

RURAL BUSINESS DEVELOPMENT CORPORATION BILL 2000

Second Reading

Resumed from 7 November.

HON KIM CHANCE (Agricultural) [7.35 pm]: The Australian Labor Party has given an undertaking to support this Bill, and it will. Similarly, I have indicated to the Minister for Transport that I will be as concise as I possibly can be in dealing with the Bill. I promise that I will be. *Hansard* does not record that I might sound a little embarrassed in saying that.

The Bill is designed to repeal the Rural Adjustment and Finance Corporation Act 1993 and to replace the former Rural Adjustment and Finance Corporation with the Rural Business Development Corporation, which is to be established by this Bill. The powers and functions of the Rural Business Development Corporation will be similar to those of the Rural Adjustment and Finance Corporation, albeit with a much wider scope. Therefore, it is fair to say that all the functions of RAFCOR will be carried out by the Rural Business Development Corporation, as well as many more. Indeed, contained in those last few words is some of the concern that has been expressed by a number of people.

Labor's reason for supporting this Bill arises from discussions it had with the responsible officers and a single comment I made to them at the end of the briefing. My words were to the effect, "Will the passage of this Bill give the Government a greater ability, and more flexibility, to deal with the adverse seasonal conditions farmers are facing now?" The answer to that question was an unequivocal yes, and on that basis alone I undertook to recommend to my party the adoption of the Bill. My colleague Hon Mark Nevill, who was seated behind me a moment ago, commented just before I stood that it is a good idea; it is a bad Bill. Others will perhaps say that later in the evening. Notwithstanding that, this Bill should not have been controversial, but it has become so.

The key justification for the Bill was to bring the old Rural Adjustment and Finance Corporation Act into line with changes in the way schemes are administered between the Commonwealth and the State - these schemes are aimed at assisting rural industry, and they have a long history. The Bill does that by establishing the Rural Business Development Corporation, which will have more flexibility in its legislative arrangements to provide for the now common type of funding agreement being entered into between the Commonwealth and the States. It should be noted that those funding arrangements have changed substantially over the years. They have been through a process of both general and specific evolution, and I would be the first to agree that the legislative tools that are available to the Government to deal with arrangements of this type are tools which were adequate for the old rural adjustment service-type schemes but which are far from adequate for the type of scheme being administered at this time. The outcome has been that, for some time - we need not speculate about the period, but for at least two years or probably more - schemes administered by RAFCOR on behalf of the Commonwealth and under the current commonwealth-state agreements have been administered without valid legislative support. To a very important degree, the purpose of this new legislation is to address that fact.

It is curious, even ironic, that we are dealing with this legislation on what is effectively the last sitting day of a parliamentary session; indeed, possibly the last sitting day for the current Government. I can recall a similar night in 1992 on what turned out to be the last sitting day for the Lawrence Government when we passed legislation similar to this - it dealt with mutual recognition of finance arrangements. I remember the angst that caused. We were trying to address a situation that would have retrospectively corrected arrangements between the Commonwealth and the State in that area. The then Opposition was most unwilling to do that because it could see the problems which had occurred and which may occur in the future as a result of the adoption of uniform legislation. Members know that in those days we did not have the equivalent of Standing Order No 230(c) or (d) and there was much concern. Ultimately - it took a long time that night - the Opposition acceded to the Government's request and the Bill was passed, but not without some blood letting.

We have a similar situation here. This Bill contains elements that should seriously concern a responsible legislator. Other members will address this matter, but those concerns are indicated clearly in the sixty-first report of the Standing Committee on Constitutional Affairs which deals with this Bill and which was tabled earlier. As I said, other members will deal with that issue in more detail.

The existing RAFCOR Act did not have the flexibility that was required - that is, the necessary legislative provisions - to meet contemporary requirements of the commonwealth-state agreements for financial assistance, many of which stipulate eligibility criteria. The Act does not allow for the inclusion of specific eligibility criteria stipulated in commonwealth schemes. It is in that area that RAFCOR has been acting without valid legislative support.

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This Bill will also remove restrictions in the Act that limit RAFCOR to supporting persons engaged in rural industry only if the industry involves primary production. The new legislation will have the scope to allow financial support schemes for regional initiatives, and will not be limited to primary producers or individuals. I am keen to support that part of the Bill, although I know it rests at the base of some of the controversy. It is a fact that in a seasonal downturn in particular, but in any economic downturn in a rural area - specifically in those parts of rural Western Australia that are to all intents and purposes monocultural; that is, the scope of economic activity is very narrow - the people who are first and sometimes most seriously affected by drought or any other form of natural disaster are not necessarily the farmers. They are the people who make all of their living out of providing specific goods or services to farmers when those goods or services are deferrable purchases, particularly capital items. Many manufacturers, wholesalers and retailers find that, because those goods or services are deferrable, they are the first people cut out of farmers' budgets. Since farmers of that class are generally these business people's only customers, they find that they go very rapidly from operating a normal business to having no business at all.

Members will know that before I came to this place I spent a year working for Moylan Silos, which is one such business with a relatively narrow spectrum of economic activity. When Moylan Silos ran into the 1990-91 season, it went from 500 units a year to 100 units a year. One hundred units a year did not provide sufficient scope to go remotely near covering the overheads of that business. That is fairly typical of a number of businesses in the wheatbelt in particular, although I imagine that businesses in the great southern have suffered similarly, even though there is a broader scope of economic activity in the great southern. I also imagine that businesses in Meekatharra would have suffered similarly in the 1994 drought, and the Minister for Transport will be more aware of that than I.

It is entirely appropriate that the scope of this Bill be broadened to enable the inclusion of forms of assistance that might be suitable for businesses of that nature. However, I issue a warning, and this is something on which other members will raise issues in more detail: We must be extremely careful in the way we target assistance to businesses of that nature. As I understand it, the concern that people have relates to two areas. People are concerned primarily that this legislation provides to the Minister for Primary Industry in some circumstances, and in other circumstances to the Minister for Primary Industry in conjunction with the Treasurer, huge discretion in the disposal of very considerable amounts of public money. I ask the Minister for Transport whether he will detail in his response what amount of public money might be covered by the authority administering this legislation. I gave the minister some warning that I would ask that question, and I ask it particularly because I have been concerned to hear certain figures mentioned. I do not know whether those figures are an accurate reflection and, in the context of the second reading debate, it would be useful for the record and for members to be aware of the scope of finance with which we are dealing.

Initially, I was not all that concerned about that aspect, but it becomes an issue because we are now dealing with a Bill that will establish a means of disposing of consolidated revenue which we have not seen in the budget. When the budget was framed, this particular legislation was not contemplated. I fell for the classic error of assuming that we were talking about a budget in the scale of the Rural Adjustment and Finance Corporation's budget. Of course we are not; we are now talking potentially about a budget with a wider scope and on a much larger scale. It is important in the context of this Bill that we make some attempt to define that scale. I acknowledge that it will be impossible for the minister to give us with any precision the figure that we are talking about, because a large part of that money is commonwealth money and is undefined. We do not know whether we will have it or not. However, I ask the minister to make a genuine attempt to try to define that scope.

