic job. It makes a small fortune from its alumina operations in Western Australia. Why should we give it money? There is no defensible reason for it, yet here it is being incorporated in a Treasurer's Advance as if it were part of the normal operations of government. There is nothing at all normal in handing \$88 million to private companies without parliamentary scrutiny - this is the closest scrutiny it will get in this Parliament.

The advance includes a \$57 million grant to Edith Cowan University. I do not particularly object to that and I can understand what the Treasurer says about the mechanism. Again, as the member for Churchlands said, it is not a small policy issue; it is not a small matter. It involves Crown land and members have a right to have a say on it. An amount of \$48 million has been allocated to roads - we all want roads - and there are other items.

The point I make is that these are not normal operations of government. These are quite specific and in several cases contentious decisions by the Labor government. If the government wishes to go down this path, as it obviously does, and spend not only the \$300 million in a machinery of government transition payment, which no-one objects to, but wishes also to add to it a further \$450 million of specific expenditure in sometimes contentious areas which have not properly been before the Parliament, then this government should have brought in a mini budget. It should have come straight back from the election and brought a mini budget into the Parliament to do that or waited until the full budget comes before the Parliament. That is the proper thing for it to do. I think it should have done the latter and had a normal Treasurer's Advance involving expenditure of \$300 million or \$400 million, and included these other items in the budget. If it did not want to do that, it should have introduced a special mini budget and been accountable. It could have stressed the urgency for the expenditure when doing that, but it has failed to do so. In this whole financial management issue, the goods and services tax has loomed as being increasingly important in state government finances. From my observation, the debate in the past couple of weeks between the federal and state governments, particularly the Western Australian government, has not reached great heights, but it is an important debate for a couple of reasons.

Some comments have been made, for example, that the GST was introduced to give the states a growth tax. That is rubbish. It was not done for that reason at all. It had nothing to do with that. It is a fortunate consequence, but it was not about that. The GST was about changing the nature of Australia's taxation system because among the major developed nations in the Organisation for Economic Cooperation and Development, Australia virtually stood alone as a country that had almost a total reliance on direct income and company tax and no broadly based indirect tax. Our tax rates were, therefore, too high and a disincentive for investment and for people to work and save. The GST was introduced to give us a world-competitive tax structure. We were like the fish trying to swim against the tide when everyone else was going the other way. That is what the GST was about. A bit of canny politics was used to get support for the GST by saying that the revenue so collected would flow to the states. That was clever politics and was a good move for federal-state relations. There was some good logic to that and it brought some accountability to the tax system and gave people some understanding of where the money was collected from and where it went. It was explicit in that sense.

I must say that I am disappointed at some of my federal colleagues who run around the country presenting the GST as something entirely new. They forget to mention the bleeding obvious; that is, the GST replaced the previous revenue-sharing arrangements. It was not new; it replaced an existing arrangement. That existing arrangement goes right back to 1943. When Australia was at war, the states, which had constitutional powers over income and company tax, agreed somewhat reluctantly with the commonwealth that taxes would be collected centrally through the federal government to fight the war. Who was going to object to that? It was meant to be on a temporary basis; probably for some sensible reasons it stayed. However, in that decision to shift direct taxing powers from the states to the commonwealth, it was agreed that the money would be shared between the commonwealth and the states. Unfortunately the means for doing that was called federal assistance grants. They should have been called federal revenue-sharing grants or tax-sharing payments. Those grants created the impression that they were gifts from the commonwealth. They were not. The federal government was sharing with the states what belonged to the states. The grants were replaced with the GST when it came in. Therefore, the states got the GST, and the commonwealth no longer had to pay revenue-sharing grants and could therefore reduce income and company tax and abolish the wholesale sales tax. That was the deal essentially. It was a sensible deal and it was a good piece of economic reform for Australia. That is where we are now.

When the GST deal went through, members will recall that the Australian Democrats and Meg Lees came up with the corny idea that somehow food should be exempt. They ran the idea in the media and asked everybody why there should be GST on Coca-cola. However, that happened and food was exempted. As a result of that, some state taxes and commonwealth measures that were to be introduced had to be put to one side because less revenue would be collected. However, the agreement was quite clear. There was a doubt about how much GST revenue would come through with food being exempt. The agreement, which the previous coalition government entered into, was that other taxes would be reviewed with a view to abolishing them. That was part of the deal. They might not have been this government's choice of taxes and they might not have been my choice, but that was the deal signed by the commonwealth and the states in 1999. Those taxes that remain are mortgage stamp duty, rental stamp duty - which is hardly anything - and not all, but a significant component of non-residential conveyancing stamp duty. The commonwealth is saying that if the state does not abolish those taxes, it will not be keeping to the deal and, by implication, will change the GST. The Premier of the state is saying that the government will make up its own mind and that its obligation was to review them; it has reviewed them and need do nothing else. I will deal with the Premier's argument first. It is nonsense. Both arguments are nonsense, but the Premier's argument is particularly poor. The wording of the deal was that a review of taxes would occur, with the implication of going on to abolish them. If the state has the ability to abolish or phase out those taxes, it has a moral obligation to taxpayers to do so and it has a moral obligation, as a government, to honour an agreement lawfully entered into. The government might argue about the timing and other bits and pieces; that is fine, it is detail. However, the state should say that it will go down this path and phase out and progressively abolish those taxes. It was the government's choice to abolish other taxes, but it does not change the deal. The deal was an intergovernmental deal in black and white and it should be honoured. That is the reality. GST revenues - I am not surprised by this as I predicted it a long time ago - have proved to be far more than was anticipated. This year Western Australia will get about \$250 million more than was anticipated. Clearly, Western Australia has the ability to honour the deal and phase out those taxes. It does not matter whether they were the government's first choice of taxes to get rid of; it has a clear legal and moral obligation to get rid of them and should do so.

The second point goes back to the commonwealth government. The federal Treasurer, who does not open his lips too much, seems to imply at times that if the states - meaning all states - do not honour what I believe was the intent of the GST agreement, the commonwealth will use its majority in the Senate to change the GST arrangements. In my view if the commonwealth government were to do that, it would be a massive breach of faith with the Australian public. I hope it does not go down that path, as I would not support it. It would be the most damaging element to intergovernmental and commonwealth-state relations that I could imagine. Out of all this, there might be some good. My suggestion, which I expect will be totally disregarded, is that the state calm down, work out how it can progressively phase out those taxes, do it to its own agenda and negotiate and sort them out. The commonwealth should not touch the GST. However, if that issue comes up, there is an opportunity for the states to absolutely entrench the GST payment. The basic GST payment should be the province of the states and the commonwealth should never threaten or contemplate going near it. If it does, it will undermine commonwealth-state relations.

The debate on this bill has been pretty ordinary, but it has been important as it has drawn attention to the issue. It is fundamentally important for Australia that there is an element of trust between levels of government. If two sides make a deal, even a bad deal, they must keep to it unless both sides mutually agree to change it. The GST was a good deal, Western Australia should honour it and the commonwealth should equally honour its commitment to keep the GST repayment exclusively for the states and not play around with it. I repeat: it would be a massive breach of faith against the states and the Australian people for the commonwealth to change the GST arrangement without the full agreement of the states.

MR J.E. McGRATH (South Perth) [8.38 pm]: Like other members, I totally support the bill. I said last week in the chamber that the state is awash with money. Government members reminded me that it is as a result of four years of good Labor government. Notwithstanding that the state is travelling in excellent condition financially, the Treasurer has asked for an extra advance of \$450 million. He explained in the second reading speech that it is required to meet increasing levels of services provided by agencies and increasing spending on essential infrastructure.

As the member for South Perth, I speak on behalf of my constituents. The item of expenditure that I am mainly concerned with, among the items of expenditure listed by the Treasurer, is \$94 million to address essential school building maintenance and other important initiatives in the education sector. Similar to the situation in the electorate of the member for Churchlands, the electorate of South Perth has a lot of ageing schools, some of which are literally falling down around us. During the recent election campaign, I was reminded by many parents and citizens associations throughout the district of the amount of money they have had to raise because they have not been able to get government funding. Como Primary School, which is one of the biggest primary schools in my electorate, does not have a covered area for children to sit and eat their lunch. There are four trees in the schoolyard. If students cannot huddle around those four trees, they have to eat their lunch in an old room and do not enjoy the benefits of being outside. Manning Primary School children face an almost dangerous situation when they are dropped off by their parents. The school does not have a drop-off zone, which many other schools have. The kids have to walk across a busy section of Ley Street. The area is crowded because the school is situated opposite another school. Manning Primary School is another in the South Perth electorate that needs funding. I will not run through the whole list,

because there will be other opportunities to do so. However, the Millen Primary School apparently has a toilet block that is almost of third-world standard. We hope that the \$94 million grant - we congratulate the Treasurer for setting this money aside - will address infrastructure improvements that must be managed and funded for schools across the state.

The people of South Perth have other issues with regards to funding in the area. We note that the government previously set aside \$15 million for the Swan River Trust to manage the Swan and Canning Rivers. We would like to think that with the \$450 million in extra spending as part of the advance grant, the budget will recognise the need to spend more money on the Swan and Canning Rivers.

