[COUNCIL - Wednesday, 19 June 2002] p11584d-11590a Hon Dee Margetts; Hon Jim Scott

ESTIMATES OF REVENUE AND EXPENDITURE

Consideration of Tabled Paper

Resumed from 18 June on the following motion moved by Hon N.D. Griffiths (Minister for Racing and Gaming) -

That pursuant to Standing Order No 49(1)(c), the Council take note of tabled paper No 1428 (2002-03 *Budget Statements*), laid upon the Table of the House on 16 May 2002.

HON DEE MARGETTS (Agricultural) [11.07 am]: I intend to speak for only 20 minutes today so that my colleague Hon Jim Scott can make his contribution in the remaining 40 minutes.

First of all, in a general sense in noting the budget papers, I shall comment on the issue of accrual accounting. I always like to remind members where this comes from. As I recall, the most enthusiastic people in the federal parliamentary arena for accrual accounting tended to be those who were also most enthusiastic about national competition policy. Accrual accounting has a number of pluses and minuses. The pluses for parliamentarians are not about extra information. There may be a different balance to the way the figures come out and, as I said, there are pluses and minuses about that form of presentation. However, in terms of gaining information about the differences between programs from one year to the next, so far in Western Australia accrual accounting has resulted in the removal of detailed information from scrutiny. A further factor behind accrual accounting has been the concept of competitive neutrality. It is my belief that jumping on the bandwagon of national competition policy is linked to the concept of competitive neutrality. I have it on good authority that that concept was dreamed up by federal Treasury officials. Unless anyone has found anything since I last looked, the concept of competitive neutrality cannot be found in textbooks. I have tried to find overseas, on the web, a mention of competitive neutrality on economic policy, but have not yet found any specific theoretical basis for it in any international documentation. Competitive neutrality, as it applies to the way in which Governments currently compile budgets in Australia, involves adding costs as though they were charged even when they were not. If the government sector owns buildings, costs are added into its budget as though it is paying off loans or paying rent, which means in many instances that the community is paying more, not less, for public services. A government sector that allows competition in the provision of services simply provides a greater opportunity for the private sector to provide those services. That may be superficially attractive to many Governments. However, when the profit component for the provision of those services is removed from a sector in which there was no previous profit component, it often results in a reduction of services, especially services that have a high labour content. It also puts a downward pressure on the wages and conditions of the people who provide those services. There are many examples that members can think of.

As I mentioned, the major push for accrual accounting budgets appears to be associated with matters such as competitive neutrality. It has yet to be proved that competitive neutrality is in the public interest and produces better and more reasonably priced services and better outcomes for taxpayers, to whom members of Parliament are responsible. Accrual accounting budgets provide less, rather than more, information. It could be said, therefore, that the accounting system is associated with ideological choice. The budget figures might mean more if we got the details of how they were put together; however, that might result in larger reports.

My colleague wants to talk about particular aspects of the budget. Governments have systematically underspent in many general areas of major critical interest to the community, particularly on the environment, water, rivers and so on. I have experienced that before at the federal level. For example, some departments have not spent up to their budget when there has been a leeway for expenditure. That is surprising when one considers that the community has a high demand for accountability, monitoring, remediation and protection of the environment, rivers, future water resources and so on. It is at the very least short-sighted to underspend and to not provide the funding required to remediate or protect those resources. There is no provision in current budgets for future needs. Governments might incur enormous expenditure in the future to remediate pollution problems in water resources that they are not protecting now. They do not factor the needs of future generations into their budgets. Those costs will continue to require funding. Like the discount rates that are factored into the budget for recurrent expenditure, the future costs for those resources that are being ignored at the moment should also be factored into the budget. There are similar issues in preventive medicine. Medical systems that have a strong ethos of preventive medicine have much less expenditure required at the pointy end of emergency services and critical medicine. Similar programs are needed for the environment and other community expenditure. The same issues apply to law and order. A Government that spends money on providing a future for its youth has fewer problems later in fixing up the broken lives of people who believe that society has ignored them.