Clauses 30 and 31 of the Bill give the Minister for Primary Industry, and, as I said, sometimes with the Treasurer, access to sweeping and unaccountable powers. These issues are pointed to clearly in the report. They are powers to spend money without parliamentary oversight. The Australian Labor Party is of the view, notwithstanding our support for this legislation, that the Bill must be reintroduced in an amended form when Parliament resumes. However, we are not prepared to compromise the possibility of the Bill becoming law, because we are not prepared to go into what may be a lengthy recess between now and the next time we gather together, during which time farmers may face a drought. Should this Bill not become law, we would go into that situation without providing the Government with the tools to deal with a very difficult situation. We will certainly not allow that to happen. It is my view - if I said it was Labor's view I was in error; it is my view - that this Bill must be reintroduced in the next Parliament and amended. However, we will not leave farmers in the lurch, which is what would happen if we were in any way to compromise the Bill.

The new Act will contain a standard set of eligibility criteria that will define approved assistance schemes that can be accessed. That is referred to in clause 30 and is also a key part of the sixty-first report of the Standing Committee on Constitutional Affairs. The Bill also gets around the problem of each new state-commonwealth agreement requiring its own legislation. Under the Bill, changes can be made to approved assistance schemes by

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the minister and the Treasurer; therefore, the need for supporting legislation for each new state-commonwealth agreement of this type is removed. That is the principal reason for this legislation and, as I said, it is those last two functions that have made the Bill somewhat controversial.

The Bill also allows the Rural Business Development Corporation to assume the rights and obligations that the previous corporation had under the legislation that is to be repealed. It also contains the usual provisions that the State may sue and be sued in respect of the outcomes of the legislation. Paragraph 5.1.2 on page 8 of the report states -

Subclause 7(2) clarifies that an approved assistance scheme administered by a department, agency or instrumentality is not administered on behalf of the RBD Corporation. This means that the RBD Corporation is not accountable for funds provided to another agency for an approved assistance scheme beyond the point of handing over the money.

That raises real concern about the devolution of control of public funds. A state agency that takes public funds must account for that money and is responsible for acquitting the funds. However, if those funds are passed to a third party - as is legally provided for within the scope of this Bill - that state agency does not remain accountable for the way those funds are devolved. It is interesting to define whom a third party might be and who actually has responsibility. The minister himself can be one of those parties. The minister, in his role as the corporate body, can be one of the persons who make decisions on how those funds are to be expended. I know there are reasons for all of this and that it is easy to argue that this is already happening. The only difference is that in the future it will happen with the proper force of law and within the provisions of an Act of Parliament. At the moment it is happening outside the force of any law. Even so, it is an extraordinary position for the Parliament to be in.

The Government is in a difficult position - it needs to get this legislation up and running. The Labor Party concurs with that view. However, I am disturbed that legislation of this kind has come through on the last sitting night of this Parliament, when the legal deficiencies have been known to exist for at least two years. This is not a complex piece of legislation - it does not represent a major drafting challenge, as other legislation has done. However, Parliament is in this situation. The Australian Labor Party believes, in varying degrees, that this legislation must go through. On that basis, I have given the appropriate undertakings. I am about to honour the second by sitting down, but I cannot do that before I note what I have previously said in this place; that is, I am deeply unhappy about the way in which the State Government has seriously depleted funds available to it, in trust, through the current expenditure of the Rural Adjustment and Finance Corporation of WA. I have referred, on a number of occasions, to the fact that the Rural Adjustment and Finance Corporation held in trust some \$43m. The current budget shows that by the end of 2002, that \$43m will be totally depleted. In itself that may not be a problem; however, when the expenditure of that money and the reason that money was accumulated in the first place are considered - and it was largely commonwealth money - serious questions arise about where that money went. It is reasonable to say that Farmbiz was one program supported by that money and it was an appropriate means of spending that money. However, Farmbiz represents only a very small proportion of that \$43m.

Other uses of those funds are highly questionable if they are lined up against the original purpose for which the Commonwealth accumulated those funds. As recently as this year I inquired as to the amount of the Rural Adjustment and Finance Corporation reserve which was being expended specifically on the Gascoyne-Murchison strategy and I was told that the RAFCOR component alone, setting aside the Department of Conservation and Land Management and the National Heritage Trust components, was \$8.5m, representing one-fifth of the total reserve. I suppose one could argue that the Gascoyne-Murchison strategy is a legitimate use of those funds. What worries me is that we did not get a chance to argue it; we did not get a chance to look at the scheme and analyse it and the sources of its funding to determine whether this was an appropriate way to spend that money. That might have been an entirely appropriate way to spend that money, but Parliament did not get a say in it. That disturbs me, because we all know it is relatively easy to determine how and for what purpose the money was accumulated in that trust fund in the first place. I do not believe that the Gascoyne-Murchison strategy would have remotely fitted within the criteria that were determined in that instance.

The new Rural Business Development Corporation will have much less of a role as a farm support agency, and this is significant given the depleted level of funds which are held by RAFCOR in trust accounts and the significant financial difficulties which are emerging in primary production throughout Western Australia. We have a dairy industry in major trouble, so deeply in trouble that the commonwealth minister has said that we should go back to the drawing board and have a review. That is the most amazing statement I have heard come out of the Commonwealth for a long time. We have come through a major process of review at commonwealth and state levels and we have just had the biggest expenditure of what could be called public funds - \$1.8m - on industry restructuring arrangements for the dairy industry nationally. We have been back at work for a few

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weeks and the commonwealth Minister for Primary Industry has said that he thinks we had better have a review. I am not being critical of the commonwealth minister - he is dead right, we do need a review - but the fact that we need a review now is a real indictment of the public administration processes of the Commonwealth and the States in their handling of the dairy industry. I will set that issue aside because I am straying from the point.

We have a problem in the dairy industry, we have a 10-year recession in the wool industry, we have grain producers facing both financial and climatic problems and we still have the carryover of the seasonal problems resulting from flooding in parts of the State last year and earlier this year. We can handle all those issues with the proper public administration process. I question whether the administrative process we had was being used properly - and I am referring to the trust fund money - although I have no doubt at all that this legislative prescription is potentially a vast improvement. This legislation is worthy of support, but it has such glaring deficiencies that the new Parliament should come back and have a good look at it. In particular, we need to come back and address the issues that other members will raise and that I have barely touched on tonight. The situation that is being legislated is not desirable. It is my view that there is no other choice but to support it, and, on that basis, the Labor Party will support it.