Another problem for residents in the electorate of South Perth is the fact that they have slipped behind people in most other electorates, especially the inner-city electorates, in terms of underground power. Under this government, the underground power framework has been scaled back to some extent, so much so that about five suburbs in the South Perth electorate still have unsightly overhead powerlines that cut through trees that have been disfigured and scarred to make way for overhead power. That should not be the case given that the state is travelling so well financially. The Treasurer has put money into infrastructure. We commend him for that. When he considers the upcoming budget, I would like the Treasurer to consider having the underground power project sped up so that areas such as Kensington, Manning, Salter Point and parts of South Perth and Como are given the same underground power that other areas close to the city enjoy.

I support the allocation of an extra \$450 million in the advance authorisation bill. However, I place it on the record that the people of South Perth want the Treasurer to recognise that they have needs in the areas I have outlined. I hope he will consider them in the upcoming budget.

DR J.M. WOOLLARD (Alfred Cove) [8.44 pm]: This is an interesting advance authorisation bill. When I look at the significant items that the Treasurer has included, I see that \$97 million has been allocated to deliver key initiatives in the health sector, including initiatives related to waiting lists, emergency demand management in public hospitals and the government's mental health package. I would like a breakdown of that \$97 million because having worked in the health area for many years, and having talked to people who currently work in the area of health about the problems that exist, that \$97 million looks like a bandaid approach.

I now refer to the \$94 million to address essential school building maintenance and other important initiatives in the education sector. Last year the government announced either a \$60 million or a \$64 million package for the state school system. I do not know how many other members of this house went around to their schools at that time. Each year schools are asked to submit a maintenance list detailing what is wrong with their school. Someone then goes around to the schools and those items are prioritised. However, only some of those items are fixed. I went to some of the schools in my electorate. One of the main items that had to be repaired at Applecross Primary School was the roof. Was the school roof replaced? No. The gutters and the paintwork were tidied up. That \$64 million was very much window-dressing. That is an example of the problems at one school. I went from school to school because when the government first announced that package, I thought, "This is wonderful; it will fix all the problems." As I visited each school, I realised that that money would just scratch the surface of each school. I would like full details of the \$94 million, because probably more than a quarter of that money could be used in my electorate alone. Again, it is window-dressing.

In the next few weeks I expect a debate in the house about outcome based education. I do not know how much money is going into that, but there are an awful lot of unhappy teachers and parents in the community. There must be more consultation before it is too late.

According to the member for Cottesloe, \$88 million of financial assistance will go to private business. I would prefer that money went into the public sector. There are so many things in the public sector that must be fixed. The member for South Perth just mentioned the Swan River. I remember last year when there was an overflow at Caversham, someone from the Water Corporation said that 30 pumping stations similar to the pumping station at Mill Street needed to be almost completely replaced at a cost of \$13 million per pumping station. That works out to be well over \$390 million. I do not see anything in the bill about the pumping stations and the Swan River. The member for South Perth and I obviously think alike.

On the issue of underground power, I was shocked to hear the member for South Perth say that five suburbs in his electorate still had those terrible powerlines and their associated problems. In my electorate there are many more than five suburbs that still have those powerlines. The government has put \$10 million into the underground power program. An amount of \$5 million has come from the state government and \$5 million from Western Power. I am waiting on costings to clarify this, but I believe that it can cost between \$6 000 and \$18 000 per household to install underground power. If the cost were \$6 000 per household, with the current budget of \$10 million it would mean that 18 000 households a year would be connected to underground power. The cost is up to \$18 000 for some households. If it cost up to \$18 000, I believe between 1 500 and 1 600 households a year would be connected.

I was pleased with one thing during the election campaign. I certainly was not pleased with the Liberals' health policy, but I was pleased that they were starting to look at underground power. However, they would have put peanuts into

underground power. They would have put an extra \$1 million into underground power. At the more expensive cost, an extra 55 households would have been connected, and at the cheaper cost, something like 160 households would have been connected. The government has been taking royalties from Western Power. Last year alone the royalties were \$230 million. However, the government is not putting any money back. I would like to have seen something in the Treasurer's second reading speech to the effect that the government would give a commitment to increase the rollout of underground power by 50 per cent in the next few years.

The budget also refers to local government roads and road grants. The deletion of the Fremantle eastern bypass has implications. I am still waiting to get a briefing from the government about what is happening with the Local Impacts Committee. Some of the charts that I have already looked at show projections into the future of costs to the community because of the increase in traffic. Some of them are very damaging to my electorate. If the government fulfils the promise that it made to the electors in Riverton just prior to the last election to take traffic off Leach Highway and South Street, more traffic will go along Manning Road. Therefore, Canning Highway will become much busier. When the traffic goes back along the freeway onto Leach Highway, west of the freeway, there will be a lot more problems in that area. I would like more details of this to see what the government will do to address those problems. The government is now saying that it has ruled out completely any future bypass west of the freeway. That has grave ramifications for people in my electorate. I do not know whether the Treasurer will give more details as we go through the bill. I have a feeling that he will not. This is a large amount of money for us, as members, to sign off on. From the information that we have been given to date, that money could go anywhere. It might not go where we as members and where the community would most like the government to spend that money.

MR P.D. OMODEI (Warren-Blackwood - Deputy Leader of the Opposition) [8.55 pm]: Although this side of the house will support the bill, it seems to be an aberration from what has occurred in the past four or five budgets, in that the normal Treasurer's Advance is usually set at about \$300 million. I do not have the details with me, but after the 2001 election I recall a Treasurer's Advance Authorisation Bill being introduced, and the advance was more than \$300 million. It was all due, of course, to the Labor Party's claim about the Barnett black hole. Of course, the member for Cottesloe was not the Treasurer in the previous government. However, some commitments were made during that election campaign, and prior to it, that required the government to bring in a Treasurer's Advance Authorisation Bill in which the advance exceeded \$300 million. In this legislation, there is not just the \$300 million advance. That advance is normally made to make payments of an extraordinary or unforeseen nature in anticipation of, or in addition to, the relevant appropriations by Parliament, with that expenditure to be charged in the particular financial year to the consolidated fund. I am referring to clause 5(1)(a) of the bill. This is an appropriation. However, in this bill there is a huge change. That change is for an extra \$450 million on top of the \$300 million, which is the normal advance.

Obviously, some of the commitments have come about as a result of promises made by the current government during the election campaign. Of course, courtesy of a booming economy, with huge increases in royalty revenues and tax revenues to the state, and with some goods and services tax revenue thrown in, the government has the capacity to spend that money, and it has committed it to the items mentioned in the second reading speech. There is the \$97 million to deliver key initiatives in the health sector; \$94 million for school building maintenance; and \$88 million financial assistance, which is in lieu of the \$100 million-odd that the government was to give to the consortium that bought the Dampier to Bunbury natural gas pipeline. I think at one stage the government was going to give a stamp duty exemption, but then it decided to change that, and drop it down from the \$100 million and give the consortium an \$88 million grant. I am sure it was pretty pleased about that. There is the \$57 million grant to Edith Cowan University, \$48 million for additional local government road grants and \$40 million to establish a fund to consolidate resources available across the public sector for native title claim settlements.

The opposition has no objection to those payments being made. However, as the member for Cottesloe has pointed out, it is a significant variation from the norm. I believe it will create a precedent for governments in the future. With this amount of extra money being spent - we are talking about \$750 million, which is \$450 million more than the normal Treasurer's Advance - I would have thought that there was a case for a mini budget being brought into the Parliament straight after the election. That could have been done. We could have seen the details of all the commitments made for the expenditure of that \$750 million, and we could have debated the merit of those commitments. Some of the money being committed is just too late.

Today in Manjimup there was a funeral for a young boy who committed suicide on Anzac Day. He had been experiencing mental health problems. His mother had sought support. It was just one of those tragedies that occurs. As the member for Bunbury mentioned last Thursday in his grievance to the Minister for Health, the issue of mental health in the south west is a critical issue. Therefore, I am pleased that, albeit it is very late in coming, the government has made a \$97 million commitment to deliver key initiatives in the health sector, including the waiting list initiatives, emergency demand management in public hospitals, and the mental health package. During the budget estimates debate we will pursue further the expansion of these commitments in our electorates, particularly in country Western Australia. I assure the minister that the issues of public hospitals and mental health will be prominent in those debates. I will not go into that in detail at this stage; suffice to say that we will be raising the need for podiatry services for elderly people, an area in which the waiting lists have blown out, and for physiotherapy and speech therapy services.

During a grievance last Thursday the Acting Speaker (Dr S.C. Thomas) explained that the Disability Services Commission is handing over to the Department of Health part of what used to be its role and said that people are falling through the cracks.

Another issue is school building and school maintenance.

Mr R.C. Kucera: The issue that was raised the other day in that grievance has nothing to do with funding. That was made quite clear to the member for Capel.

Mr P.D. OMODEI: I know that the member for Yokine is now the Minister for Disability Services, but the issue is that people with disabilities in country areas are not receiving sufficient services. People in the disability services area would have told the minister about the waiting lists for accommodation. This house has been told time and time again that 70 per cent of people with a disability in Western Australia are being looked after by their family or a carer. The state government is not meeting all of the demands in this area. The minister wants to start an argument about the disability services sector. Having been the Minister for Disability Services for five years and having seen at least two commonwealth-state disability agreements, I can tell the minister a bit about the disability sector. I have my own adoptee -

Mr R.C. Kucera: I do not disagree, but I do not think you should mislead the house.

Mr P.D. OMODEI: The minister has an uncanny habit of being smart. I am not willing to allow the minister to get away with that, so every time he tries to pick me up on something I will put him back in his spot.