In the short time I have to deliver my speech today, I will talk about the superficial attraction that parts of the Government currently appear to have for public-private partnerships. It sounds attractive: the Government has a tight budget, it wants to have a budget surplus and, if possible, to pay off its debts. The superficial attraction is

[COUNCIL - Wednesday, 19 June 2002] p11584d-11590a Hon Dee Margetts; Hon Jim Scott

that when the Government does not have sufficient funds to provide for major services required by the community - including funding for transport, schools, hospitals, housing, employment services and all those kinds of things - why should it not seek investment from the private sector, or as it is called, public-private partnerships?

The recent estimates committee hearings raised some interesting issues. My colleague Hon Christine Sharp asked a representative from the Department of Education about much-needed funding for Esperance Senior High School. The answer was that \$1.5 million was in the budget forward estimates for 2003-04. However, the department was aware that an investment in the area by BHP Billiton Ltd could result in an extra \$2 million being made available to that school. Interestingly, that is not entirely as it appears to be. Although it looks like BHP Billiton will invest \$2 million in Esperance Senior High School for needs that exist now - not necessarily needs that are likely to increase significantly because of the expansion of Ravensthorpe mine - there is little evidence that the workers at Ravensthorpe mine will move with their families to Esperance. That money, therefore, is for current issues and needs.

I have been contacted by a representative from BHP Billiton who said that BHP is not offering \$2.2 million to Esperance Senior High School; apparently, Esperance Senior High School was never the only prime target. There is a line item in a package of \$55 million for education facilities in Esperance, Ravensthorpe, Hopetoun and perhaps Bremer Bay, all of which may be affected by the expansion of the Ravensthorpe mine. The package will be funded by \$18.4 million from the State Government - the taxpayers' pocket - and a similar, if not greater, contribution from federal taxpayers. I suppose that leaves the difference to be made up partly by BHP Billiton. Esperance Senior High School, therefore, might receive a portion of a \$2.2 million line item in a package dependent on the expansion of the Ravensthorpe mine. That does not make the issue any better.

This is not about the provision of education with state funding and it is not even an issue about the provision of public education with private funding. It is about the linking and twisting together of those issues to make them dependent on the success or otherwise of a private project for private gain; that is the danger. Taxpayers are giving BHP funding in other areas. BHP's hot briquetted iron plant in Port Hedland might get assistance from state taxpayers to the extent of \$7.2 million over the next two years, but it could use that for the Esperance contribution. In effect, state taxpayers will pay for most of the funding and the federal taxpayer will pay for the rest. What does that mean for the control of the outcome of an educational need that exists now - not in the future - that is not necessarily associated with the mine? These are very important decisions. Unfortunately, the response from the Minister for Education leads me to believe that these policies have been around for some time and that he considers this as just an extension of an existing policy.

It is true that packages and agreements have been associated with state agreement Acts for company towns or greenfield sites for setting up new infrastructure and that companies have been required to provide part of the funding. However, I am not talking about a company town; I am talking about an existing community. This funding smacks of buying consent; it smacks of control of public education; and it smacks of an intricate and difficult-to-extract process that will hand to the corporate sector control of the outcomes of public education, and perhaps in the future public health and other infrastructure. What does that mean for the way in which the school will operate, the kind of information it will disseminate and the ability of the community to criticise anything that might happen in the future if the expansion of the Ravensthorpe mine goes ahead? Many issues are involved. It is not an issue for only Western Australia or, indeed, Australia. The whole issue of public-private partnerships has been seriously examined in other parts of the world. Someone lent me a book recently that I will now try to order called *Captive State* by George Monbiot. It is a critique of the present corporate influence on Britain. That influence was started by the Thatcher Government and has continued under the Blair Labour Government. I will read some extracts from the book, which examines the rationale behind accepting that influence. As I said before, the assumption is that private-partnerships save money. A paragraph on page 82 reads -

