

PUBLIC ACCOUNTS COMMITTEE

Third Report — “Annual Report 2012–13” — Tabling

MR D.C. NALDER (Alfred Cove) [10.48 am]: I present for tabling the third report of the Public Accounts Committee entitled “Annual Report 2012–13”.

[See paper 1228.]

Mr D.C. NALDER: I will keep my commentary brief this morning. The annual report looks at the whole year but the committee was only formed on 9 May so it covers only a seven-week period. There is very little in the report. The bulk of the work that has been undertaken by the committee will be tabled next week. I will reserve the bulk of my commentary until next week. I would like to acknowledge the committee members—the members for Victoria Park, Cannington, Bateman and Belmont—and the research officers for the diligence that they have shown in the work that has been undertaken during this period. I look forward to reporting further to this house next week when we table the work that has been undertaken.

MR W.J. JOHNSTON (Cannington) [10.49 am]: I want to make a few remarks on the tabling of the Public Accounts Committee’s annual report. Firstly, I want to thank the other committee members—the chairman, the member for Alfred Cove; the deputy chairman, the member for Victoria Park; my fellow members, the members for Belmont and Bateman; Tim Hughes, the principal research officer; and Lucy Roberts, the research officer.

I want to draw attention to the committee’s functions and powers, which are on the last page of the report, and in particular our power to —

Inquire into and report to the Assembly on any question which —

- a) it deems necessary to investigate;
- ...
- c) is referred to it by a Minister; or
- d) is referred to it by the Auditor General.

We have had this process, and we have tabled one report and another is to come, as the chairman just pointed out, about the Auditor General’s reports, which is an interesting issue. We tabled a report recently about the briefing we got from Treasury. I think I have commented before that I think that is something we should continue to look at and widen our role in. I also point out that one of our functions is to —

Consider whether the objectives of public expenditure are being achieved, or may be achieved more economically.

In doing that, we cannot help but think about the Muja power station issue. At the moment, there has been no independent review of the Muja AB fiasco. Given that our function is specifically to deal with the issue of whether the objectives of public expenditure are being achieved, or may be achieved more economically, we can see that the Muja AB issue is the sort of thing that, in my view, the committee needs to consider. On 11 May 2009, when the project was announced, it was said that it would be a \$100 million project funded 100 per cent by the private sector, but, of course, we know that so far the actual cost has been just over \$330 million.

Mr C.J. Barnett: How do you know that?

Mr W.J. JOHNSTON: Because it is in the budget papers. Can the Premier not read the budget papers? That is a \$430 million turnaround for taxpayers compared with what we were promised. I note that the Petrochemical Industries Co Ltd project that was investigated by a royal commission was for \$450 million. The amount of money involved in the Muja project is nearly the same as the amount of money involved in the PICL project, yet the Muja AB project has still not been investigated in any way by any organisation. I have a freedom of information document from the Treasurer, which was received on 14 August 2012. The particular document I have is a submission to the Treasurer for him to give concurrence to the Minister for Energy to provide additional funding —

Point of Order

Mr D.C. NALDER: I would just like to check one thing. The report that was tabled is the annual report and I am not sure what the current commentary has to do with anything that is being discussed in the house at this point.

The ACTING SPEAKER (Mr P. Abetz): I thank you for your point of order. Member for Cannington, my understanding is that your comments need to be addressed to the annual report. In passing, you could mention something that you feel the committee perhaps should be investigating, but that should be only in passing, without going into great detail. It is perhaps borderline, but I encourage you to focus on the annual report.

Debate Resumed

Mr W.J. JOHNSTON: Thank you very much for your learned advice to me, Mr Acting Speaker, because what I am doing is making the point that page 7 of the annual report states —

Consider whether the objectives of public expenditure are being achieved, or may be achieved more economically.

I am making the point that our committee has an obligation not to each other and not to our political party, but to the taxpayers of this state. At the moment there has been no independent investigation—in fact, no investigation at all—into the Muja AB proposal. I was just making the point to you, Mr Acting Speaker, that this FOI document, at attachment 1, has a financial analysis of the project as at August last year. Sadly, every single word and figure in the financial analysis has been redacted.

Point of Order

Mr D.C. NALDER: Again, the FOI document the member is referring to has not been discussed and has not been brought to the attention of the Public Accounts Committee, and I do not see how that has any relevance to the tabling of this report.

Mrs M.H. ROBERTS: Further to the point of order, the member for Cannington has specifically referred to the report and the link between his comments and what is explained in the report. I think the member for Alfred Cove's incessant so-called points of order and the Premier's incessant interjections—he has been very grumpy and maybe is sleep deprived, and he knows that it is unruly to interject when someone is making a point of order or speaking further to a point of order —

The ACTING SPEAKER (Mr P. Abetz): Please focus on your point of order, member.

Mrs M.H. ROBERTS: Thank you, Mr Acting Speaker. The fact of the matter is that the member for Cannington has been speaking for only a brief time, and he should be allowed to get on with making his speech and making the appropriate links to the report that he is speaking to.

