

PUBLIC ACCOUNTS COMMITTEE

Ninth Report - Annual Report 2003-04

MR J.B. D'ORAZIO (Ballajura) [10.28 am]: I present for tabling the ninth report of the Public Accounts Committee entitled "Annual Report 2003-2004".

[See paper No 3050.]

Mr J.B. D'ORAZIO: It is a privilege for me today to speak to the annual report of the Public Accounts Committee. It is our final report to this Parliament. The current membership of the committee has been operating for four years now, and it has been a fantastic experience. In the past 12 months, the committee has handed down four major reports. The complicated hospital trust accounts report took a huge amount of time, involving some complicated issues. The committee worked diligently and produced a great report. The Port Coogee report into land dealings was released. That was a complicated matter and a number of different issues needed to be resolved, which I think the committee illustrates in its good report. The committee also prepared reports into the collapse of Consolidated Constructions Pty Ltd and the situation with developer contributions in this State. They were major reports that will have some bearing on what will happen in the future. This is particularly the case with the developer contributions report as it presents the possibility of setting up a framework for development in this State.

The committee this year has held 26 deliberative hearings and 37 public hearings, which were attended by more than 108 witnesses. The Public Accounts Committee has worked extremely hard. It was good that the Public Accounts Committee was united and cooperative and that no member played politics. When I first came to Parliament four years ago as a new member with no knowledge of the committee process or the members involved, some people said that the PAC was an all-powerful and difficult committee because its politics were tough and all sorts of things happen on it. First, I became chairman and met the members of the committee. For four years, we have not made one decision that has not been unanimous. Some heated discussion and controversy has been involved, but, ultimately, the committee has been unanimous in its decisions. I thank all the members of the Public Accounts Committee; they have worked tirelessly and diligently and come up with fantastic reports. Not only that; some friendships have also been made through the Public Accounts Committee process that will last far beyond the life of this Parliament. We can all be very grateful for that. When we come into this place and work in the normal parliamentary manner, it seems to be an adversarial process. In the committee system, we work with people cooperatively. More importantly, we get to understand what people are like and what their beliefs are. Funnily enough, we all have the same sorts of beliefs and the same sorts of wishes and wants. The last four years have taught me that when a group of sensible people are in a room, they will come up with a sensible solution that most of them can agree on. There should be more of it.

I particularly thank the deputy chairman of the committee, the member for Stirling, because his experience in this place, including time as a minister, was invaluable. I like his no-nonsense style. He calls a spade a spade and gets on with life. Sometimes that is a bit of a shock to the system, but we get to the issue because what he says has merit. I thank Monty because I think he did a wonderful job, and he is a great credit to the committee. The experience of the member for Murray-Wellington was invaluable. Being a fellow pharmacist, obviously he is very intelligent! It will be sad to see both those members leave. They have been great assets to the Public Accounts Committee. We achieved what we were able to achieve partly because of the experience that both those members brought to the committee. I hope that the member for Murray-Wellington has a good retirement, and I thank him for his support on the committee.

Mr J.L. Bradshaw: I wouldn't mind if you sent a copy of this to Robert Taylor.

Mr J.B. D'ORAZIO: I will not even comment on that.

My fellow Labor Party members who were on the committee - the Acting Speaker (Mr A.J. Dean), who is sitting in the Chair; the member for Swan Hills, Jaye Radisich; and also the member for Roleystone, Martin Whitely, who is a former member of the committee - made their contributions. The member for Bunbury has been with me on the committee for the past four years. He was obviously a new member also, and probably found that it was a steep learning curve. However, we adapted and got in and did the job. In the end, I believe his experience of regional issues also played a great part in making a difference to the quality of our reports.

We spent an enormous amount of time in the past 12 months going to small country towns and talking to a lot of people. For me, as a metropolitan member, that was of great benefit, because I got a different perspective. I must be honest. Sometimes, as metropolitan members, we tend to become focused on issues in the metropolitan area. We do not understand how things are done in the country and how people have different expectations and operate differently. I must tell the House that there is more community spirit in the country. The people seem to be more focused and more supportive of each other. As politicians, we need to be exposed to that, especially

those of us from the metropolitan area, because we need to understand that what works in the metropolitan area does not necessarily work in some regional centres. That was an eye-opener for me, but, more importantly, I believe it will make me a better politician by now having an understanding that sometimes what is good for the metropolitan area may not necessarily be good for or work in the country.