Indeed, when fully costed, many privately financed schemes prove to be considerably more expensive than comparable publicly funded projects. The government's Highways Agency initially maintained that privately financed roads were 15 per cent cheaper than state-built roads. The National Audit Office discovered, however, that the agency had used the wrong discount rate. Of the first four private roads completed in Britain, two were more expensive than they would have been if publicly funded. The campaigning organization Transport 2000 extended the analysis with the help of a number of parliamentary answers, and found out that when various hidden costs were taken into account the private roads turned out to be two and a half times more expensive than public roads. When Transport 2000 asked the Highways Agency where its optimistic figure had come from, the agency responded that its figures were 'commercially confidential'.

One of the greatest concerns many people have about a leap into public-private partnerships is the removal of many of the provisions of public service from the scrutiny of Parliament. The restriction of commercial-in-

[COUNCIL - Wednesday, 19 June 2002] p11584d-11590a Hon Dee Margetts; Hon Jim Scott

confidence is linked to publicly and privately funded public infrastructure. The risk in many of these schemes in Britain has been repeatedly carried by the taxpayer.

Hon Paddy Embry: Experience in Western Australia is that the privately contracted out and constructed roads have not been built to the same standard as was previously the case.

Hon DEE MARGETTS: That is a very good point. When roads, bridges or other infrastructure are found to be poorly constructed there are often difficulties in determining who should bear the ongoing cost. When the company responsible fails or faces other issues of restructuring, the cost is often borne by the taxpayer. The author of *Captive State* illustrates how that has occurred with the building of the Skye Bridge. In accepting the private infrastructure funding, the risk was borne by the taxpayer. When people sought to sue the Government for loss of income and extortionate prices in toll rates and the end of the cheaper ferry service, the providers of the infrastructure were protected from liability. The taxpayer ended up having to accept the liability so that not only were the providers protected from liability but also the funding risks were carried by the taxpayer. When it looked as though the infrastructure would not return a profit, pressure was brought from the providers of the infrastructure to guarantee a profit. Extra funding from the public purse was therefore channelled into the project.

Instances cited in that book refer to private funding of public hospitals, which might sound attractive. However, that private funding meant that rather than refurbishing public hospitals that were located centrally in parts of Britain, pressure was brought to close them down and to build hospitals outside the towns, which was seen as a cheaper option. However, it was more expensive than refurbishing hospitals where people wanted them located - that is, in the central area of those towns - especially people who did not have their own transport.

Ironically, although privatisation of transport linked to privatisation of infrastructure appears to be deceptively cheaper, it is being subsidised and funded by taxpayers and returning less for their dollar. Public-private partnerships can be very deceptive.

The amount of quality critique on this issue in Australia is increasing. An article by John Quiggin in the autumn winter addition of *Dissent* 2002 is called "Private financing of public infrastructure". It is a critique on the apparent reduction in public debt, the means of financing and the commitment to transfer assets to public ownership and welfare. He refers to the risks involved in discount rates. It is worthwhile reading. A range of articles also has been written for the Evatt Foundation. The issue of public-private partnerships deserves wider public discussion. Ministers should not be saying, "What are you talking about? We have done this already." Nor should they be providing answers such as those in question time yesterday when I asked about the risks involved with overseas buyers possibly purchasing schools and hospital campuses. They are real risks. The minister's response was that the Government has not done that yet and will not do it in the future. However, clear evidence is available to show that, under public-private partnerships, hospital or school buildings can be sold to or controlled by overseas buyers. The taxpayers will pay for costs incurred as a result of problems that arise in that process.