Before I was interrupted by the Minister for Disability Services, who is very new to that job, and who was a failure in the health portfolio and every other portfolio that he has held, I was about to tell members about the education support centre in Manjimup. The education support centre is applying for funding for new classrooms. After five years of lobbying, a new primary school is to be built in Manjimup. A special education centre will be attached to that project. That project has grown from \$6 million or \$7 million to about \$15 million. It is one of those things that the Minister for Planning and Infrastructure calls a cost escalation. It is a very difficult site, and the funding for that project has increased. The people of Manjimup are very grateful to this government for finally committing to that project. Due praise will be given, and when the project is open in six or 12 months - I think it goes into the next school year - I am sure the government and whoever is responsible for bringing that project to fruition will be given the accolades they deserve. It is fundamentally important that two new classrooms be built for the special education centre in the high school. The site is what we call a K to T site; that is, it caters from kindergarten to tertiary education. I do not think many school sites in Western Australia have that kind of structure. While the builder is there and all the disruption is occurring, one would think an extra \$150 000 could be found for that project out of the huge budget the Minister for Education controls. I am hoping beyond hope that money can be found within this \$94 million. If not, we will pursue the issue yet again during the estimates hearings.

An extra \$48 million has been provided for grants to accelerate work on regional road projects. Today the Minister for Planning and Infrastructure sallied forth on rail funding. That is interesting, because the government has just closed the Bunbury to Lambert railway line pending an assessment of its safety. It is well known by people within Main Roads and the Department for Planning Infrastructure, and it was divulged to the Bunbury Wellington Economic Alliance at a meeting only a few weeks ago, that it is proposed that the railway line between Greenbushes and Lambert be mothballed. That can be contrasted with what was said by the minister and the government of the day, and Labor candidates, during the last election campaign. Some of that \$48 million should be used to upgrade the road between Manjimup and Bunbury, particularly by building some passing lanes. South Western Highway is used by a lot of people. Now that health facilities are being redirected to the regional centres, mothers with young children need to go to the regional centre for gynaecological and obstetric services. That is a real problem for those families. I drove up that road the other day after the heavy rain that had occurred. Having spent many years driving a car on that road, and knowing the amount of mist that billows up from big trucks, I know how dangerous it is for a seasoned traveller, let alone a mother with a couple of young kids in the car, or an elderly person going to Bunbury for treatment at the regional hospital. The government should take the opportunity, given its windfall gains over the past couple of years with the booming economy in Western Australia, to spend some of that money on upgrading South Western Highway. It is supposed to be a highway. Some passing lanes have been constructed, but the road is still unsafe. If the road is unsafe for seasoned travellers like me and others who use the road on a regular basis, we can only wonder what it is like for other people. More than 50 per cent of our horticultural products, and a lot of our timber and other products, come from the south west corner of the state. The provedoring of the lower south west and south west occurs as a result of trucks going the other way. Trucks also come from the eastern states along Muirs Highway and do the circuit route, thus adding to the number of trucks on the roads. It is very important that the government be made aware that there are serious problems with these roads. These people should not be ignored. The Premier has said that he will govern for all Western Australians. With a huge Treasurer's advance of \$750 million, one would think it would be possible for the government to fund some of those major infrastructure projects. The member for Bunbury will bear me out with regard to the port road in Bunbury. There is no doubt that all of the trucks going into the port will create a huge problem on the major roundabout going into Bunbury. If B-double road trains are going through that area very slowly, it will be a recipe for disaster. These funds could also be used to deal with the port access road in Albany. The member for Albany

would be well aware of the issues with that road, which are similar in nature to those in Bunbury. Good government should mean that when a government receives windfall gains, it spends them on infrastructure that will serve the community and make the community safer, such as roads.

I hope that one day someone might want to reopen that railway line for whatever purpose and use it as a tourist rail. The community acknowledges and understands that we cannot force people carting freight to use the rail system if a road system is available. However, the rail closure has created problems for not only the South Western Highway but also the people of Bridgetown, a beautiful place nestled among the hills on the Blackwood River. The sight of the huge trucks driving through the middle of that town, and the number of them, which has increased significantly as a result of the closure of the railway line, begs the question of why the government cannot find some money to reopen the line. I hope it will be within the \$48 million referred to in the Treasurer's second reading speech.

Those issues have been highlighted in the Treasurer's second reading speech. This is my first plea to the government to fund some of those projects in the south west, either in my electorate or close to it, and to fund the infrastructure projects that service the whole of the south west and all the people of Western Australia who want to visit that beautiful part of the world.

MR E.S. RIPPER (Belmont - Treasurer) [9.10 pm]: I thank members very much for their comments on this legislation. Many members have taken the opportunity to comment on individual items of expenditure. A couple of members have asked me whether they could have further information on the breakdown of the \$750 million Treasurer's Advance for 2004-05. I undertake to provide that breakdown within the next few sitting days. However, I advise members that there is a standard procedure for the accountability and approval of this expenditure. Every year supplementary Appropriation (Consolidated Fund) Bills, usually numbered appropriation bills 3 and 4, are the vehicles by which Parliament gives retrospective approval to each item of expenditure.

Mr P.D. Omodei: Have we ever passed a Treasurer's Advance of \$750 million?

Mr E.S. RIPPER: No; I understand we have not. When appropriation bills 3 and 4 are introduced for the financial year 2004-05, they will contain an especially long list of expenditure items for which Parliament will consider providing retrospective appropriations. Explicit appropriation bills will be introduced for both recurrent expenditure and capital expenditure under the Treasurer's Advance. They include schedules that itemise expenditure. Those matters can be fully debated in the Parliament.

Financially, the calendar year of 2004 was an extraordinary year. It began in the first quarter with a very significant win for Western Australia in the grants commission process. After 10 years of grants commission recommendations that reduced Western Australia's share of commonwealth grants - reductions in share that amounted to more than half a billion dollars per year by the end of that 10-year period - the Commonwealth Grants Commission changed tack and gave Western Australia an increase in its share of commonwealth grants of \$231 million per annum. Of course, that increase in our share did not fully compensate for the \$500 million per annum it had missed out on over the previous decade. Nevertheless, it was a significant and welcome development. Later on in calendar year 2004, the figures came out for state economic growth, which showed that Western Australia's economy had grown by 7.5 per cent in the financial year 2003-04. That is the largest rate of growth ever experienced by Western Australia since state-based gross state figures began to be collected in the late 1980s. Indeed, it is the largest rate of growth experienced by any state since state-based gross state figures began to be collected at that time.

Finally, the information came to light about the extent to which those economic developments had been reflected in state finances. The results came out for the calendar year 2003-04. As we all know, there was an unexpectedly large surplus of \$793 million. Quite frankly, I had not budgeted for a surplus of \$793 million. I expected a much lower surplus; indeed, had I known how strong the economy was, the 2003-04 budget would have been quite a different budget. How did the government respond to the grants commission win, the strength of the economy and the reflection of the strength of the economy in our budget bottom line? Firstly, in the 2004-05 budget, we instituted half a billion dollars worth of tax cuts over a four-year period. We exempted stamp duty on the purchase of most first home buyers' houses, instituted a cut of five per cent in stamp duty and introduced some land tax measures.

Mr T.R. Buswell: Stamp duty on what?

Mr E.S. RIPPER: On houses. However, despite that tax cut in the 2004-05 budget, the financial capacity of the government was significantly strengthened by the grants commission and the state economic outcomes. That gave the government additional financial capacity to address some long-term problems. They are the sorts of problems that should be addressed when the state is going through good times. If the state is going through good times, it is prudent and financially responsible for the government to look to issues that have perhaps been neglected in the past or will be a problem in the future if they are not attended to, and make some investments to fix those problems. That is what the government did in the latter half of 2004. It put money into school maintenance because it had the financial capacity to do so. School maintenance has been a longstanding problem that will be an issue in the future, so while we had the capacity, it was an excellent idea to invest in school maintenance. Another issue was the longstanding problem of poor mental health services. We have invested a very significant amount of money into improving mental health services.

We have also made investments in road expenditure. Some members on the other side have pointed out that, in previous years, the government had cut road expenditure - or, rather, cut expectations of growth in road expenditure.

Mr T.R. Buswell interjected.

Mr E.S. RIPPER: Indeed, the government had cut expectations of growth in road expenditure. When we had the improved financial capacity as a result of the extraordinary growth in our economy of 7.5 per cent, we put some of the proceeds of that growth back into the road program. We also made a very significant investment into energy security, and the security of the electricity supply for the south west of Western Australia. The longstanding problem of the lack of expansion of the Dampier to Bunbury natural gas pipeline had been unresolved. That lack of expansion threatened energy supplies to the south west. Although the member for Cottesloe disagreed with the government's action, it made an investment in ensuring the timely expansion of that pipeline to underpin our electricity supply and to underpin economic development in the south west of the state that will depend on reliable gas supplies.

The member for Churchlands raised issues about Churchlands campus. In my recollection of the issue, Edith Cowan University approached the government and said it wanted to move its operations more significantly to Joondalup. It wanted to invest in expansion at Joondalup and therefore wanted to realise on the asset it believed was morally the university's - the Churchlands campus. The Churchlands campus was on crown land; the land belonged to the taxpayers of Western Australia. Essentially, Edith Cowan University was asking the government to give it the land constituting the Churchlands campus, and allow it to develop and sell that land in order to fund expansion at Joondalup. The government agreed to that transaction, and that has resulted in a very significant investment in tertiary education facilities. Since the government does not give away land on an off-balance-sheet basis, the accounting mechanism for carrying out this transaction was to give Edith Cowan University a grant equivalent to the price of the land and to have Edith Cowan use that grant to buy the land back from the government. The member for Churchlands asked why the amount was \$57 million and not \$40 million. I am advised that that was the value of the land at the time the transaction took place. At least, that is the advice of the Department of Treasury and Finance.