I thank all those people who appeared before us. I know that some of the issues that we dealt with were very contentious, and a number of the witnesses who appeared before us were very nervous. As a committee, we conducted ourselves in a way to try to remove that, because in the end we wanted to get to the truth and make recommendations that would make a difference. I thank all the people who appeared before us for their support.

I thank the state departments that produced various reports and provided support to us. In particular, I thank the Office of the Auditor General, because when we were preparing the trust accounts report, we had to second staff from that office. The support we received was fantastic, because it would not have been possible to do the amount of in-depth work that we had to do with the resources of five politicians and two research officers. I also thank the Department for Planning and Infrastructure for allowing us to second staff to assist in the preparation of our developer contributions report. That also involved some very in-depth issues that needed to be researched and worked on. I thank those people for that support.

The legacy of this Public Accounts Committee is something which we started a year ago but which I do not think will come to fruition in our term but in the next four years of government; that is, the Public Accounts Committee has resolved to set up a process whereby a year after the Auditor General comes out with a report on a department showing inadequacies, the committee will look at what the department has done to remedy some of those inadequacies. If need be, the committee will then conduct a further in-depth inquiry or conduct public hearings. That will keep pressure on the departments to make sure that when change is necessary, it occurs. There is danger in continuing what we did in the past, as can be seen from a number of previous reports of the Auditor General in which it was reported that discrepancies had been found. When the matter is revisited five to 10 years later, the discrepancies are still there, but in a different form, or they have perhaps become magnified. We must support this process. I believe the process we set up a year ago will have a great beneficial effect on the running of the public service in Western Australia in the future. I hope that after the election the new Public Accounts Committee will continue that process.

I would like to give thanks to our staff. We had a number of changes in staff. However, I would like to thank Andrea McCallum. She is not here; she is away on leave. She came on board after Stefanie Dobro left us. I thank Stephanie as well, because she was a tireless worker for our committee. I thank Andrea for her support and hard work. The researchers with the Public Accounts Committee always said that they were under pressure and were doing a lot of work in comparison with other research officers. I thank them for their support. We did drive the agenda hard, but for the purpose of getting a great outcome. That happened, and I thank Andrea for her help. I thank Simon Kennedy, who is now a principal research officer with one of the Parliament's other committees. He worked tirelessly and supported us in everything we tried to do, and I believe our reports show that.

I also thank Peter McHugh and all the staff in the Chamber for their support. We had some illness with some of our staff, and that created pressures of its own. The help that was given by various people was fantastic. I also thank some of Peter McHugh's support staff. In particular, I thank Andrew Young for single-handedly helping me to write a report when we lost staff halfway through and could not finish it. I thank him for his support not only on that specific task, but also of the committee system as it has proceeded.

Finally, it has indeed been a privilege to be the Chairman of the Public Accounts Committee. However, a chairman cannot have a good committee and have a decent operation if he does not get the support of the members of the committee. I thank all the members of the committee for their support. I think at times it was a tag-team match whereby some of us asked the hard questions and others were much more conciliatory. I think in the end I was the conciliatory one and the deputy chairman was the agro one! Is that right? The results speak for themselves. It has indeed been a privilege to serve the Parliament. I look forward to coming back into this place after the election. I hope the two members who are retiring have an enjoyable retirement. It has been a privilege to work with them. I thank them for their support. Congratulations to all the committee members on the outcome of the Public Accounts Committee.