HON HELEN HODGSON (North Metropolitan) [8.05 pm]: I thank the Constitutional Affairs Committee for presenting its report this afternoon under very trying circumstances. It is appropriate to acknowledge the extraordinary efforts made by the committee staff, as the report on this Bill took two weeks from the time of referral to when it was tabled due to a motion of the House. During that time, the staff were working on another urgent report. They also had to take hearings. Although I am not a member of the committee in question, I believe the staff should be commended for their efforts. Having read the report, my opinion on the Bill has changed. I have serious reservations about several aspects of the Bill. When I read the report, which was tabled this afternoon, my reservations firmed into real concerns and problems. It is appalling that this legislation has been rammed through at the end of the parliamentary session without the opportunity for full consideration by the committee. The committee acknowledges in the report that it would have preferred to have more time to deal with the issues more thoroughly. Members have been given only an hour to read the report and assess the issues raised in it.

I have amendments on the Supplementary Notice Paper but I have been advised that, as the Assembly is unlikely to deal with any amendments in the meantime, I have no chance of getting the amendments properly considered in this House. As it is considered important that the Bill be passed, the amendments will not get the necessary support because it would jeopardise the Bill and there is no chance that the amendments would be passed through both Houses. That is an appalling situation. This Bill is seriously flawed and lacking, but members are not given the opportunity to do their jobs properly.

I received a briefing on this legislation about 10 days ago as I anticipated that this situation might arise. I expressed my concerns about this legislation at the briefing. Significant changes have been made to the way some schemes are administered since the introduction of the Rural Adjustment and Finance Corporation Act. The earliest schemes were forms of direct financial assistance by way of loans to ensure that farmers were able to meet their capital requirements in order to keep operating. I was informed last week that Governments in Australia were moving away from that sort of scheme as it is now very easy to get finance from a variety of sources and lender of last resort schemes are no longer needed. When finance is readily available at extortionate rates, farmers find that they are in great difficulty when something goes wrong and they are not able to meet their obligations. I question why forms of support such as RAFCOR are being abandoned. I am not saying that forms of support from other schemes are not necessary. However, one of the fundamental reasons RAFCOR was developed was to deal with those sorts of problems.

That will now be thrown out of the window. The way in which the provisions of this Bill are tailored to deal with any last remaining aspects of that portfolio have some question marks over them and the proposed operations of the Rural Business Development Corporation.

I agree with the need to be able to offer schemes to people other than farmers. I refer to the effects we are starting to see in rural communities that are suffering from dairy deregulation. It has happened to the extent that members of the Government are now prepared to go on the record and make speeches in which they say that they are concerned that they did the wrong thing in this place six months ago when they rammed through dairy deregulation legislation. It was done once again at the end of the session and without amendment because any amendment would prejudice the scheme going through.

It is very important that we are able to offer schemes that support communities that are at risk because of circumstances beyond their control. It is due largely to the efforts of my federal colleague, Senator John Woodley, that an increased amount of federal assistance money has been made available for rural communities that are affected by deregulation. However, I note in the committee report that the Western Australian Farmers

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Federation has reservations about the way in which the schemes will operate. I am sure that Hon Ken Travers, as a member of that committee, has had the advantage of sitting through the hearings and looking at transcripts of the evidence and will be able to expand on that point. The relevant paragraph in the report is one of those very carefully phrased paragraphs. It reads -

Mr Carter informed the Committee that WAFF was somewhat cautious about the definition of eligible businesses and persons.

In other words, there were reservations.

Hon Ken Travers: The paragraph is not carefully worded. He was very cautious because the industry is still not fully aware of the legislation because it has not had time to consider it properly. That is my impression.

Hon HELEN HODGSON: I thank the member for that interjection. If the industry is not aware of the ramifications of this legislation -

Hon Ken Travers: It is not fully aware of the ramifications. It supports it but it has some concerns.

Hon HELEN HODGSON: The industry probably supports it on the basis of a 45-minute briefing on the same basis that most of our members originally meet these pieces of legislation. We have reservations about the extent of these schemes. It was said that the Western Australian Farmers Federation would be very concerned if the new Act was used to provide assistance to regional initiatives when funds from other agencies could be used to finance those initiatives. That is particularly interesting when one looks at the provisions of the Bill which deal with the way in which the Rural Business Development Corporation is able to interrelate with other agencies, which makes the whole meshing of the assistance programs through other agencies even more likely to occur and more likely to end up siphoning out funds for other initiatives which may not meet the original intention of supporting farmers and rural communities.

My main concerns are in this next area, which I have headed in my notes "flexibility versus accountability". We keep being told about the need to be flexible, the need to respond rapidly and the need for the minister and the corporation to be able to respond in certain ways. When I was being briefed last week, I was advised that this is the way that parliamentary counsel thinks that we should be setting up these powers of corporations now because it is a good template and model to follow. I am not saying those are the exact words but that was the sentiment. I am horrified by that thought. The more flexibility we give a corporation and minister to act, the more problems we will have with accountability and transparency. That is my starting point. We need to have absolute transparency. We would not have it in these sorts of arrangements. For a start, these schemes start with an agreement at ministerial council level between federal and state ministers. There is then a press release and big fanfare about what they will do. Do we ever see the detail of the agreement? I have worked out in my mind that there are four levels of parliamentary scrutiny. At one level a scheme is attached to legislation by way of schedule. That is what we are meant to do under the current scheme before us. Interestingly, the committee report indicates that we must act so quickly because the organisation has been acting *ultra vires*. Two or three schemes have been implemented, yet not appended to the principal legislation. They were not tabled in this place and were not made public. The minister has abysmally failed that test.

The other issue which arises with attachments to legislation - I believe that this is a reason for the breach - is that Standing Order No 230 requires that such matters must go to the Standing Committee on Constitutional Affairs. That is why this report is before us now. It is appalling to not comply with the legislation, and to limit parliamentary scrutiny and the committee's ability to examine this. That strongest level of scrutiny has failed.

The next level of scrutiny is the process of disallowance or affirmation, which is discussed in the last section of this report. Basically, the committee has considered both regulations for disallowance and an affirmative resolution process. It commented on each. It is concerned that neither method of parliamentary scrutiny is satisfactory regarding this Bill. I understand the reasons. A regulation comes into force unless it is disallowed; thereby, there can be inequitable treatment as people can have matters dealt with under the law before the disallowance motion is moved, debated and passed. Those people retain the benefit of that regulation, and other people are denied that benefit once the disallowance motion is passed.

Hon M.J. Criddle: Are you saying that Parliament should handle every piece of financial legislation?

Hon HELEN HODGSON: I am working through the options. I want that comment on the record. The minister said that it is outrageous to expect this Parliament -

Hon Murray Criddle: I asked you whether that is what you wanted.

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Hon HELEN HODGSON: Yes. That is what this place is for. It is here so arrangements are open and available for scrutiny, whether it be a convention centre, the sale of railway lines or a petrochemical deal. They must be tabled in this place.