We need to have an open public debate on this issue, not abuse or nonsense from ministers while they engage in secret processes and keep people in the dark. This is not just an extension of past practices; it is a major policy change. It needs to be debated to highlight clearly present and future public risk and accountability. Even more importantly, we should debate the risks that would be involved if Australia were to endorse changes to the General Agreement On Trade In Services Treaty that requires us to open up that investment in infrastructure buildings such as schools, hospitals, public roads and bridges to international financiers and investors. The issue is about control, accountability and the provision of effective services to the public sector. We should have an open and public debate if there is any thought that this will involve a major policy change. It should not be introduced by stealth, which seems to be the case in Western Australia at present.

HON J.A. SCOTT (South Metropolitan) [11.27 am]: I will speak on two issues, the first of which is the disgraceful lack of adequate funding for the Department of Environmental Protection and the impact of that on the community and that department. One of the immediate impacts evident in the community is the risk to people's health due to lack of proper regulation. No better example of this can be seen in the appalling lack of monitoring of the Waste Control site in Bellevue. Long before that place blew up I had asked questions in Parliament about the material stored on the site. The community was aware that far too much of the wrong material was stored there; yet the Department of Environmental Protection, the regulators, did not seem to know or care what was there. Companies are supposed to keep a list of the materials stored on site for the Fire and Emergency Services Authority. However, when FESA arrived at the site on the night of the explosion, a list of materials was not there. In fact FESA woke Lee Bell, a non-government person, and asked him to attend the site because he could inform FESA of the nature of much of the material. He could not provide the complete picture of the materials involved, but he provided a very good indication of them. Why did the Department of Environmental Protection do that? Why must it be left to private individuals? The reason is that successive

[COUNCIL - Wednesday, 19 June 2002] p11584d-11590a Hon Dee Margetts; Hon Jim Scott

Governments have shown a complete lack of regard for the importance of the environment. That is demonstrated in the latest budget. The DEP's budget has been cut by 17.5 per cent from last year. During the Estimates Committee I was told that the reason for this is that a number of areas of expenditure no longer need funding. I was told that there was plenty of money in the budget in this coming financial year for the DEP to carry out its role. However, in the next breath I was also told that the DEP admitted that it knew about a large plume under the city of Subiaco that contained trichlorethylene, which is a dangerous product to have in water supplies. When that liquid is pumped into people's gardens, it creates a gas that can affect people's health. Apparently, there are quite heavy concentrations of trichlorethylene in the underground water supply under a large portion of Subiaco. The DEP does not have the funds to clean up that problem. It is negotiating with the Subiaco Redevelopment Authority to clean it up.

During the Estimates Committee, I also asked about the mistake that occurred in the clean-up of the Waste Control Pty Ltd site. We were assured that a state-of-the-art clean-up operation would be undertaken and that everything would be kept on site until an adequate clean-up had taken place. We were told that all the toxic materials would be relocated to appropriate places and that nobody had anything to worry about. However, inquiries from the community discovered that some materials were not properly cleaned up. Highly toxic materials, including polychlorinated biphenyls, had been sent to the landfill at Cardup. We must continue to clean up the Waste Control site and we must intervene to clean up the ground water pollution that the DEP originally claimed had not occurred. During the Estimates Committee I also asked whether soil testing had been done at the site and was told by the DEP that it could not conduct soil tests because of a court decision long ago that had nothing to do with pollution. The DEP lost that case, in which it tried to pass off land clearing as pollution. That case has no relationship to the Waste Control site. The DEP did not test the soil to find out whether toxic material was leaching into the ground water.

The DEP has neither adequate funding to do the jobs it is supposed to do, nor the expertise. People who gain expertise in the DEP tend to quickly move on to private industry because of the policies of the previous Government, which have been continued by the current Government, that enables self-assessment by companies. In the current budget, the major initiatives for 2002-03 list the implementation of industry self-monitoring regulations. That means that the Government will pass the buck and will not spend an adequate amount of money on monitoring and assessment. This is what erodes public confidence in the DEP. People who have had any experience of pollution issues, whether at Wagerup, the Omex site, the Waste Control incident or at Mirrabooka, and who have had to deal with the DEP, have been fobbed off on every occasion. The DEP has acted more like an apologist for industry. On a number of occasions not only have those people been fobbed off, but also they have not been told the truth. The reason for that is the cuts in funding and the lack of expertise within the department. When a department's funding is reduced, it loses its expertise because its employees flow into private industry. Those people know how to sidestep the system, and then a system of cronyism develops. In his recent inquiry into the finance broking industry in this State, Mr Temby commented on this issue; he termed it "agency capture". An unhealthy closeness develops between the regulators and the people they are regulating. Hon Dee Margetts points out that the finance brokers were told to self-regulate as well.