MR M.G. HOUSE (Stirling) [10.38 am]: I thought I had spoken in this Parliament for the last time yesterday. It completely slipped my mind that the Public Accounts Committee would table its annual report today. However, this certainly will be the last time for me. I made brief mention yesterday of the fact that when I was first elected to the Parliament I was fortunate enough to be on a couple of select committees, and indeed fortunate to have chaired two select committees in my second term in this place when I was a member of Parliament in opposition. It was a bit unusual for an opposition member to chair two select committees, but I did. One of those inquired into land use planning and the right to farm, and the other inquired into land and soil conservation. Yesterday I mentioned that the members of those committees, such as Bill McNee and Larry

Graham, worked very well together. There was no rancour. If we had been mixed together, people would not have known which political persuasion or party we represented. That is the great benefit of select committees.

Indeed, more work seems to have been done in this Parliament by standing committees than by specific select committees. The Public Accounts Committee, of which I have been privileged to be a member, is a very good example, as the chairman has just outlined, of how all-party committees can advance the cause and interests of Western Australians. After all, that is why we are all here. Whatever our political persuasion, attitudes or beliefs, we are here to advance the interests of Western Australia as a whole. Select committees can do that. One of the things that I have been a little disappointed about in the past year or two is that more select committees have not been set up to target specific tasks and to find resolutions to those problems, but rather the standing committees have been used to do that. I hope that the incoming Government, whatever its persuasion, will look closely at that issue. There seems to be a view among some that specific select committees are expensive, that members want to establish a select committee only because they want a trip somewhere or that such a committee would provide no benefits. I do not think anybody can point to any select committee, certainly not one during the 19 years that I have been a member, that has made a report to this Parliament that, if implemented, would not have been to the benefit of Western Australia as a whole. Focusing on the cost or the time involved is not the issue; the issue is the benefit that can be provided to the people we represent. I firmly believe that more select committees should be asked to do specific tasks.

Putting that issue aside, it has been my privilege to serve as deputy chairman of the Public Accounts Committee. One thing that has been brought to the fore is that because more select committees were not established to perform specific tasks, ministers and others have asked the standing committees to do specific things. That has sometimes taken our focus from what we should really be doing. I make that point because, although the Public Accounts Committee has done some very good work, we also asked our staff to look at the future of the Public Accounts Committee and how it might function in the future, so that we could put forward a view to the Parliament about whether the Public Accounts Committee was doing the broad tasks that it should be doing. That idea came from a conference that we attended in Melbourne, which I think is a biennial conference of all commonwealth parliamentary public accounts committees. From that meeting I learnt, as I think did others, that a range of varied tasks were performed by public accounts committees around the Commonwealth. In some countries, for example, the committees specifically oversee the budget process. They also go a lot further than that by determining the amount of money that is allocated to departments, and looking at how that money is spent and the return on it. Our Public Accounts Committee considers itself to have a different role to perform. I am not suggesting for one minute that that is wrong; I am saying that the views on how a public accounts committee should operate and the things it should do vary. Whoever is involved with the Public Accounts Committee in the next Parliament should consider that issue and report to the Parliament about what the committee should do. I know that the Government, and particularly the Treasurer of the day, will resist the idea of the Public Accounts Committee looking further at the budget of the Government, at how the money is allocated and at its role, but those issues need to be examined. The Public Accounts Committee could play a greater role in that area in the future. There is nothing to fear from that. I certainly hope that it is done.

I agree with the chairman: as a group of people we have achieved a great deal. The reports have been concise and constructive. The recommendations of our report on health issues have been largely implemented by the minister. I compliment him for that. Once again, by having the power to call witnesses to give evidence, sometimes against their will, the committee was able to highlight matters and get information, which has been of benefit to Western Australians and the health system. Therefore, that report will have lasting benefits. That is a specific achievement of the Public Accounts Committee. There have been some good, solid benefits from all our inquiries. The only frustrating aspect - I think other members would agree - is that we could have done four or five times as many inquiries and produced the same benefit if we had had the time and ability to do so. There was a time constraint on our deliberations, so we had to prioritise the things that we wanted to do. For example, we would have liked to inquire into state agreement Acts - how they operate and how they should operate in the future. State agreement Acts have been the same for 40-odd years. It is perhaps time for a change. We were all keen to look at that issue, but we simply ran out of time.