Dr E. Constable: Did anyone check those two conditions?

Mr E.S. RIPPER: I am not in a position to have checked the two conditions referred to by the member. I undertake to have my staff look at the *Hansard* record of the comments by various members and refer those extracts to the relevant ministers to deal with the issues raised. I will make sure that *Hansard* extracts relating to the Churchlands campus matter are referred to both the Minister for Planning and Infrastructure and the Minister for Education and Training.

The member for Leschenault made comments about the revenue growth experienced by the government, and the fortunate position in which the government has found itself. I agree with the member that the strength of the state economy has delivered the government more capacity to spend.

Mr D.F. Barron-Sullivan: I said that you had the money, but it was because of increased taxes.

Mr E.S. RIPPER: The member might say that, but I say to him that a 7.5 per cent rate of economic growth in the past financial year is extraordinary. It is the kind of growth rate that might be expected from an Asian tiger economy at its height. It is not the kind of growth rate to be expected from a developed economy like Western Australia's. It is terrific that this rate of growth is occurring. It is bringing benefits to our community, such as the lowest rate of unemployment for a quarter of a century, and it is bringing benefits for government revenue. However, that is not the only story. There is also very significant expenditure pressure on the budget. For example, the government is spending \$889 million more each year on health services than was being spent in that area when it was first elected. Although we expected some growth in health expenditure when we delivered our first budget, by our fourth financial year in office, we were spending \$600 million more on health services than we expected to be spending. When we did the forward estimates in 2001, we forecast what we would be spending on health in 2004. Now we are actually in 2004-05, we find we are spending about \$600 million more on health services than we estimated in 2001.

Mr T.R. Buswell: How much has your revenue grown in that period?

Mr E.S. RIPPER: The member for Leschenault has already canvassed the issue of our revenue growth. I agree with him that Western Australia has had significant revenue growth. However, on the other side of the equation, there has also been significant expenditure growth in areas that are demonstrably community priorities. People need to recognise both sides of the argument. It is a significant financial initiative to be spending \$1.9 billion extra each year on health, education, law and order and community support. Imagine that - each year, an extra \$1.9 billion compared with the year in which we were first elected. We might have had additional revenue, but we also have additional expenditure responsibilities and we are investing very heavily in those community priorities. The other thing I need to say to members is that the government has a very large capital works program. It is much larger than the South Australian capital works program, and larger proportionately to the size of our budget than Victoria's capital works program.

Mr T.R. Buswell: Is it on budget?

Mr E.S. RIPPER: I will come to that. Western Australia is a fast-developing state. There are many areas in which the infrastructure that would be expected in a developed economy does not exist. Proponents want to establish projects.

They expect to be able to plug into electricity and water supplies. They expect port facilities and roads to be in place, as they would be if they were setting up in North America. However, they are not in North America, and those facilities must be provided if we are to maintain our economic growth. Our large capital works program is indeed funded in part by borrowings. A regular debate is held in this place about the extent of borrowings, and how sustainable the debt is. I say it is sustainable; that is what the AAA credit rating means. However, the capital works program is also funded from the surplus on day-to-day expenditure. When the budget figures show a robust surplus, that is a surplus on day-to-day expenditure. That then becomes a source of funding for the large capital works program. The surplus is not a pile of money I put in a room and occasionally cavort on, as Scrooge McDuck would do. It is a very important source of funding for the capital works program, which is about the infrastructure that keeps this state growing at a very strong rate. When we debate the budget, I hope members will understand that point. There has been some speculation about what size the surplus will be. I hope the surplus is bigger than expected. I want it to be bigger than expected, and I am planning to get the surplus as big as possible, to provide that source of funding for the capital works program.

Mr D.F. Barron-Sullivan: You just want to overtax people.

Mr E.S. Ripper: I want to build the infrastructure that will keep this state growing, without imposing an onerous debt burden on generations to come. The way to build that infrastructure without putting too heavy a burden on debt is to make sure there is a robust surplus on day-to-day expenditure. It is not wasted money, or money that is unused or should not have been collected; it is money that is used to build the infrastructure to keep this state growing.

Finally, I will comment on the very wise advice of the Deputy Leader of the National Party, who expressed concern about the level of expenditure, and observed that we need to look down the track and make sure that we are not incurring obligations that might be difficult to sustain if the economy turns more negative than it is at the moment. He is quite right. We just cannot look at what the financial outcome is for one year and say it is a good surplus, let us have a tax cut that applies year after year, regardless of what the economic circumstances are in the future, or let us have a big increase in expenditure in this area and employ more staff year after year. We have to look ahead and consider the risks and what the estimates look like for future years. It would be imprudent to plan on the basis of this state having an economic growth rate of 7.5 per cent year after year. I would love it if this state could achieve that level of economic growth, but it is not prudent to plan on that basis.

While we made investments to address longstanding problems using the proceeds of the record economic growth we experienced in 2004, many of those investments were in one-off initiatives that will not be a significant burden on the budget in the future. In fact, many of the investments we made last year will pay off in reduced pressures on the budget in future years. For example, if we get the school maintenance done now, that will be less of a pressure in future years when the economic circumstances in Western Australia might not be so good. It was a worthwhile thing for the government to make those investments.

The only other speech I should comment on directly is that by the member for Cottesloe. I thank him for his analysis of the goods and services tax debate between the state and the commonwealth. I cannot agree with everything he said, but it is an interesting contribution that I will refer to those people who are, in particular, dealing with this issue.

I thank members for their contributions, for the various issues they have canvassed and for their support, albeit sometimes less than enthusiastic, for this piece of legislation.

Question put and passed.

Bill read a second time.

Leave granted to proceed forthwith to third reading.

Third Reading

MR E.S. RIPPER (Belmont - Treasurer) [9.32 pm]: I move -

That the bill be now read a third time.

MR D.F. BARRON-SULLIVAN (Leschenault) [9.33 pm]: A couple of the comments made by the Treasurer in response to comments by members on this side of the house need to be addressed.

Mr E.S. Ripper: I provoked you and I am in trouble with the Leader of the House now.

Mr D.F. BARRON-SULLIVAN: Not in the slightest.

I kept my comments very brief earlier, but I want to make two salient points. The Treasurer went to great pains to tell the house that he was using budget surpluses for capital purposes and in that way we are not locked into any recurrent obligations that could go haywire if the budget starts going south at a rapid rate.

If we go back to the pre-election statement before the government was elected - one has to extrapolate a little because it does not go back to the current year - we find that the operating expenditures under this current government have increased by nearly \$5.5 billion cumulatively.

Mr E.S. Ripper: Cumulative - what is your per annum increase?

Mr D.F. BARRON-SULLIVAN: More than \$2 billion a year. It means that, when the government was elected, it had operating expenditures of about \$10 billion and pre this budget - I dread to think what it will be this year - we are looking at a \$2 billion increase. In terms of revenue, I gave the figure earlier, but the cumulative figure is more than \$7 billion. The Treasurer cannot possibly say that for four years the government had economic prosperity showering down on Western Australia and there were \$2 coins pouring over Treasury. It was not like that and we know it.

This state has had three years of successive taxation rate increases. There has been a huge increase in taxation throughout the state and the government has been very fortunate to gain significant increased revenues from the commonwealth.

I thought the two figures were relevant. We have a cumulative increase in operating revenue of \$7 billion - we still have hospital waiting lists, we do not have a sewerage infill program and road programs around the state have ground to a halt; the list goes on - and operating expenditure is up by nearly \$5.5 billion in a cumulative sense.

I do not want to dwell on it further. I am sure that we look forward to a very stimulating budget discussion in a couple of weeks.

Question put and passed.

Bill read a third time and transmitted to the Council

TIME ALLOCATED FOR DESIGNATED BILLS

Standing Orders Suspension - Motion

MR J.C. KOBELKE (Balcatta - Leader of the House) [9.37 pm]: I move -

That so much of the standing orders be suspended as is necessary for the following order to apply -

- (1) No delay is necessary between the stages of a bill designated in paragraph (5).
- (2) The Leader of the House or a minister acting on his behalf may at any time specify in the Assembly a maximum of time to be allocated for all stages of the bill up to and including the third reading, or that the specified time be extended. A signed copy of the specification will be given to the Speaker.
- (3) When the time allocated to any designated bill expires, the Speaker will -
 - (a) put every question necessary to complete passage of the bill without permitting further debate or amendment; and
 - (b) in the case of a bill being considered in detail, also put to a vote any amendments proposed by the minister or parliamentary secretary with carriage of the bill, providing those amendments have been circulated in writing in the chamber at least two hours before the relevant allotted time.
- (4) A closure under standing order 106 may not be moved on any question which is the subject of allocated time under this order.
- (5) The following bills are designated for the purposes of this order -
 - Limitation Bill 2005;
 - Limitation Legislation Amendment and Repeal Bill 2005;
 - Yallingup Foreshore Land Bill 2005;
 - Health Amendment Bill 2005;
 - Contaminated Sites Amendment Bill 2005;
 - Planning and Development Bill 2005;
 - Planning and Development (Consequential and Transitional Provisions) Bill 2005;
 - Metropolitan Region Improvement Tax Amendment Bill 2005;
 - Coal Miners' Welfare Amendment Bill 2005;
 - Coal Industry Superannuation Amendment Bill 2005;
 - Gene Technology Bill 2005; and
 - Gene Technology Amendment Bill 2005.