A disallowance or affirmation procedure makes this place aware of what is going on. We would have the opportunity, if we felt there was inequity in what is presented to us, to disallow or not pass an affirmation motion. Why is this necessary? Members may have been in the Chamber when an urgency motion moved by Hon Kim Chance that related to rural communities was debated last week. I am not aware of the detail of the particular scheme referred to in the debate, as I do not have Hon Kim Chance's depth of knowledge in that area. However, an issue raised in that debate indicated some clear inequities in the way these schemes are managed. I recall some comments about schemes which differentiated between properties accessed by rail and properties accessed by road; that shows that inequities do occur. Parliament has the obligation to know what is going on, to comment on it and to rectify it if it is wrong. The minister must be told about those inequities, which must be addressed. When disallowance and affirmation procedures arise, the standing orders require the Joint Standing Committee on Delegated Legislation to examine them. Once again, we have a report, it is put on the record, we know what is going on and we choose not to disallow it. The number of instances in which disallowance motions are moved is minuscule compared with the number of regulations that are passed for various pieces of legislation. Even if a motion is moved, the number of occasions when a disallowance motion is passed is even smaller. The fact that a scheme is disallowable should not cause anybody any concern as long as it is fair, equitable and not ultra vires. In that case, we would not have the basis for a disallowance motion. Nobody has any need to be scared of disallowance procedures.

I have already commented on the last of my layers of scrutiny; that is, the arrangement whereby the Rural Adjustment and Financial Corporation operates ultra vires because it is not providing any scrutiny. This Bill will produce a situation in which ministerial councils will come up with a scheme, put out a media statement and release administrative instructions as to how it is to operate and we will have to assume, expect and trust that the instructions are in accordance with the scheme. When a constituent asks a member for the Agricultural Region why he does not qualify under this scheme, the member will want to refer to the scheme to check why the constituent does not qualify. To simply rely on ministerial guidelines and rulings causes some serious problems. Members on the Standing Committee on Public Administration have been dealing with a running sore since 1994; namely, the distribution adjustment assistance scheme. Once again we had a scheme in which the administration was so complex that one could not go back to the detail. That is why things must be tabled, transparent and open in Parliament, because that is our job.

The committee has considered whether the definitions of the approved assistance scheme are adequate. I am sure that a later speaker will address this issue in more detail. I note that it is a very broad and general definition. Some issues must be raised to make sure the scheme is within the scope of this Bill. I will leave that to subsequent speakers.

Hon Ken Travers: It is not one of the areas I was going to cover.

Hon HELEN HODGSON: If I shorten my speech by a couple of minutes, Hon Ken Travers can have that time.

The most serious problems I have concern the ministerial powers. The minister has broad powers to issue directions to the corporation; there is only limited transparency, or none at all. The committee is concerned about the possibility that the minister could be the beneficiary of some distributions because of the way in which the approved assistance scheme is defined. It is not something I had picked up on in my own review of the Bill, but I am interested to hear more discussions on that point. The fact that the committee has noted it as a serious issue means that it must be debated.

Hon Ken Travers: It is not that the minister personally will benefit, but that the minister will be able to bypass the corporation. We have an Act to create a corporation that allows the minister to bypass it if he so chooses.

Hon HELEN HODGSON: Essentially, the minister as a body corporate would receive a distribution, which he can then administer.

Hon Ken Travers: He can administer the scheme and ignore the corporation.

Hon HELEN HODGSON: I am concerned about the lack of transparency.

Hon Ken Travers: It makes the Bill a hypocrisy in some ways.

Hon HELEN HODGSON: Yes. The words "slush fund", which I think have been used previously today, spring to mind.

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As members are aware, the Australian Democrats take a great deal of interest in the appointment of boards. The appointment process should be open to members of the public. An amendment on the Supplementary Notice Paper in my name seeks to have positions on the board advertised so that members of the public can apply for them.

I note that the minister has the ability to override the conflict of interest provisions set out in schedule 1. The minister can effectively say that the conflict of interest provisions will not apply in certain situations. In line with accountability and transparency and buzzwords of that nature, that is not appropriate in this climate.

Having said that I have some serious reservations primarily about the areas of accountability and whether we should be establishing guidelines in a corporation that the minister can bypass. The legislation deals with amounts of money that must be distributed equitably; therefore, the public has a right to know what is going on and whether their applications are being treated appropriately and fairly. These matters must be dealt with by making the information public.

Prior to the tabling of the committee report I had an amendment drafted, which is on the Supplementary Notice Paper, and which seeks tabling of the ministerial agreement and its circulation in the *Government Gazette*. However, the standing committee's report recommends a form of disallowance or affirmation. If I had had the advantage of that advice a week ago when I gave the drafting instructions, the amendment would have referred to that higher level of accountability. However, I appreciate the complexities of the disallowance procedure. I will move the amendment at the appropriate time. As I said earlier, a problem exists because I have been told that the need to pass this Bill is so great that other people in this Chamber will not support an amendment if it means that the Bill will not be passed this evening. It is important that is on record because it is not reasonable for the legislation to be passed with its attendant problems when other alternatives have been presented.

I understand that Hon Julian Grill, the member for Eyre, is on the record as saying that this is good legislation and a superior model. In the light of comments made here this evening by the Australian Labor Party representative it is obvious that further consideration has been given to this Bill.

I wish the opportunity were available for members to say that they had changed their minds, because the legislation was inadequate and contained some very big holes that needed to be filled. I therefore throw out a challenge: If time constraints do not allow amendments to be passed tonight, one of the key areas spelt out in the standing committee report can be dealt with by assurance. Another would require legislative amendment. I challenge whoever is on the government benches next year to say that the legislation is inadequate and must include these provisions. The Government must be made accountable; it must comply with what the community has come to expect in the way of transparency in the financial matters of government. At the moment it is totally inadequate, and, although I indicated to the minister some days ago that it was acceptable, having read the report, I no longer hold that opinion. I know the legislation will be passed, because I know the numbers in this place, but I will not support it.

HON KEN TRAVERS (North Metropolitan) [8.30 pm]: As I am the only member of the Standing Committee on Constitutional Affairs who will speak on this Bill tonight in reference to the report, I concur with the comments of Hon Helen Hodgson about the work of the committee staff, especially Felicity Beattie and David Driscoll, in assisting the committee in preparing this report. I know my two colleagues on the committee share that view. The staff has done an excellent job on this, and on a previous Bill that needed to be reported with haste back to this place, as well as continuing the other work of the committee.

I am angry about this piece of legislation, in terms of both the process by which it has come before this House, and its quality. It highlights that the Government is in decline, has lost the plot, and is running around bringing Bills into this House so that it can pull election stunts next year, without having dealt with the real issues over the past two years. By the admission of its own staff to the committee, the Government has known for two years that it was acting illegally. If a bipartisan committee can find, on the advice of the Government's own staff, that the Government has been acting without legislative authority, that Government stands condemned. The community will get rid of this Government at the appropriate time.