It has been a privilege to serve on this committee. I pay a compliment to the member for Ballajura, the chairman of the committee. He has been a pleasure to work with. As he said, we have not always agreed about everything, but we have always come up with a unanimously agreed report. That is the key factor. We have always been able to find a way forward that brought together all our views, and we were able to reach consensus. That is largely because of the chairman's ability to chair meetings in a proper way. He did a lot of hard work outside the committee meetings, for which he should be complimented. There are a lot of hard yards to be done by a chairman outside the official meetings if he is to do his job properly, and to make sure that the material that gets to the committee meetings is of substance and can be deliberated on in a positive way.

The members of the committee - the members for Murray-Wellington, Bunbury and Swan Hills, and prior to that the member for Roleystone - all shared a good rapport. I enjoyed coming to the meetings. It was something that

I looked forward to, because I always knew that there would be a bit of repartee and fun on the side, in the sense of being able to examine other views and ideas and learn something. That is always very positive. From that point of view it has been a very positive experience. I once again agree with the chairman: some lasting friendships have been made. Members of this place value that opportunity to make friends. It has been my privilege to serve on this committee. It has been a positive committee on which to serve. The Public Accounts Committee can look forward in the next Parliament to some very positive inquiries. There are some challenging issues to be tackled by whoever might be part of that Public Accounts Committee.

MR J.L. BRADSHAW (Murray-Wellington) [10.47 am]: This will probably be my last speech in this Parliament as the member for Murray-Wellington. As such, I feel that it is important that I speak on the Public Accounts Committee, of which I have been proud to be a member for the past four years. I also had the privilege to serve on the Public Accounts and Expenditure Review Committee some years ago. The inquiries have certainly been interesting. If a member of Parliament is to be a member of a committee of this Parliament, the Public Accounts Committee is probably one of the best to be on. As I have not been a member of some of the other committees, I guess that I cannot speak with authority, but my observation is that the Public Accounts Committee probably deals with more specific inquiries and sometimes considers very complex and controversial issues. One such inquiry was into hospital trust accounts, which I found very interesting. It was sometimes very frustrating trying to get information from various bodies and people in not only Western Australia, but also federally. I refer particularly to the Health Insurance Commission and the information that was available on the agreements in place and the inquiries carried out. Even though it was frustrating, it was very interesting. The four years have been great in that sense.

The relationship among members on the committee has been fantastic, as pointed out by the chairman and deputy chairman of the committee. We have been fortunate to have very good members on the committee, such as the member for Swan Hills, who was a late replacement for the member for Roleystone. All of the committee members worked in one direction. The Public Accounts Committee has not always worked like that. A previous Public Accounts Committee, of which I was a member, had a highly political inquiry into land issues and the University of Notre Dame Australia. It became a very unhappy committee in those years; it was a very interesting situation. New members of the committee will find that when political issues arise for investigation, not every member of the committee will be pleasant nor will the committee be as harmonious as it has been in the past four years. This committee inquired into issues about which we all had a common interest, not so much political issues that mattered to the State. The committee has not always been harmonious, although I hope in general it has been and will be in the future. I am sure from time to time in the future the odd political issue will arise that will cause a bit of controversy and probably lead to minority reports.

I pay tribute to the chairman of the Public Accounts Committee, the member for Ballajura, who did a fantastic job as chairman in the past four years. When we kicked off inquiries with evidence from witnesses, I was always amazed at his depth of knowledge. He had obviously done his research on questions he should ask before we started the inquiry. It may be that as chairman he got a little help from the research officers, but that does not matter, he had still done the preparatory work and had a good knowledge of the issues into which we were inquiring.

I meant to say in my valedictory speech the other day that being a member of a committee gives members of Parliament a great insight into the State. The Public Accounts Committee is an example of that. The committee travelled to some north west towns - although I did not go on one occasion - to inquire into the Marble Bar road issue. I cannot remember the name of the inquiry, but the committee went to Broome, Albany, Kalgoorlie and a range of places, not to mention over east for some inquiries. It gave me a great insight into what was going on in the State and helped me to find out how things were happening. Being a member of a committee is a great opportunity for members of Parliament, particularly membership of the Public Accounts Committee. As I said, the relationship between members of the committee was very good and friendly and I thank them for the opportunity to serve on the Public Accounts Committee in the past four years.