We cannot live or make money without the environment unless we are musicians or use our personal skills. The environment is our most precious commodity, yet we are handing it over to industry to self-assess its actions. I will give members some examples of that industry self-assessment. Industries that pump waste material into Cockburn Sound conduct self-assessments. They are provided with a licence that limits the amount of waste material they can pump into the sound. However, if they report that they have breached the level of pollution that they were supposedly allowed under their licence, they do not get a rap on the knuckles or even a fine. The following year the levels of waste they are licensed to dump are set higher. They pay more money to dump more waste into the environment. This is a disgraceful situation that was brought about by a lack of funding for the DEP. Unless the DEP is funded properly, it must raise revenue from somewhere. Currently, it is getting its money from industries that pay it to be allowed to pollute because it is economically feasible for them to do so. This situation is a disgrace and it should be stopped immediately.

The community wants better environmental protection. It wants the DEP to work on behalf of the community rather than on behalf of the polluters. The community does not want the DEP to be a revenue-raising exercise for the Government. I do not know what the Government's impression is of the communities who are concerned about the DEP, but I am very worried that the general community has almost no respect at all for the DEP.

The Government says that the DEP has been provided with sufficient money to carry out its roles this year and in the following years. So far, the cost of environmental clean-ups has been vastly underestimated. Whether it is Minim Cove, Waste Control or Brookdale, the estimated amount of the cost of the clean-up is always far less than the actual amount. The DEP fails to understand that it and the Department of Health incur the costs, because every time the DEP does not carry out its role properly, people get ill or even die from pollution-related illnesses. In various areas in recent times people have become ill. For example, people were made ill as a result

[COUNCIL - Wednesday, 19 June 2002] p11584d-11590a Hon Dee Margetts; Hon Jim Scott

of the Waste Control Pty Ltd fire and the pollution at the Omex site. The government response is to deny that it is happening. There is a cover up and all sorts of methods are used to hide the fact that government is not doing its job. One of the latest tricks is to set the limits of detection well above the levels that impact on people's health. It means that detection limits are being made less effective rather than being improved. Even though technology today is better than ever, current detection levels are worse than those in the 1960s.

Hon Paddy Embry: Are you saying they have been changed?

Hon J.A. SCOTT: If a public health problem shows up as a result of measuring a pollutant in a particular area, a detection level is set above the level at which health problems are detected, so that government can say that there is no detectable problem.

Hon Paddy Embry: Do you have specific cases in which this has happened?

Hon J.A. SCOTT: It is happening all over the place. Detection levels are being changed, which is a disgrace.

Hon Christine Sharp: Is it the detection level or the emission level?

Hon J.A. SCOTT: The detection level is set at an artificially high level to avoid facing up to the fact that the emissions are impacting on people's health.

The lack of expertise in public hearings was manifest in the hearing held by the Standing Committee on Environment and Public Affairs. A paper was delivered to the committee from a former Department of Environmental Protection officer who worked in the area of emissions. The committee was looking at not only detecting emission levels but also advising on ways to reduce them. The person said that the department did not have sufficient expertise to know how to properly carry out stack testing in Western Australia. He said that it was very easy to pull the wool over the Department of Environmental Protection's eyes. He said that, as a result, we were not getting the sort of protection that was required. People have been made ill and have been forced to leave their homes and even the area when pollution levels have got too high. Whole lives have been completely changed in some cases, particularly the lives of people who have contracted what seems to be the new disease that is, multiple chemical sensitivity - partly as a result of the slackness of regulation. Those people must become recluses. They cannot be near people who wear perfumes and they cannot go to places where there are high levels of hydrocarbons, so they must move out of cities. They have real problems. It is simply not good enough. The community is calling out for a little bit of guts to be put back into the DEP so that it can start acting for the community.