This legislation has taken two years to come before this House from the time the problems were first recognised, during which time the Government continued to operate without decent legislation. Then the legislation is brought in two weeks before the Parliament is due to rise. The minister with responsibility for this legislation in the other place is well aware of the processes and requirements of this House. Legislation that falls under Standing Order 230(c) and (d), is required to be referred to the Standing Committee on Constitutional Affairs, and that committee then has 30 days to report back to this House. Instead, the committee is given two weeks to get the legislation in here. The House is then blackmailed into passing this Bill tonight without amendment, otherwise there will be nothing to assist farmers who are facing one of the worse economic crises that Western Australia has faced in a long time. What has the Minister for Primary Industry been doing for the past two years,

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and particularly for the past six months, when all the members from the Agricultural Region have been warning the House about the economic difficulties looming? The Government then, at the last moment, races in a very flawed and inadequate piece of legislation, and allows no chances for amendments to improve it. That is an absolute disgrace.

I encourage members to look at paragraphs 4.5 and 4.6 of the report. The representative of the Western Australian Farmers Federation made it clear during the public hearing that WAFF has concerns about this legislation. WAFF, as a key industry group, has not had the opportunity to look at and deal with this legislation to the extent that it would like. It is concerned about the potential implications of this legislation, particularly that money may be taken from the provision of on-farm assistance and be used for the provision of off-farm assistance. I understand the arguments and I support the need for non-farm businesses to be provided with assistance, because machinery dealers and other non-farm businesses are suffering just as much as farmers are suffering as a result of the economic circumstances facing regional Western Australia. However, paragraph 4.6 of the report makes it clear that WAFF is concerned that money that should rightfully go to on-farm enterprises may be transferred to other people.

This Bill is also poor from the point of view of the administrative side of government. It will set up a system whereby the Rural Business Development Corporation - as the Rural Adjustment and Finance Corporation will become known by this Bill - will be able to do work that is currently being done by the Department of Commerce and Trade. It will be able to compete with Commerce and Trade and get its fingers into the same sorts of pies. It will be able to develop new abattoirs, and to set up cooperatives for the dairy industry to try to make some sense out of that industry that has been so stuffed up by this Government. Those are things that have traditionally been done by Commerce and Trade. If the Government wanted the role of providing those services to be transferred to a new organisation, it should have done a proper structural review of that area. However, the Government did not do that.

We know what the Government does. It goes out into the community and says that no assistance can be provided for farmers because the Labor Party has failed to pass this Bill, when we all know that is due to its inadequacies and the fact that it really does not care. Half of the members in this House represent regional areas. We have 17 members from regional areas. We have only 17 members from metropolitan Perth, even though there are a lot more people in metropolitan Perth. However, regardless of the fact that we have all these coalition members, they fail to even keep the Minister for Primary Industry accountable and doing anything.

Hon Helen Hodgson referred to vested interests. I also have some concerns about that matter. However, I point out to Hon Helen Hodgson that the minister will be required to table in this House the fact that he has ruled that vested interests do not apply. I expect that in the current climate of political debate, and particularly when it involves the Minister for Primary Industry, the people will take action if a minister does act improperly. I can envisage circumstances in which we would say, "It is interests in common; let us ignore it." However, I understand the member's concerns about vested interests and this current Government.

My first concern about this legislation is the issue of parliamentary scrutiny. That matter is outlined in the conclusion of the report at paragraphs 6.2 and 6.3. The committee recognised that whatever way we go, whether we have an affirmative resolution process or a disallowance process, there will be problems; and it recommended that the Parliament develop a new process that will give it the flexibility to respond with some sense of urgency, but at the same time will give this House some control over the process.

I am amazed that we are passing this Bill so that the Rural Business Development Corporation can get schemes up and running.

Hon Mark Nevill: Why pass it? I intend to vote against it. It is a dreadful piece of legislation.

Hon KEN TRAVERS: I agree, but at the end of my comments I will state why we need to pass this legislation; I have touched on it as we have gone through. During the committee hearing, I asked the bureaucrats from RAFCOR what sorts of schemes they had proposed to try to address the crisis that exists in the rural sector as we speak today. Can members guess what the answer was? They had not prepared any draft schemes! Yet the Government tells us we must pass this legislation tonight. That highlights the Government's total incompetence. If we passed an amendment that required an affirmative resolution process tonight, the result would be the same as killing the Bill. We might as well defeat the Bill! Inserting that clause tonight would mean that over the next five months during the current crisis the minister could not set up new schemes. He could continue to act illegally, as he has done in the past. However, if the Government acts legally - and with an election so close the Government might want to do that for the next three months - it cannot introduce new schemes; therefore, we might as well defeat the Bill.

Hon Kim Chance; Hon Helen Hodgson; Hon Ken Travers; Chairman; Hon Dr Chrissy Sharp; Hon Mark Nevill;
Hon Murray Criddle

The committee has recommended that a disallowance motion would be an appropriate course of action. I apologise to committee members for raising this now, but it is a thought that has come to me since the committee reported. Rural Western Australia is facing a crisis. I note we shall make valedictory speeches tomorrow, and if the House rises tomorrow it is reasonable to expect that it will not be recalled until after May 2001. If the Government sets up a pork-barrelling scheme and the minister uses his slush fund to pork-barrel the seats the National Party wants to win, the money will already be spent by May next year, so a disallowance motion will not stop that process.

Both the options outlined have potential problems. Moving either of them as an amendment and including those mechanisms in the legislation will not address any of the concerns members have. I accept Hon Helen Hodgson's challenge. Although I am not in a position to give a commitment from the Australian Labor Party, Hon Kim Chance and I have a fairly good chance of success. I will make sure when Labor is in government next year that one of the first things Hon Kim Chance does as Minister for Primary Industry is instigate a review of the legislation, and bring it back into this House so this can be done properly. I accept that those things need to be done, and that is what I shall do next year. That is not a formal position of the ALP.

Hon Derrick Tomlinson interjected.

Hon B.M. Scott interjected.

Hon KEN TRAVERS: Listen to -

The CHAIRMAN: Order! Hon Ken Travers will address the Chair rather than the interjectors.

Hon KEN TRAVERS: I found those interjections particularly humorous coming from those two members. Over the past two days as the Hope Valley-Wattleup Redevelopment Bill was debated in this House and passed, without providing compensation for residents, those members said they had tried their hardest but they could not get anything through their Cabinet. However, during the passage of the Rights in Water and Irrigation Amendment Bill 1999 some members opposite did the right thing and worked with the ALP, and we were successful in getting compensation provisions enhanced. I digress, and it is not my intention to do so.

Hon Helen Hodgson thought I would mention clauses 30 and 31 of the Bill which are outlined in paragraphs 5.16 and 5.17 of the committee's report about the definition of approved schemes. The committee has made recommendations on how to address this. However, it is interesting that this Bill proposes to set up the Rural Business Development Corporation, yet clauses 30 and 31 provide the mechanism for the minister to ignore that corporation, and to set himself up as the person who will administer the scheme as a body corporate. Therefore, we will pass an Act that the minister can ignore. A corporation will be set up, but under the legislation that sets it up, the minister can completely bypass it. It is my great concern that this legislation is a blank canvas being given to the minister to do whatever he likes. If he cannot get the new corporation to do what he wants, he can just bypass it and do whatever he wants through his office as a minister of the Crown by setting himself up as a body corporate under the provisions of clauses 30 and 31.