This motion applies to only 12 pieces of legislation that were previously debated and passed by this house in the term of the previous government. This motion will allow maximum time to be allocated for all stages of a bill, up to and including the third reading, or allow the specified time to be extended.

I note it does not allow for the minister or me to reduce the time once it has been set. It does allow for it to be extended.

The motion is similar to the weekly guillotine motion previously used by the coalition government. It was applied to nearly every bill, or at least a very large number of bills that were brought before this house in that time.

Also, the motion is similar to the government business program procedures used in Victoria and the Australian Capital Territory Parliaments that can specify a bill or group of bills and at what time they will be completed. The House of Representatives also provides in its standing orders a mechanism -

Point of Order

Mr D.F. BARRON-SULLIVAN: Written speeches are quite adequate, appropriate and within the confines of the standing orders for second reading speeches of bills. This is not a bill and I ask why the minister has to resort to a second reading speech on this matter.

Mr J.C. KOBELKE: I am using extensive notes.

The DEPUTY SPEAKER: There is no point of order.

Debate Resumed

Mr J.C. KOBELKE: I was simply drawing on notes to tell members what happens in other Parliaments.

I certainly hope that it may not be necessary to apply this particular variation to the standing orders to the bills that are listed in the motion.

Some of the bills in the motion are not particularly contentious and were passed quickly in the previous Parliament. For example, which I draw on my notes to get correct, the Coal Miners' Welfare Amendment Bill was dealt with in about half an hour of total debate in this place. The Contaminated Sites Amendment Bill was supported and passed in about 15 minutes. I am not suggesting a lot of time is necessary to go back over these bills.

Some of these bills were subject to many hours of scrutiny. For example, and again I draw on my notes to get it correct, the planning and development legislation package was subject to 15 hours of quite intense debate, in both this house and the Legislation Committee.

The gene technology legislation was allowed eight hours of debate and the minister responsible is not even in this place. He is in the other house.

I make it clear that this procedure, or guillotine, will apply only to bills that have already had full passage through this place, but it was in the previous Parliament. Now we are a new Parliament and have new members. Those new members should have the right to contribute to the debate. There is also the potential that the new members or even members who were here in the previous Parliament, in the light of having another look at these bills, might be able to add new aspects to the debate. For that reason we must ensure that there is an opportunity to debate these bills. However, in addition to ensuring there is an opportunity to debate them, the government does not wish the spirit of standing order 97 to be transgressed. I am not suggesting that the standing order would be transgressed, but it makes it clear that it is not within standing orders for the debate to be repetitious. When I say "repetitious" I do not mean one member saying the same thing over and again. Any member repeating matters that have been said by other members preceding the member giving his speech could be regarded as contravening standing order 97. We do not, therefore, wish to embark on these bills and hear exactly the same speeches rolled out by a range of members. This motion will allow the debate to start and members will have some informal understanding of how much time will be given for the debate. If a bill passed through this house previously in roughly 15 minutes, we would expect it would take no more than half an hour to an hour to pass it again, unless members indicated there was a new issue. A range of new issues may be opened up, but if the debate becomes repetitious, this motion will allow the minister who has passage of the bill or me, as Leader of the House, to specify a time in which the bill will be completed. However, if the ongoing debate indicates that new issues have been opened up that have not been properly canvassed, it will be open to the minister controlling the bill, having specified a time perhaps an hour or two hours hence, to extend that time. The minister cannot further reduce the time but he can extend it.

This motion will provide members with some certainty on how to get through the list of bills that have previously been through this house and, provided the opposition exercises some discipline, it will mean that there can be constructive debate and new matters can be opened up that should be debated. However, it will ensure that debate on these bills is not dragged out with the same old issues repeated over and again. This motion is similar to the mechanism that the previous coalition government applied, but it is drastically different in that it applies only to bills that have previously passed through this house in the previous Parliament, therefore leaving the opportunity for new members, or members who were here previously who want to revisit these bills from a new perspective, to contribute to the debate. It will help expedite the business of the house and ensure that these bills are sent back to the other place. Some of these bills had been sitting in the other place for years and had not been dealt with. In the passage of time some of the underlying issues may have changed; that will be left open to debate. However, if there are no new aspects to the debate, I assume the bills will be passed very quickly and sent back to the other place, where we hope they will be treated with more expedition than they were in the previous Parliament.

MR D.F. BARRON-SULLIVAN (Leschenault) [9.43 pm]: This motion is absolutely appalling and the opposition will oppose it to the hilt. There was some debate recently about the government's proposal to simply table in this chamber second reading speeches on a range of bills that had been dealt with during the previous Parliament. That proposal was bad enough and points were made then by members that this is a new Parliament. I remind the minister about what occurred. When the previous Parliament was prorogued the Labor Party had been unable to manage its affairs in the Parliament sufficiently well. As a result, when the election was called a number of bills had dropped off the edge of the precipice; in other words, they vanished into thin air and went out of existence. When the new Parliament was called after the election, it started with a clean slate. Members walked into this place without any bills on the notice paper for one very simple reason: this is a new Parliament. We start afresh. That is how the system operates. The Premier came into the Parliament and introduced the very first bill to crank up the whole process. This government had brought a number of bills before this chamber but, through mismanagement, had been unable to progress them through both houses of Parliament before the Parliament was prorogued and the election called prior to the current session of Parliament.

This is becoming a bit of a habit of this government. Tomorrow the government will introduce legislation. The matter is a bit different from that contained in this motion but the principles are not much different. I am lucky as I have seen a copy of the legislation to be introduced, but I doubt that every member of this chamber has seen it. It has not been formally introduced but will be introduced tomorrow. Tomorrow the government will immediately seek to declare the bill urgent. The government has no mandate for the bill and there is no crying urgency to pass the bill, but it suits the government's political agenda to pass it through the Parliament tomorrow. That is what will happen. The government, therefore, has a very important piece of legislation and it is prepared to put aside the established parliamentary processes to ram it through this chamber as quickly as possible. We saw that occur recently with the One Vote One Value Bill, when the government eventually gagged debate, allowing far less debate on that bill than has occurred on any other contentious bill in the time that I have been a member of this Parliament.

I understand that tomorrow night we will have a gun placed at our head to get the bill through the Parliament by midnight. If we do not rush debate on the bill, guess what? We will end up losing a day of Parliament. My understanding is that if debate on this bill takes us beyond midnight tomorrow, the government is quite prepared to say that Parliament will not sit on Thursday. Therefore, there will be no question time on that day to keep the government accountable and if members want to deal with a matter of public importance, they can forget it; they will not have that opportunity. Guess what? There will also be no opportunity for the government to progress its legislation on that day. We will be rushing things through, but if the bill is not dealt with by midnight, the day after we will all be prepared to go home. This is an extraordinary state of affairs.

Coming back to the motion we are dealing with, the 12 bills listed in the motion were all dealt with during the previous Parliament but, as the Leader of the House acknowledged, there are 14 new members of this chamber and they have the same right to expect to be able to approach and scrutinise these bills in the same way that any other member has done previously. Not only that but also all other members of this chamber should be entitled to scrutinise those bills in exactly the same manner and fashion as they scrutinised them last time. It is almost as though the government has presented a fait accompli in that it is saying that it had the numbers to put the bills through this place before, with perhaps some support from the opposition, so who cares? It is as though the government is saying that this chamber passed the bills then and it will pass them again now. That is not the way the chamber works. If it is the way it works, I wonder whether that same principle will apply to the Western Power disaggregation legislation. Does the Leader of the House assume that will happen with that legislation, which will be introduced very soon now? When that bill comes into the Parliament, will it have the same fate as it had last time? I think government members are hoping that it will go the other way around in the two chambers this time. What is good for the goose is good for the gander; in reality the government cannot take for granted the outcome of any legislation. Some of the bills listed in the motion are quite simple matters. They may have taken 15 minutes or half an hour to be debated in the chamber last time. That does not mean they will take 15 minutes or half an hour this time. That will depend on the members who wish to speak to them. In the opposition's case it will depend particularly on the shadow minister and the members who intend to talk on them and, obviously the Independents and National Party members may wish to speak on them. Indeed, government members themselves may want to talk on some of these bills. Instead, effectively a legislation conveyor belt is being implemented so that the Labor Party will roll in a bill and members will get a quarter of an hour or half an hour to debate it and away it will go.

I want members to understand that this motion is extremely significant because it will set a dangerous precedent. What we are dealing with tonight has never happened before in this Parliament. The government has already told us that it will table the second reading speeches of a mass of bills because it does not want to bother with that awful formality of reading the speeches. What will happen now is that a block of bills will be dealt with as one. Previously, if the Leader of the House decided for whatever reason that debate on the Contaminated Sites Amendment Bill needed to be guillotined because he genuinely believed that the opposition was being obstructive or there was a screamingly urgent reason for him to do so and he was prepared to explain it to the house, he could stand and guillotine the debate on that bill. He could do it prior to that, because he could put a sessional order in place or move a gag motion. A variety of options are available. However, if he wanted to put in place a system to constrain the time available to debate the

Contaminated Sites Amendment Bill because he wanted to commence and finish the consideration in detail stage by a certain time and because he wanted to finish with the bill by a certain time, we would get to debate the matter and discuss its merits. We would have an opportunity to find out why it was necessary to speed up the passage of that bill and to constrain our debate, discussion and scrutiny.