When the DEP was formed, a huge emphasis was placed on working with the public, on being open and accountable and on using the noses, ears and, presumably, the lungs of people so that the department was informed about the problems in the community. It is expensive to employ officers everywhere. I asked a question on notice about the number of active inspectors employed by the DEP to police pollution licences in the Perth metropolitan region over the past five years. Previously I had asked other questions on the subject. The answer to that question reads -

- (1) The Minister for the Environment and Heritage would like to clarify the response previously given and apologises if it was not clear. The FTE numbers of Inspectors in the Department of Environmental Protection (DEP) have remained static over the past five years, with the exception of one additional controlled waste inspector in 2001/2002.
- As stated previously, the DEP has advised the Minister that there are:
 5 inspectors and 1 project officer in the Pollution Response Branch which covers the Perth metropolitan, Kimberley and Wheatbelt areas.

Five inspectors to cover pretty well the whole State will do a good job! This is tokenism at its worst. There is no real attempt to do anything. The Government is saying that it is too expensive to properly police people and that it will get people to police themselves. We are reaping all sorts of problems as a result of the situation at the Omex site, the Waste Control Pty Ltd fire and the Mirrabooka landfill site etc.

I do not want to complete this part of my speech without mentioning the situation at the Mirrabooka landfill site. This was a prime example of the DEP's failure to regulate. An open landfill site at Mirrabooka caused a lot of consternation in the community, because it was located in an area that was not originally designated for landfill. Many complaints were made about the owners and the fact that people had been made ill by the emissions. In conjunction with the City of Stirling, the operator installed a brand new facility beside the open pit. It was designed to produce electricity from the organic waste material. The State Government ended up presenting an award to the City of Stirling for supporting such a wonderfully innovative breakthrough in environmental technology, which would keep putrescible material out of the landfill. However, the facility never worked. The operator was loading putrescible material onto a truck at night and running it to the bottom of the tip where it

[COUNCIL - Wednesday, 19 June 2002] p11584d-11590a Hon Dee Margetts; Hon Jim Scott

was not supposed to be dumped. The tip was unlined and above a major ground water supply. It was totally inappropriate to present an environmental award for such an appalling enterprise. That company is still operating in the city of Stirling. The community was so angry about the operation that it took night-time videos of the trucks loading and dumping the putrescible material. People got affidavits from the truck drivers who were dumping the material. They even called a meeting with the Department of Environmental Protection and the minister. The meeting was not initially held at the site, but they later moved down to the pit that the DEP had denied the operator was putting putrescible waste into. They went to the bottom of the pit and collected material that was clearly putrescible waste. That material was put in a plastic bag and the head of the DEP, who was present at the meeting, was asked whether it was putrescible waste or not. He said that it was certainly putrescible waste. He took the sample in the plastic bag with him. However, by the next day it was no longer considered to be putrescible waste; he had had second thoughts about it. No action was taken. That is not regulation. Another word goes a bit closer to describing that for me, and it is not complimentary. The community thinks that the DEP is a disgrace and that it helps people cover up problems.

The community of Wagerup has also complained about the role of the DEP. It has tried to conduct a number of meetings in that area for information and other purposes. The community wanted to talk about and find solutions to its concerns. The DEP provided a facilitator for that meeting, which was also supposed to be attended by other government agencies such as the Department of Health. The community did not want Alcoa present at that meeting. At the last minute the DEP not only introduced representatives of Alcoa to the meeting but also completely changed the meeting's agenda, and did not discuss the issues that the community wanted to talk about. The DEP completely controlled the meeting in order to get it away from the issues that the community wanted to address. After many years of trying to get some action from the DEP on the pollution that has impacted upon that community, community members were left totally disgusted with the DEP; they think it is a waste of time.