As members are aware, I am very angry about the process by which this legislation has come to this House and about the situation in which we have been placed. I understand why members in this place want to knock off this Bill and reject the legislation. However, I ask them to think about the implications of doing that. Because of the incompetence of this Government and the minister handling this legislation, those businesses, particularly non-farming businesses, in regional Western Australia will be left to face the economic crisis, with absolutely nothing to assist them, and the minister will say to them that it was this House that stopped the passage of the legislation. Unfortunately, that will be the view that prevails in those areas, regardless of the fact that the minister has been completely incompetent. Those farm businesses, and non-farm businesses particularly, will be left with no legislative mechanism that will provide them with any assistance during what will be a very tough six months. I accept the arguments of members from the Agricultural Region about the severity of the crisis that those industries will face over the next six months. They will be left with nothing. That is a very difficult situation for all members in this House, and I have strong suspicions that it has been deliberately engineered by the minister to get through such an appalling piece of legislation.

However, I hold one hope. One thing that gives me some faith in this process is the knowledge that after the next election Western Australia will have a decent Minister for Primary Industry, for the first time since Hon Julian Grill was the Minister for Primary Industry. Julian Grill is retiring; however, he was a great Minister for Primary Industry. I mean that with all sincerity. After the next election, for the first time in eight years this State will have another fine, decent Minister for Primary Industry who cares about people in regional Western Australia and also cares about the processes of this House.

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Hon Murray Criddle

HON CHRISTINE SHARP (South West) [8.47 pm]: I begin by thanking the Standing Committee on Constitutional Affairs for providing us with the benefit of its deliberations so that we could have an informed debate this evening. I also thank other members, because I have found their speeches very interesting, and they have only served to fuel my concerns about this Bill. I feel very concerned that here we are, on our last night of real business, faced with legislation that is clearly inadequate. I wonder how on earth we continually manage to get into this situation.

The first question that comes to my mind is: Why is it that drafting Bills always seems to take such an extraordinarily long time, and why is it that very often the Bills that are finally drafted and approved are found to be seriously inadequate in various ways? I do not have enough experience to be able to answer that question. However, it seems that, in the process of aiding the work of Parliament, the legal expertise that is necessary to draft adequate legislation appears to be missing. That frequently lets down the process of the Parliament because the Parliament is not being provided with decent legislation. Why is it that drafting takes so long? Why do we find ourselves in this kind of predicament on the last night of sitting? Of course, that predicament is compounded by its being too late to consider amendments. What an appalling situation. When I was looking at this Bill a week ago, I was somewhat comforted by the fact that my colleague from the Australian Democrats, Hon Helen Hodgson, was drafting amendments. I felt that those amendments would make the Bill acceptable. Although that was some days ago, and this Bill could have been debated earlier and those amendments could have been considered and taken through the appropriate course back to the other place, we again find ourselves in this ridiculous predicament of there being insufficient time to do this properly.

The substance of this Bill is very interesting. I have become increasingly obsessed about an issue which seems to escape all attention but which keeps cropping up all the time. I refer to the trend in this jurisdiction and throughout Australia towards a process of government by program instead of government by service. This Bill will accommodate government by program, which is a very unsatisfactory way to govern. It is a mechanism by which to accommodate something that would normally be of great concern to this Government; that is, the Premier's pet peeve of vertical fiscal inequity. We are designing legislation around the fact that much of our rural funding must come from the Federal Government. This Bill is designed to facilitate that. That may be a reality we must live with, but our response fascinates me.

This Bill involves trends that greatly concern me. I am concerned that Governments throw money in one direction for one program and in other directions for other programs. It is usually for bona fide reasons and one can accept the justifications. However, the decisions are very uneven and the priorities are inconsistent. This does not represent sustainable government. We are continually failing to focus our priorities on regular services, and that is being noticed in the community. That trend, which is common throughout all jurisdictions, is the result of relations between the States and the Federal Government. Everyone seems to accept it as a normal part of life. How this Parliament responds to that pressure is very important. As other members have pointed out, we are responding to that pressure in a way that fundamentally undermines the role of this Parliament and accountability. That is the wrong way to respond to this challenge presented by the financial relationship between this State and the Federal Government and the trend towards government by program.

Is the passage of this legislation so urgent that we must rush to get it wrong? Given that RAFCOR has no arrangements in place that it is particularly keen to see facilitated under this legislation, perhaps it would be best to get it right slowly. In practical terms, if this Bill does not go through, it probably will not make any difference. We have been muddling along for some time anyway. When I received a briefing on this Bill, the first thing I was told was that we had been getting along without the proper legislation for some time. As Hon Helen Hodgson has already pointed out, that is *ultra vires* the law. Surely it is better that we accept and come to terms with that situation and ensure that when we amend the Rural Adjustment and Finance Corporation Act, and indeed introduce a new Act, we get it right; and that we ensure our whole response to the pressure of our relationship with the Federal Government is framed in a way which respects the accountability of the use of that funding and ensures that the members in this place are accountable to the community in which that money is spent.

I find it a hard call. I understand why the Labor Party finds itself in the situation it does; it feels it is obliged to pass this Bill. I understand that and I sympathise. However, in facing a similar predicament myself and, perhaps for obvious reasons, feeling that I can be more gutsy than the Labor Party, I would really fail in some of my deep beliefs if I did not join with the Australian Democrats and other members of this place in saying that this is a really bad Bill. It is not a precedent that we should be setting in this place. We should muddle our way through until we have the opportunity to get it right. Therefore, the Greens (WA) will not support this Bill.

HON MARK NEVILL (Mining and Pastoral) [8.57 pm]: I will not support this Bill. This Bill allows for the provision of financial assistance to eligible people as approved by the minister. The Bill is basically a right for

Hon Kim Chance; Hon Helen Hodgson; Hon Ken Travers; Chairman; Hon Dr Chrissy Sharp; Hon Mark Nevill;
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the minister to write cheques as he sees fit, to bypass all the normal channels of accountability and largely to pork-barrel the electorate with state and federal funds as he sees fit, which has been a proclivity of his for the past couple of years. The Bill is basically a good idea. However, it is a bad piece of legislation. It is full of flaws and loopholes, and I do not think it is worthy of passing through this Parliament. Hon Ken Travers and Hon Kim Chance gave us every reason to vote against the Bill, and I will be doing just that.

HON M.J. CRIDDLE (Agricultural - Minister for Transport) [8.58 pm]: I thank members for their comments. I understand the concerns with some elements of the Bill, which were outlined in the report, and that some members have with the overall structure of the Bill. I understand the Labor Party will support the Bill and I thank it for that.