The ACTING SPEAKER: In regard to the point of order, I want to reiterate, member for Cannington, what I said before. It really is borderline. I do not believe it is germane to the annual report to bring in other documents that really do not relate to any inquiry or anything that the committee has done. If you believe there is a shortfall in the work of the committee, you can certainly draw attention to that, but without going into detail about an individual event or project.

Debate Resumed

Mr W.J. JOHNSTON: Thank you very much, Mr Acting Speaker. I make the point that I have not reflected on a single debate inside the committee, because it would be against the standing orders for me to do that, and I am not in any way raising any issue that may or may not have been debated in the committee. But I am making the point that the committee has obligations to the taxpayers of this state. We have an obligation to the taxpayers of this state that is not related to our political affiliation. The Muja AB project is the clear example that needs a proper investigation. On a number of occasions I, as the shadow Minister for Energy, have come into this chamber and called for the chamber to take action to have an investigation of the matters surrounding the Muja AB project, yet the chamber, because of the government majority, has not done that. In considering the annual report and the important work that is being done by the Public Accounts Committee, I am making the point, as the member for Cannington, that if the Public Accounts Committee does not investigate the Muja AB matter, it will be derelict in its duty, and the chairman, the deputy chairman and the rest of the members of the committee, including me, would not be doing our job in a proper way, and we would not be ensuring that the functions and powers that are assigned to the committee, which are set out in the appendix on page 7 of the report, are being carried out. To make sure there is no doubt, those functions and powers state —

Consider whether the objectives of public expenditure are being achieved, or may be achieved more economically.

We should consider that the call that I am making to all the members of the Public Accounts Committee is done without in any way reflecting on any issues that may or may not have been discussed in the committee. I cannot do that because that would be a breach of the standing orders. I am not saying that any matter has or has not gone to the committee; I am talking about my views, as the member for Cannington, which I will not be silenced on, in dealing with this.

I note that in a document on this issue that was obtained under freedom of information, there is a handwritten note about these matters. Again, these are not issues that have been investigated by anyone. It is an obligation to the people and the taxpayers of this state that the Muja AB scandal is properly investigated.

Mr T.R. Buswell: Are you this interested in the Office of Shared Services?

Extract from Hansard

[ASSEMBLY — Thursday, 28 November 2013]

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Mr Dean Nalder; Mr Bill Johnston; Acting Speaker; Mrs Michelle Roberts; Dr Tony Buti

Mr W.J. JOHNSTON: Given that most of the expenditure on the Office of Shared Services was done while the member for Vasse was Treasurer, he should refer it for an inquiry. If that is the Treasurer's problem, he should get on with it. He should stop interjecting in an inane and ridiculous way, and we will have a look at that.

Mr T.R. Buswell interjected.

Mr W.J. JOHNSTON: Treasurer, I am not saying —

Point of Order

Dr A.D. BUTI: Mr Acting Speaker, over the past few days any member on this side of the house who has interjected has been named. A number of interjections have come from government members while the member for Cannington has been making his contribution to a committee report, but they are not being called on those interjections. Can we have some consistency in your rulings, please?

The ACTING SPEAKER (Mr P. Abetz): I instructed the Treasurer to desist. There is no point of order.

Debate Resumed

Mr W.J. JOHNSTON: I am not saying that we should not have an investigation into the Office of Shared Services. If it is so important to the Treasurer to investigate why he spent so much money on that project, he should refer it to be investigated.

Mr C.J. Barnett: Very boring.

Mr W.J. JOHNSTON: I have no idea why the Premier is in the chamber. He is sitting there and not doing any work. He is running the state, yet he has more time —

The ACTING SPEAKER: Member for Cannington, please direct your comments to the Acting Speaker. I ask the Premier and other members on the government side to desist from making interjections unless the member for Cannington invites them. The member for Armadale's comment about wanting consistency from the Chair is totally inappropriate. Therefore, I call him for the first time. Just on that matter, any criticism of the Chair is totally unacceptable. If a member does not believe that the Acting Speaker has acted fairly, he or she can move a motion of dissent from the ruling of the Chair. However, any implied or subtle criticism of the Chair in the chamber is totally unacceptable. It has been going on but it must stop. I will not tolerate it.

Mr A. Krsticevic: Disgraceful.

Mr W.J. JOHNSTON: Yes, there has been disgraceful behaviour and it needs to be investigated. I agree with the government Whip that the disgraceful behaviour of the Muja AB project needs to be investigated. We need proper accountability. We need to know who was at fault, who made the decisions, what the analysis was and the reasons that the government made the decision that led to losses in the project. It is time the cover-up ended. I make the point that the other day when I was being interviewed by Paul Murray on 6PR, he asked whether this matter will be investigated by the Public Accounts Committee. I could not confirm that, but the Public Accounts Committee is the right place to have this matter investigated. It is time for PAC to assume its responsibilities and fully investigate this whitewashed sham that has cost Western Australian taxpayers hundreds of millions of dollars and resulted in tens of millions of dollars in losses. It is a disgrace, and the PAC and its members have an obligation to the taxpayers of this state to pick up the committee's powers and functions, which are clearly set out, and act properly in the interests of the taxpayers of this state. That must happen—and soon.