A number of things are happening here. First, we will not have that debate for each of the bills. Bear in mind that we are not debating these bills at the moment. We are pretty limited in our ability to describe why it is necessary that the Coal Miners' Welfare Amendment Bill, for example, should have thorough scrutiny with no time constraints placed on it. We are dealing with a lot number of 12 bills. We are being asked to give the Leader of the House approval to set time constraints arbitrarily on any one or all of those bills.

The other key point is that usually when the Leader of the House wishes to curtail debate and place time constraints on a particular bill, not only do all members of the Legislative Assembly get a chance to talk about it, and not only is the Leader of the House accountable to the people of this state through the members of the Legislative Assembly, but also there is something else: at the end of the day, we may take a vote on whether that process will go ahead. It happens within the constraints of this chamber - it is dealt with by the Parliament.

What the minister is saying now is, "Pass this motion and give me carte blanche to take over that responsibility from the Parliament. I do not need you lot; we do not need members to think about whether they want to curtail debate on any of the 12 bills. Either me or one of my ministerial colleagues will make that decision for you." In other words, for all intents and purposes, the Leader of the House wants to usurp the powers of this chamber as administratively set out by the standing orders. He is saying that he wants to take over that responsibility. Never before in the history of this chamber, as far as I am aware, has a minister said that he will take over that responsibility from the other 55 members of this chamber. Instead of having 12 debates and 12 decisions on 12 pieces of legislation, with the Legislative Assembly making an informed decision in each case, he wants us to hand over that responsibility to the Leader of the House or a minister. The crazy thing is that the Leader of the House has just said that it may not be necessary to constrain debate on some of those bills. He has said that one of them will take 15 minutes to be dealt with, and yet he has included them all on the list. If he is already suggesting that debate on some of the bills does not have to be curtailed, why have a motion that gives him the authority to usurp the power of this Parliament and curtail debate on any of those bills? Putting it bluntly, why does the Leader of the House not eventually guillotine debate on a bill or put an order in place to curtail the debate on a particular bill?

It is getting to the stage at which I am beginning to wonder why we need this chamber. With respect to one of the bills, I heard the minister say, "Gosh, the minister responsible is not even in this chamber." In other words, implicit in that comment is the assumption that if the minister handling a bill is not in the chamber, the chamber does not need to debate it - "Why don't we just get those bills and chuck them straight on up to Hon Kim Chance to deal with up there? We do not need to go through that process." I have news for the government. There are two houses of Parliament and there are long-established reasons why that system works particularly well. However, the Leader of the House has said that we do not need to debate a bill if the minister responsible is not in this house.

He then went on to talk about standing order 97. Essentially, what is not in this motion is how he will make up his mind whether to use his new power to curtail debate on any bill. He has said that he will determine whether debate on a bill becomes repetitious. I have a couple of points. First, that is not up to the Leader of the House or a minister to determine. Under standing order 97, that decision is ultimately up to the Speaker, or the house through the Speaker, because any decision is ultimately a matter for the house to make. If the minister in charge wants to take a point of order and say that the member for Dawesville has been putting up repetitious arguments about the Health Amendment Bill, for example, he can take a point of order. If the Speaker upholds it, chances are the debate will move on from there. The Leader of the House then indicated that because debate on these bills was dealt with during the previous Parliament, if those arguments are repeated now, that will make them repetitious. That is the inference I made from what the Leader of the House said. His comment is not the case at all, and that is not how standing order 97 operates. It does not relate to a debate that happened in a previous Parliament. In every single respect, the arguments that the Leader of the House is putting up to justify this enormous new power that he wants to take on himself fall in a heap.

The bottom line is that this Leader of the House and his government - I assume that all Labor members will support this motion - are prepared to ride roughshod over what are very good and well-established parliamentary practices. I stress the fact that this has never happened before. Once something like this happens, we might see it happen again and again. This motion is lacking a lot of detail. The Leader of the House has indicated that at a certain stage he might decide to curtail debate on a bill. However, he has given no firm time frame. Will he do so after half an hour's debate or after an hour's debate? If we spend 15 minutes on a previous bill and half an hour on the one before that, will more time be allowed on a subsequent bill? The bottom line with all of this is that through this motion the government will trample over the authority of Parliament and the ability of individual members to represent the broader community in the way they are elected to do so.

One very obvious question is: what is the rush? We are prepared to do away with sitting on Thursday, but we have to rush all this legislation through. We are at the beginning of the year, Parliament has only just commenced, yet the

government wants to rush through 12 pieces of legislation. This government has already shown its managerial ineptitude by being unable to get these 12 pieces of legislation through the previous Parliament. If it could not get them through the previous Parliament, why is it already starting a logjam for this year? I do not think the upper house will handle these bills in the same way. The bottom line is that the Leader of the House wants a heap more power to ram through 12 pieces of legislation at his discretion.

Every single argument he has put up to support what he is trying to do is fundamentally flawed. We will oppose this motion.

MR T.K. WALDRON (Wagin) [9.59 pm]: The Nationals will also oppose this motion. I endorse the comments of the member for Leschenault. I believe he put the points very well. Therefore, I will not go over all those points. However, I will make just a couple of points. When the motion to table and have incorporated in *Hansard* the second reading speeches for these designated bills was brought before this house, the National Party said at first that it was in agreement and could see reasons for that happening, such as to save time etc, if there were no changes. However, of course, there were changes. At that stage we felt that if there were changes, tabling and incorporating the second reading speeches was not the right way to go, and the house should follow the proper process. There have been changes to the bills. There are new members who were not in the previous Parliament. Given those changes and the time factor, I think it is only fair and reasonable - I believe it is expected - that members of this house have the opportunity to put forward their thoughts on pertinent points on behalf of their electorates. As I understand it, that is what we are elected to do. That is our role. If we are not given that opportunity, we are not fulfilling the role for which we are elected. I strongly believe that.

This motion provides for debate on the bills to be guillotined and the method by which that should happen. I do not think there is a real need for this motion. As a previous speaker pointed out, when a bill is called on, the government always has the option to gag the debate if it sees fit. It is interesting that the Leader of the House mentioned that before 2001, the previous coalition government applied this approach. I was not in this place at that time. However, I have been reliably informed that when that happened, the current government, the then Labor opposition, was vehemently opposed to it and made that point very strongly. It talked about principles etc. However, that has all changed now, of course, just as so many things have changed. I have already spoken about that today: all of a sudden things change. We talk about principles all the time. Once again we see those principles just go out the window. I am sorry; I do not suppose Hansard can actually record a whistle. I am looking forward to reading that!

The other point which I want to make and which was also covered by the member for Leschenault is an issue that I find really strange. The Leader of the House raised a point about standing order 97 and repetition. He then talked about repetition from one speaker to the next. When I first came into this Parliament, I found one thing very difficult. We would be dealing with a bill. One member would stand and speak, and then the next member would stand and say much the same thing. That sounded a bit dumb to me. I could not work it out for a while. Then I realised why that happened. It is because we are in this place to represent our electorates. Our electorates expect us to represent their thoughts. That is what we are elected to do, and that is what we should do. Quite often, as members listen to other speakers, they learn on the way through. I have found that very helpful. When I first came into this place, a previous member, Hendy Cowan, encouraged me to sit in the chamber. I know why he did that. It was because that is how members learn. This motion takes away elected members' rights. Yes, there might be a reason for wanting to get these bills through the house. However, the point I make is that I do not think members will speak for long periods on these bills. The Leader of the House made the point, which was fair enough, that last time some of the speeches were very short.

The DEPUTY SPEAKER: Whatever it is that is taking the interest of members, I hope it takes them outside the chamber, because there is far too much noise, and I am having difficulty hearing the member with the call.

Mr T.K. WALDRON: I know that last time there was a fair bit of debate on some of these bills. I cannot understand why the government wants to group them all together. Obviously, it just wants to whip them through.

Mr J.C. Kobelke: They are not all grouped together. They will be handled separately. If any times are set, there will be different times for each bill.

Mr T.K. WALDRON: Yes. However, I believe the member for Leschenault made a very good point. The Leader of the House has said that he will see how debate is going on the bills and make sure it is not repetitious debate. However, the fact is that if debate on one bill takes a long time, debate on the next one will be cut short.

Mr J.C. Kobelke: No.

Mr T.K. WALDRON: In practice, I think that will happen.

Mr J.C. Kobelke: We'll see.

Mr T.K. WALDRON: I am not as experienced as some people, but, in practice, I think that will happen. The Leader of the House said that he will not set a time at the start, but he will see how the debate goes. At the end of the day, he will control the debate. New members did not have the opportunity to speak on those bills last time. For members who

were in the previous Parliament, things might have changed and they might have more interest in a particular bill. However, they will not be given the opportunity to speak.

Mr A.D. McRae interjected.

Mr T.K. WALDRON: This is meant to be a place in which some principles are upheld. I feel for the new members in this place. They have come into this Parliament, and because of what they have experienced since then, I reckon they must be wondering what they have got themselves into.