Hon Kim Chance will have a keen understanding of the requirements of people in the country, bearing in mind that presently they are experiencing a very difficult season. There will need to be an opportunity for businesses to be involved in the funding arrangements that are available, as they are an integral part of country life. Hon Kim Chance outlined the Bill succinctly.

I thank the chairman of the Standing Committee on Constitutional Affairs, Hon Murray Nixon, and his team for doing the work. They have been under some pressure in the past day or two, but they have done a pretty good job.

I have answered a couple of points that were raised by members. Some of the issues brought up by Hon Helen Hodgson would be more appropriately dealt with in the committee stage of the Bill. The funding available from the commonwealth draw-down will be \$7.9m in 2000-01, \$3m in 2001-02 and \$1m in 2002-03. The state funds draw-down will be \$5.8m in 2000-01, \$2.5m in 2001-02 and \$300 000 in 2002-03.

A farm business scheme - Farmbiz - will also be established across Australia next year with a fund of \$120m. I understand that Western Australia's share will be around 17 per cent. Those funds will be administered under the provisions of this Bill, as will other schemes that may come up in exceptional circumstances. The issues raised by members will therefore be covered by those draw-downs.

I understand the comments made with regard to targeting funds. The Minister for Primary Industry and the Treasurer have that responsibility. Clause 7(1)(c) of the Bill clearly sets out the challenge and responsibilities they face in that area.

I understand Hon Helen Hodgson's concern for more time to deal with some amendments on the Supplementary Notice Paper. One aspect that we must all understand is that business management is a crucial part of this legislation. It is a crucial facet of rural business in Western Australia and this Bill provides the opportunity to get some expertise in that area. As a member of the seasonal risk management committee, it is one essential aspect that must be put in place. Obviously, all members had regard to the requirements for parliamentary scrutiny and disallowance. Reference was made to the minister's heeding some of the comments that were made. I am sure he will listen to those comments and will deal with those issues in future. I thank members for their comments and look forward to the passage of the Bill through the Parliament.

Question put and a division taken with the following result -

Ayes (21)

Hon Kim Chance	Hon B.K. Donaldson	Hon N.F. Moore	Hon Derrick Tomlinson
Hon J.A. Cowdell	Hon Max Evans	Hon M.D. Nixon	Hon Ken Travers
Hon M.J. Criddle	Hon Peter Foss	Hon Ljiljanna Ravlich	Hon Muriel Patterson (<i>Teller</i>)
Hon Cheryl Davenport	Hon G.T. Giffard	Hon Tom Stephens	
Hon Dexter Davies	Hon Ray Halligan	Hon W.N. Stretch	
Hon E.R.J. Dermer	Hon Barry House	Hon Bob Thomas	

Noes (6)

Hon Helen Hodgson	Hon Mark Nevill	Hon Christine Sharp	Hon Giz Watson (<i>Teller</i>)
Hon Norm Kelly	Hon J.A. Scott		

Question thus passed.

Bill read a second time.

Committee

The Chairman of Committees (Hon J.A. Cowdell) in the Chair; Hon M.J. Criddle (Minister for Transport) in charge of the Bill.

Clause 1: Short title -

Hon Kim Chance; Hon Helen Hodgson; Hon Ken Travers; Chairman; Hon Dr Chrissy Sharp; Hon Mark Nevill;
Hon Murray Criddle

Hon HELEN HODGSON: I want to clarify that Standing Order No 224 does not apply and that the Committee can go through the Bill clause by clause.

The CHAIRMAN: Yes, the Committee can go through the Bill clause by clause.

Hon KIM CHANCE: I am speaking on the short title clause as a result of the minister's response to my question at the second reading stage, asking for a reasonable estimate of the funds available to be administered by the corporation. I thank the minister for providing that estimate to the Committee. It is apparent from the quantum of those estimated funds that many of the issues raised by members, who expressed concerns about the corporation, its use, and its potential use, may not be concerns at all. Virtually no substantial funds can be controlled by the corporation. The funds are so limited that a corporation is barely needed to administer them; the funds are minuscule. I did not take note of the sum, but by 2003 there will be virtually nothing to administer. This Bill may be cited as the Rural Business Development Corporation Bill 2000, but will the corporation have anything to administer?

Hon M.J. CRIDDLE: New programs may be developed in the years to come.

Clause put and passed.

Clauses 2 to 6 put and passed.

Clause 7: Functions of Corporation -

Hon HELEN HODGSON: I intend to take up the challenge posed by the committee report in paragraph 5.1.3, which stated -

The House might like to consider this clause in more detail. There may be concerns over lack of accountability.

This clause lists the functions of the Rural Business Development Corporation. It is my understanding from reading the committee report that one of the problems is that, although the RBDC is set up to do these things, its function cuts out the moment it is handed over to another agency. Once that other agency has the program, it will have the funds for that program and there is nothing the RBDC can do to monitor and administer how those funds are spent. Does the minister envisage any form of accountability from that other agency upwards to the RBDC and ultimately to the Parliament and the people of this State?

Hon M.J. CRIDDLE: A report is presented to the board, with conditions of performance, and indicators and targets are included.

Hon HELEN HODGSON: Are those built-in requirements to this legislation or are they administrative requirements?

Hon M.J. CRIDDLE: They are administrative requirements.

Clause put and passed.

Clauses 8 to 11 put and passed.

Clause 12: The board -

Hon HELEN HODGSON: I move -

Page 7, after line 23 - To insert the following new subclause -

- (3) The Minister is to invite applications for appointment as a director by publishing a notice in a newspaper circulating in the State. The notice is to include the selection criteria on which appointments will be made.

The members in this Chamber will be familiar with this amendment, having seen it on a number of previous occasions. We are concerned, when appointments are made to public corporations fulfilling public functions, that the appointments are seen to be open and accountable and that means they have to advertise for the best applicant and let people know that these appointments are taking place.

Hon M.J. CRIDDLE: The minister can seek applicants for the position. On that basis, he can obviously seek a wide range of talents in appointing these people. The Government does not see any necessity for this amendment.

Hon HELEN HODGSON: Without prolonging this debate, because we have heard it before, why does the minister think he knows who is available at any time across the breadth and range of talent of every resident in Western Australia?

Hon M.J. CRIDDLE: The minister can also advertise.

Hon Kim Chance; Hon Helen Hodgson; Hon Ken Travers; Chairman; Hon Dr Chrissy Sharp; Hon Mark Nevill;
Hon Murray Criddle

Amendment put and negatived.

Clause put and passed.

Clauses 13 to 20 put and passed.

Clause 21: Consultants etc. -

Hon HELEN HODGSON: The committee report raises an issue relating to the corporation being allowed to engage a consultant under a contract of services to enable the RBDC to perform its functions, but it does not specify whether that contract should be in writing. We all know that contracts can be made orally or on the basis of actions, so I was hoping that the minister would be prepared to give an undertaking that any such contracts would be in writing to enable those contracts to be reported to this place in the report that is tabled periodically for consultants engaged by government agencies.