This has largely come about because of the attitude of government. The Government has not wanted to adequately fund proper assessment and monitoring. That leads to a total breakdown of the regulatory system, as is happening with the DEP. It is not good enough for this Government to carry on and extend the appalling practices of that agency, which have been going on for a long time. It is time to take this matter seriously.

It is time to put some real funding into the DEP and to give it some real teeth. It should stop prosecuting only small offenders. Concerns have been expressed all over the State that the big players, who are harder to take to court and prosecute, are left alone. They are rarely fined, whereas the small players are hit straightaway. I do not have time to read an article from page 13 of *The West Australian* of 16 June 2002. It is an interesting article. I can provide members with a copy of that article if they wish.

We need proper monitoring and assessment, not this self-assessment mumbo jumbo that is going on at the moment. We need, at the very least, to ensure that we do not allow a situation in which polluters hire their own people to carry out the assessment which the DEP, with its lack of expertise, just sits back and ticks off. The DEP must become the arbiter of that. Whether it is done by a private operator or not, the cost of the assessment should be paid by the polluters or the people who are having an impact on the environment. However, those people should not select the person who carries out the assessment. The DEP should also have the funding capability to do spot checks on these industries. These days, the DEP does not turn up unannounced at any of these places to carry out spot checks. The DEP must have the ability to do those spot checks so that it can make sure that industry is playing by the rules, rather than burning furnaces and incinerators at only half the required temperature to save fuel, which members of the community have said is common practice.

Another matter that I am concerned about is the inquiry into the City of South Perth, which has raised quite a few issues. I have spoken to quite a few of the councillors and the mayor who were involved in that inquiry, and read through the findings of the report into the City of South Perth. I have many serious concerns about the process that was undertaken. My first concern is that the single person inquiry was not set up according to the provisions of the Local Government Act. It is my understanding, and this was confirmed by the Minister for Local Government, that the approval of the Western Australian Municipal Association as it was then called - it is now the Western Australian Local Government Association - was required before a tribunal could be changed to a single person inquiry. I could not get a straight answer from the minister on whether WALGA is required to make decisions as a whole, rather than its president, Mr Ian Mickel, making decisions so I assume that is correct. My understanding is that only Mr Mickel approved that single person inquiry. That goes against the constitution of WALGA, which states that all members of WALGA, not just the president, must give approval.

The other concern I have is that although I understand the need for inquiries to listen to hearsay to help them dig further into issues, before they publish and make findings they should try to ascertain whether the matters raised are true. I am concerned that a number of the findings in the inquiry are factually incorrect. I hope the minister will seriously consider this issue. After reading the report and the submissions from councillors, it is evident that

[COUNCIL - Wednesday, 19 June 2002] p11584d-11590a Hon Dee Margetts; Hon Jim Scott

in some instances the councillors who made inappropriate decisions sought advice from the officers who made the complaints. The officers failed to advise the councillors that their decisions were inappropriate. Councillors rely on the advice of their officers. Moreover, in a number of instances, guilt was apportioned to sins that were committed by councillors 99 per cent of the time. For example, the finding revealed that the mayor had signed cheques. However, many councillors sign cheques. Indeed, the previous mayor, who is one of the complainants, also signed cheques. I fail to understand how people can be guilty of doing something that is considered general practice by local governments. I seek leave to table the submission by Mayor Suzanne Pierce - she is the mayor until she is dismissed - because there is no opportunity for elected local government members to publicly respond to the findings of the inquiry into the City of South Perth. They were allowed to put forward a submission, but they were not allowed to comment on the findings, and this prevents natural justice from prevailing.

Leave granted. [See paper No 1506.]

Debate adjourned, on motion by Hon Bruce Donaldson.

[Quorum formed.]