Ms A.J.G. MacTiernan: That is right.

Mr T.K. WALDRON: Good on the minister!

Ms A.J.G. MacTiernan interjected.

Mr T.K. WALDRON: No, because people outside this place hold this place in pretty high esteem. The way in which proceedings have been conducted since we have been back in this Parliament has no credibility whatsoever. If anyone thinks it has, that person is kidding himself. He has probably been here for too long, and it is time to hop outside and look back in. That is a fact. I talked about this the other night. I believe it. Members might say that I am naive or whatever. However, sometimes it does not hurt for a person to stand back and have a little look at himself. This government should do that. What the government is trying to do is dangerous. It should not happen. The Nationals will strongly oppose this motion.

DR E. CONSTABLE (Churchlands) [10.06 pm]: The thing that members learn in this place after a while is that governments propose guillotine motions and oppositions oppose them. Having been in this place for as long as I have, it is interesting to watch the government members now who were in opposition in 1993, when they were so vehement in their opposition to the guillotine. It is just breathtaking to read the words of this motion. The disregard that the Leader of the House has for the Parliament is unbelievable. The second part of this motion states -

The Leader of the House or a minister acting on his behalf may at any time specify in the Assembly a maximum of time to be allocated for all stages of the bill up to and including the third reading . . .

It could be five minutes. Is that right? If the minister decides he has had enough and wants to go home, or he is hungry and wants to have some supper, it could be five minutes, and that could be the end of it. Is that correct?

Mr J.C. Kobelke: You demean the whole debate in this place with that comment.

Dr E. CONSTABLE: No, the question is that it could be five minutes. The Leader of the House could specify five minutes.

Mr J.C. Kobelke: If you were doing it -

Dr E. CONSTABLE: Answer the question.

Mr J.C. Kobelke: If you were doing it, it might be true. I won't be.

Dr E. CONSTABLE: It could be, though, because of the way this motion is written.

Mr J.C. Kobelke: If you were doing it, but not me.

Dr E. CONSTABLE: The way this motion is written, the time to finish all stages could be five minutes, or it could be 10 minutes or 20 minutes. Is that correct?

Mr J.C. Kobelke: That is not the intention of the motion that I moved.

Dr E. CONSTABLE: However, it could happen that way. The Leader of the House could decide after two hours of debate that he has had enough. He will give another 15 minutes and then it is all over. All the Leader of the House must do is sign a copy of the specification and give it to the Speaker. This gives incredible power to the executive and to ministers, which I have not seen happen in this house before. I want to ask the Leader of the House what the procedure will be when that time is up. This will be written on a piece of paper and given to the person in the chair. What happens then?

Mr J.C. Kobelke: At the conclusion of the time, all necessary questions will be put to conclude the passage of the bill.

Dr E. CONSTABLE: No sessional order motion will be put for the house to decide. The executive decides, not the house. Therefore, we are giving much more power to the executive than we have given before - certainly much more power than was given under the Court government when a sessional order was made.

Mr J.C. Kobelke: It applies to only the 12 bills that have already passed through this house.

Dr E. CONSTABLE: I do not care to which bills it applies. It applies to these 12 bills. However, we are giving far more power to the executive than we have given before.

Mr J.C. Kobelke: Over bills that this house has already passed.

Dr E. CONSTABLE: I think the house should understand what will happen if this motion is passed. That is what we are doing. After listening to the Leader of the House debate previous sessional orders in the time of the Court government, I find it extraordinary that he has done this. It seems to me that the lessons of the 1980s have not been learnt all that well, when a royal commission looked at the abuse of executive power. The Leader of the House's disregard for this place is very concerning. I agree with the member for Wagin. We are dealing with some fundamental principles about how this Parliament should work. For the Parliament to give this power to executive members is of great concern. I have quoted what Andrew Mensaros said about the guillotine, and I will quote it again, because he was a man who was held in high regard in this Parliament and a man who held this Parliament in high regard. In a debate in this place on 18 August 1993, he said -

I return to the real and pragmatic meaning of Parliament. It is all very well to say it is the job of Parliament to legislate; but the real and proper meaning of Parliament today is to provide a forum for members of Parliament to check the Executive of the day. That is quite clear. That is the main purpose of Parliament, whether it occurs by way of debate on a Bill, an urgency motion or a motion moved on private members' day, or whether it be on a grievance or even during question time. If Parliament is managed properly, legislation can be passed without undue delay. If delay is experienced, it happens only once or twice during a session. Indeed, that has been past experience.

I agree with the Leader of the House that these bills have been debated previously. However, there is no need to use the guillotine on them. This is a new Parliament. There are new members who should be given the opportunity to debate these bills. This might have happened before, as I think the member for Leschenault said. However, these bills just fell into oblivion. They are now back before the Parliament for scrutiny. Perhaps new things will be found or improvements can be made that the Leader of the House has not imagined can be made. Every member of this Parliament has the right to be involved in those debates. It is a tad arrogant for the Leader of the House to say we have had our chance; we have done this before, and it is the same thing, so we should just push these bills through the Parliament. It is disappointing that the Leader of the House has taken that approach.

I do not think the Parliament would have delayed these bills. However, we now have the opportunity to have another look at them. Why not do that? The only bill that I would consider urgent is the Limitations Bill. The remainder of the bills are not of any great urgency. What will it matter if it takes an extra few hours to pass legislation in this house? It does not matter in the scheme of things. It is just an inconvenience for the Leader of the House and other members of the executive. We should think carefully about passing motions such as this and passing even more power to the executive, thereby giving up the right of this Parliament and every member of this Parliament to debate legislation.

MR B.J. GRYLLES (Merredin) [10.12 pm]: I support the comments of my colleague the member for Wagin, who noted that the National Party will be opposing this motion. As one of the members who was in the line to make a contribution to the third reading debate on the One Vote One Value Bill, I find it pretty difficult to believe the Leader of the House when he says we should trust him on these bills. Many of the new members wanted to make a contribution to that debate. I am not a new member - I have been here for one term - but I also wanted to make a contribution to that very important debate for our electorates. There was probably no more important debate for members to take part in than a debate on a bill that proposes to abolish certain electorates. However, the Leader of the House was happy to have that debate gagged. Therefore, for the Leader of the House to ask us to give him a bit of leeway and to trust him with this motion is a bit rich.

I seek some clarification from the minister, because paragraph (3) of the motion states that when the time allocated to any designated bill expires, the Speaker will -

- (b) in the case of a bill being considered in detail, also put to a vote any amendments proposed by the minister or parliamentary secretary with carriage of the bill, providing those amendments have been circulated in writing in the chamber at least two hours before the relevant allotted time.

My reading of that part of the motion leads me to believe that if we agree to this motion, an amendment will be able to be put without any debate at all, so long as the amendment has been circulated to the chamber. As the member for Wagin stated, the National Party believed that there probably was some merit in these bills going forward if no changes were made to them. However, as the minister outlined in the previous discussion, amendments have been proposed to some of these pieces of legislation. Once again, the minister is asking the Parliament to take a leap of faith and believe that any amendments will only be minor and will not have major consequences for the bill. However, we do not know that. As the member for Churchlands has outlined, the difficulty is that we have a history in which both sides of the Parliament have supported these types of debates. However, we are now stepping onto a new path in history in which amendments can be passed without any debate. I do not believe that should be happening. If amendments are proposed to a piece of legislation, they deserve to have the full and open scrutiny of the Parliament. If amendments had been proposed to any of those 12 pieces of legislation the last time they came into the Parliament, we would have had that debate in this Parliament. The situation should not be any different this time around. The Leader of the House may have a point with regard to the bills that are not proposed to be changed. However, if amendments are proposed to any of the bills, the Parliament should have the opportunity for full and open debate. This motion does not allow that. That

is a flaw in the motion. If there is a flaw in the motion, not only will the opposition not be supporting it, but the government should not be supporting it either.

The minister has obviously not been listening to the debate. That is another concern. We are talking about gagging the debate. The minister has not been listening to the concerns that we have been raising but has been talking to the Minister for Planning and Infrastructure. That is very disappointing.

Several members interjected.

Mr B.J. GRYLLS: I am not trying to be a smart Alec. I am just making the point.

Several members interjected.

The DEPUTY SPEAKER: Order, members on my right, and the member on his feet!

Mr B.J. GRYLLS: It is in *Hansard*, but the minister will not see *Hansard* until tomorrow, when this motion will have been passed.

Mr P.B. Watson interjected.

Mr B.J. GRYLLS: I do not mind inane interjections if I am carrying on an inane debate, but I am making a valid point about this motion. I would have thought the member for Albany would have some empathy with my concern that amendments will be made to legislation and none of us will get the opportunity to debate those amendments.

Mr P.B. Watson: We have already debated them.

Mr B.J. GRYLLS: We have not spoken to the amendments, because the amendments have not been moved. Does the member have any idea what we do in this place? He has no idea at all. I do not mind interjections when they are warranted, but the member for Albany plays no part in any of the debates that we have in this Parliament. He only pipes up late at night when it is obviously past his bedtime. This is an important motion.

Mr P.B. Watson: Are you getting personal now?

Mr B.J. GRYLLS: I am getting personal. I hope *Hansard* is not recording the comments made by the member for Albany. People who read *Hansard* will find out that in the first six weeks of this Parliament, the only comments on the *Hansard* record from the member for Albany were sooky lah lah! How would he spell that?