Hon M.J. CRIDDLE: The Financial Administration and Audit Act and the State Supply Commission Act both require it.

Clause put and passed.

Clauses 22 and 23 put and passed.

Clause 24: Rural Business Development Corporation Operating Account -

Hon KIM CHANCE: I might have raised this point when clause 7 was dealt with; however, I have left it to this stage as this clause deals directly with the development corporation's operating account and its relationship to the Financial Administration and Audit Act. This clause deals with the administration of the Act and moneys within the purpose of the Act for advice on the circumstances contemplated in clause 7; that is, the administration of a scheme may be carried out by a third party. Since those third parties can only be agencies, the third parties would also be required to comply with the provisions of the FAAA. Is there some comfort that the Chamber can take from that in respect of the accountability for those moneys by the third party?

Hon M.J. CRIDDLE: Yes. Whatever moneys are spent can be audited by the Auditor General.

Clause put and passed.

Clauses 25 to 29 put and passed.

Clause 30: Approved assistance schemes -

Hon KEN TRAVERS: It may be hard for members to follow the recommendations of the report. I must apologise for that, but as members are aware, the committee had to act with haste. Recommendation 3 seeks an assurance from the minister in relation to clauses 30 and 31. I refer the minister to paragraph 5.16.4 of the committee's report that deals with clause 30. A similar comment is made at the conclusion of clause 31. It states -

The Committee is concerned that this clause appears to be wide enough to allow the Minister administering the Act to direct the distribution of funds under an approved assistance scheme to him or herself as the body corporate known as the Minister for Primary Industry.

I said as much during the second reading debate. The clause provides that the minister could effectively bypass the corporation and create a scheme that is administered by the minister himself as a separate body corporate. Is the minister able to give a commitment to the Chamber, on behalf of the Minister for Primary Industry, that the Minister for Primary Industry will not use the provision as provided for by this clause and clause 31?

Hon M.J. CRIDDLE: I am advised that it is not the minister's intention to do that. Obviously we will confirm that with the minister.

Clause put and passed.

Clause 31: Schemes established under agreements between Commonwealth and State taken to be approved assistance schemes -

Hon HELEN HODGSON: I move -

Page 18, after line 3 - To insert the following new subclause -

- (2) The full text of any approved assistance scheme is to be —
 - (a) published in the *Gazette* within 14 days of the day on which it was approved; and

- (b) laid before each House of Parliament within 6 sitting days of that House
 after the day on which it was approved,

under section 30(1)(c) or section 31(a).

As I may have said in my second reading speech, instructions were given before the committee report was available otherwise I may have taken a harder line option and had an amendment drafted which dealt with the disallowance of these schemes. However, the amendment is a soft option which requires two things: First, the publication of the details of the scheme and, second, tabling in this place. My reasons are purely to do with transparency. With this version of the amendment, the Chamber would have no powers in respect of a scheme but it would tell people what is going on and allow them to measure up their own circumstances against the full text of the scheme. It is the very least that we should do when matters to do with the financial administration of this State come before this Chamber.

Hon M.J. CRIDDLE: Under the Financial Administration and Audit Act, the corporation already prints the full text of all approved schemes in its annual report. The annual report is tabled in Parliament as required by the FAAA, so the Government will be opposing the amendment.

Hon HELEN HODGSON: I am pleased to have the advice that it is covered in the FAAA, but I do not think it is adequate. An annual report can appear as much as 15 or 18 months after the operation of some of these schemes. Annual reports are generally required to be tabled within six or nine months - I cannot remember without looking it up - of the end of a financial year. This means that if a scheme is approved at the start of a financial year, it can be a very long time before the details are made publicly available. In some circumstances people will be applying for assistance under these schemes from the date that they are told the schemes take effect. It is not acceptable to say that the full text of the scheme will not be publicly available for 15 or 18 months.

Hon CHRISTINE SHARP: These schemes are invariably short term and topical. An annual report is not an adequate response for enabling this Parliament and via Parliament the community to have in-depth information of the detail of the schemes. Therefore, I do not find the minister's responses adequate.

Hon KIM CHANCE: The Labor Party will not support this amendment. This goes to the original undertaking that we gave to the Government of support. I believe that in any other circumstances we would have supported this as a minimalist measure, which it is; and Hon Helen Hodgson has identified it as a minimalist measure. Hon Ken Travers and I have tried to give what assurance we can, which is necessarily limited, about what a Labor Government would do in this regard with this Bill next year. Whether we are in government or in opposition, I believe that we would still be doing our utmost to ensure that is the outcome. The Government has a problem here, notwithstanding our assurance that we will not support the amendment. The Government can address that problem and save its integrity, or at least protect itself from challenges made to its integrity, by the simple expedient of providing an undertaking to table at the first opportunity assistance schemes approved by the minister. The legislation does not require that procedure, and the amendment seeks to impose that legal requirement. Our problem is that Labor members cannot support the amendment. The Minister for Transport is not in a position to give that assurance, and I understand his position. However, I would be grateful, if not entirely satisfied, if the Minister for Transport would undertake to take that view back to the Minister for Primary Industry as an expression of very genuine opinion from the Opposition. The Government owes us a little on this one. At the very least, the Minister for Primary Industry should be able to say to the Chamber, "Yes, we will table the approved assistance schemes and make every effort to advise members of Parliament that that tabling has taken place."

Hon M.J. CRIDDLE: I will pass on those remarks to the minister and ensure that he understands the points raised by Hon Kim Chance. I cannot speak for him, but I will make the point to him.

Amendment put and a division taken with the following result -

Extract from *Hansard*
[COUNCIL - Thursday, 23 November 2000]
p3675b-3688a

Hon Kim Chance; Hon Helen Hodgson; Hon Ken Travers; Chairman; Hon Dr Chrissy Sharp; Hon Mark Nevill;
Hon Murray Criddle

Ayes (6)

Hon Helen Hodgson
Hon Mark Nevill

Hon J.A. Scott
Hon Christine Sharp

Hon Giz Watson

Hon Norm Kelly (*Teller*)

Noes (21)

Hon Kim Chance
Hon J.A. Cowdell
Hon M.J. Criddle
Hon Cheryl Davenport
Hon Dexter Davies
Hon E.R.J. Dermer

Hon B.K. Donaldson
Hon Max Evans
Hon Peter Foss
Hon G.T. Giffard
Hon Ray Halligan
Hon Barry House

Hon N.F. Moore
Hon M.D. Nixon
Hon Ljiljanna Ravlich
Hon Tom Stephens
Hon W.N. Stretch
Hon Bob Thomas

Hon Derrick Tomlinson
Hon Ken Travers
Hon Muriel Patterson (*Teller*)

Amendment thus negatived.

Clause put and passed.

Clauses 32 to 44 put and passed.

Schedules 1 to 3 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon M.J. Criddle (Minister for Transport), and passed.