I pay tribute to Andrea McCallum and Simon Kennedy for the great work they did as research officers. Andrew Young was mentioned earlier. He was thrown in at the deep end at one stage when we had a bit of trouble with one of our reports not being completed. Andrew came in and spent many hours completing a satisfactory report for the committee to present to the House. I therefore thank Andrew Young for that great work.

Another aspect that I have found of my time in Parliament is that members rarely get to know the Hansard reporters. I am sorry to say that in most cases I do not even know their names. They come and go and we see them and say hello in the corridor. However, at least some Hansard reporters come with us when we go on trips around the State and I thank them for the great work they have done on reporting our committee. We do therefore from that angle get to know some of the Hansard reporters and a little bit about them. I therefore thank the Hansard reporters for the great work they have done on our inquiries.

I again thank Andrea McCallum very much for the work she has done as the principal research officer. I again thank my fellow members of the committee. I wish each and every one of them reasonably good times in the future! I hope they have a pleasant future. I am sure that I will enjoy my retirement, although I do not like to think of it as retirement, as I do not think I will be sitting back and doing nothing. However, in my retirement, I am sure I will enjoy my life outside Parliament. Thank you very much.

MR A.J. DEAN (Bunbury) [10.54 am]: I will be fairly brief on this subject, as I can see that 11 o'clock is fast approaching.

I too record my appreciation as a member of the Public Accounts Committee for the past four years. When I first came to Parliament four years ago I asked my mentor, Bob Thomas, which committee I should be on. He said that I should be on the Joint Standing Committee on Delegated Legislation, that it was a top committee and I would learn a lot.

A government member interjected.

Mr A.J. DEAN: Yes, exactly. Good one, Bob! I am glad I did not take that advice.

I as a layman and now as a politician have always been interested in the work of the Public Accounts Committee. The committee has been active in the past four years. As the member for Ballajura said, all our reports have been unanimous. The debates that took place within each report have been vigorous; they were never acrimonious or heated and we exchanged ideas in a forthright manner.

I thank the member for Ballajura for his leadership. He did his homework and he showed the leadership expected of a chairman. However, I want to take him to task on one issue. He was verging on misleading the House when he said that the member for Stirling was the aggressive member of the committee and he was the calm one. I rate them both as fairly aggressive towards witnesses. They managed to extract a lot of admissions from witnesses which, had they been different personalities, probably would not have been forthcoming. We have heard of good cop, bad cop; I am not sure where these two fit in. They definitely were not at opposite ends of the spectrum; they both operated with a fairly take-no-prisoners attitude in some of our hearings. However, I think that was to the benefit of Western Australia.

I thank the member for Roleystone for his two and a half to three years membership earlier in the term of the committee. I found some of his insights particularly helpful. In the past year or so we have trained the member for Swan Hills to be an integral part of the committee. I take the opportunity to thank Andrea McCallum and Simon Kennedy and the other research officers who have come and gone on that committee.

One of the fascinating things about the committee was the travel around the State during some of the inquiries, particularly the hospital inquiry. In some inquiries we had the privilege of flying on some rather small aircraft. Being a person with rather sensitive ears, I always found that a very challenging proposition. It was always a challenge for me to come to grips with sitting in a council office or hospital ward taking evidence under oath and at the same time feeling as though I had drunk half a bottle of scotch an hour before. I am not a person who flies very well, and that was a downside of that committee; it was a shocking way to go.

I omitted to thank Jovita Hogan, who is at the back of the House today reporting on another committee. She was one of our research assistants in the first year of our operations and I thank her for her input.

All in all, I believe the Public Accounts Committee satisfies a very important part of the parliamentary process. The member for Stirling said that the committee was looking at how the Public Accounts Committee operates. We must come to grips with that and I look forward to being part of the committee in the next Parliament. I am sure the members for Swan Hills and Ballajura also look forward to being on the committee. I hope the member for Stirling has trained whoever will be his successor and I also look forward to his successor being on the committee. With those few words, as I notice it is close to 11 o'clock, I will close my speech.