This is an important issue. I hope the Leader of the House, if he was listening to my contribution, will inform me whether amendments can be made to these piece of legislation without debate.

The final point I make is that if the minister of the day will be making the decision about whether the debate is repetitious and irrelevant, why do we need to have a position such as Speaker? The role of the Speaker is to determine whether the standing orders are being followed. For the Leader of the House to be able to gag the debate because of standing order 97 is an abuse of the role of the Speaker. That is another reason that we should not support the motion.

Other members opposite may not be following the debate. This motion has serious flaws, particularly with regard to amendments being moved to legislation. Debate on the Contaminated Sites Amendment Bill, to which the minister referred, lasted only 15 minutes. It is an important piece of legislation that has bipartisan support. If amendments are made to that bill in the upper house, it is important that they be scrutinised. They might be supported by the opposition. Those amendments should be scrutinised, but this motion will not allow that; therefore, it should be opposed by every member.

MR P.D. OMODEI (Warren-Blackwood - Deputy Leader of the Opposition) [10.19 pm]: I promise to be brief and to not breach standing order 97. We must ask ourselves why this sessional order has been moved. It appears that all but three items on the notice paper will be dealt with under this sessional order. What is the urgency for passing these bills? It is not as though we are in the dying stages of the parliamentary term, which is usually when time management is introduced. We know that time management is applied in the House of Representatives and that it has been used in this Parliament before. There does not seem to be an imperative to pass all these bills in a hurry. I refer, for example, to two bills within my shadow portfolio, the new Gene Technology Bill and the Gene Technology Amendment Bill 2005. These two bills are the Western Australian component of an intergovernmental agreement on gene technology signed by the states and territories. The commonwealth legislation came into operation on 21 June 2000 and these bills were passed in this Parliament in 2001. They then progressed to the Legislative Council, where they were referred to the Standing Committee on Environment and Public Affairs. The Leader of the House tried to explain to the Parliament that these bills must be dealt with quickly because they have not been dealt with in the upper house. Why not? They were referred to the upper house Standing Committee on Environment and Public Affairs. That committee travelled the world and reported largely on gene technology in other countries and recommended a series of amendments to the legislation. The time has almost lapsed already for the review of the commonwealth legislation. The recommendations made by the standing committee cannot be incorporated into the state legislation because they must be included in the commonwealth legislation; therefore, there is no imperative to pass this legislation in a hurry. If it is that important, it should have been done a long time ago.

It is clear that the government is suffering from its own incompetence, inaction and lack of ability to have made these bills a priority in the Legislative Council or the Legislative Assembly in the past. This Parliament has a large number of new members, so why not give them an opportunity to speak on these bills? The opposition opposes the sessional order. It is not necessary, and it is heavy-handed action by the government. I cannot see why it is so important for all these bills to be passed before the end of this week.

DR J.M. WOOLLARD (Alfred Cove) [10.23 pm]: I will not support this motion, which the minister has moved in light of the fact that the upper house will sit Tuesday to Friday for the next four weeks. Even if the Legislative Council does sit for the extra time, it still must examine bills one at a time. It would be far more reasonable if the government extended the sitting hours of this house so that new members - I can see by the smiles of some members on this side of the house that they agree with me - can participate in the debate and some of the more long-standing members can raise any new points they have, without the debate being gagged. If this motion is passed, legislation will be rushed through this house and debate will be curtailed by one guillotine after another, and that is not what this Parliament is all about. It is meant to give members an opportunity to scrutinise legislation to make sure that it is good legislation. If it is rushed it will not be good legislation. Members of this Parliament, particularly the new members, will look ridiculous when they return to their electorates, because they will not understand the legislation and, therefore, they will not be able to answer questions on it. The government should consider the effects of this motion because, as other members have said, when the Labor Party was in opposition, it opposed moves to rush legislation through the house in this way. It is a shame that both parties seem to forget the principles they claim to hold dear when they are elected to government. Therefore, I will not support the motion.

Question put and a division taken with the following result -

Ayes (26)

Mr J.J.M. Bowler	Mr J.C. Kobelke	Mrs C.A. Martin	Mrs M.H. Roberts
Mr A.J. Carpenter	Mr R.C. Kucera	Mr M.P. Murray	Mr T.G. Stephens
Mr J.B. D'Orazio	Mr F.M. Logan	Mr A.P. O'Gorman	Mr P.B. Watson
Dr J.M. Edwards	Ms A.J. MacTiernan	Mr J.R. Quigley	Mr M.P. Whitely
Mr S.R. Hill	Mr J.A. McGinty	Ms M.M. Quirk	Mr D.A. Templeman (<i>Teller</i>)
Mrs J. Hughes	Ms S.M. McHale	Ms J.A. Radisich	
Mr J.N. Hyde	Mr A.D. McRae	Mr E.S. Ripper	

Noes (22)

Mr C.J. Barnett	Mr M.J. Cowper	Mr P.D. Omodei	Mr T.K. Waldron
Mr D.F. Barron-Sullivan	Mr J.H.D. Day	Mr D.T. Redman	Mr G.A. Woodhams
Mr M.J. Birney	Mr B.J. Grylls	Mr A.J. Simpson	Dr J.M. Woollard
Mr T.R. Buswell	Dr K.D. Hames	Mr G. Snook	Dr G.G. Jacobs (<i>Teller</i>)
Mr G.M. Castrilli	Mr R.F. Johnson	Mr T.R. Sprigg	
Dr E. Constable	Mr J.E. McGrath	Dr S.C. Thomas	

Pairs

Mr P.W. Andrews	Ms K. Hodson-Thomas
Mr M. McGowan	Mr M.W. Trenorden
Dr G.I. Gallop	Ms S.E. Walker

Question thus passed.

House adjourned at 10.29 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

HEALTH, TENDER FOR ORAL HEALTH SERVICES TO RESIDENTS OF AGED CARE FACILITIES

16. Dr E. Constable to the Minister for Health

- (1) Does the Health Department of Western Australia intend to initiate a further tender for the provision of oral health services to residents of aged care facilities for the Health Department of Western Australia similar to the four year tender (Number HDQ 29/01)?
- (2) If yes to (1), when will the request for the tender be advertised?
- (3) If yes to (1), what will be the financial value of the tender to the successful tenderer?

Mr J.A. McGINTY replied:

- (1) No. As the current five year contract expires on 28 February 2007, the initiation of further tender action will be considered nearer to the expiration of the current contract.
- (2) Not applicable.
- (3) Not applicable

HEALTH, TENDER FOR ORAL HEALTH SERVICES TO RESIDENTS OF AGED CARE FACILITIES

17. Dr E. Constable to the Minister for Health

With reference to the Health Department's tender HDQ 29/01 won by Dental Health Services of Western Australia -

- (a) how many patients were examined in each of the four years of the contract;
- (b) how many patients were treated in each of the four years of the contract;
- (c) how many dentists were (a) employed and (b) contracted to perform these services in each of the four years of the contract;
- (d) what were the qualifications of each of the dentists performing these examinations;
- (e) how many of the dentists referred to in (3) and (4) had qualifications as a special needs dentist; and
- (f) how many patients were referred to their own private dentists following examination oral examination?

Mr J.A. McGINTY replied:

- (a) 2001/2002 financial year - 26
2002/2003 financial year - 8,600
2003/2004 financial year - 3,384
2004/2005 financial year - 1,611 to 31 March 2005
- (b) As the treatment services were not tracked separately from other patients, the number of patients treated cannot be determined.
- (c)
 - (a) Employed
2001/2002 - 1
2002/2003 - 3
2003/2004 - 4
2004/2005 - 5
 - (b) Contracted
2001/2002 - 0
2002/2003 - 3
2003/2004 - 3
2004/2005 - 1
- (d) Bachelor Dental Surgery (Sydney)
Bachelor Dental Science (WA) x 3
Bachelor Dental Surgery (London) x 2
Bachelor Dental Surgery (Bristol)
Bachelor Dental Science (WITS) Australian Dental Examining Council
- (e) Nil
- (f) No data available

HEALTH, TENDER FOR ORAL HEALTH SERVICES TO RESIDENTS OF AGED CARE FACILITIES

18. Dr E. Constable to the Minister for Health

With reference to the Health Department's tender HDQ 29/01 won by Dental Health Services of Western Australia -

- (a) what was the total budget of the contract;
- (b) what amount was spent in each of the four years of the contract on administration;
- (c) what amount was spent in each of the four years of the contract on direct patient care and treatment; and
- (d) what amount was spent in each of the four years of the contract on oral health education?

Mr J.A. McGINTY replied:

- (a) \$6 million.
- (b) 2001/2002 - Approximately \$27,000
2002/2003 - Approximately \$85,000
2003/2004 - Approximately \$55,000
2004/2005 - Approximately \$28,000 to 31 March 2005
- (c) The contract provided for free examination and development of oral care plans for people in aged care facilities. The contract also provided for treatment of those patients identified as requiring further treatment and who were eligible for public dental services.

Examination and oral care plan development costs were:

2001/2002 - Approximately \$1,000
2002/2003 - Approximately \$123,000
2003/2004 - Approximately \$108,000
2004/2005 - Approximately \$45,000

As these treatment services were not tracked separately from other patients, treatment costs cannot be identified.

- (d) 2001/2002 - Approximately \$17,000
2002/2003 - Approximately \$15,000
2003/2004 - Approximately \$8,000
2004/2005 - Approximately \$5,000
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