

**ESTIMATES MANAGEMENT COMMITTEE**

*Report*

**MR RIPPER** (Belmont - Treasurer) [4.05 pm]: I present the report of the Estimates Management Committee.

[See paper No 1518.]

The SPEAKER: The question is -

That the report be adopted.

**MR JOHNSON** (Hillarys) [4.05 pm]: It is appropriate to put on record the comments I heard many times when I was on that side of the House from people such as the Treasurer when he was opposition Leader of the House, and from other members of his party who were opposition leaders of the House, on off-budget agencies that have never been available to the committees for scrutiny. I am referring to agencies such as Homeswest, the Water Corporation and the various port authorities - there are a great number of them.

Mr Ripper: I think there are 39.

Mr JOHNSON: Yes. I remember the protestations the Treasurer made in my position. I did not bother to look them up in the *Hansard* on the Internet because I did not think it was necessary.

Mr Ripper: You found them convincing.

Mr JOHNSON: No.

Mr Ripper: Not at the time, but they have matured in your mind and now you agree.

Mr JOHNSON: To some extent, yes. I had a personal view that that was not unreasonable.

Ms MacTiernan: You should not give the member for Hillarys that amount of assistance; he could never have thought of that argument himself.

Mr JOHNSON: My friend has come back into the Chamber!

Mrs Martin: She is not your friend.

Mr JOHNSON: I am so pleased because it means that, whenever I speak, I know that one member opposite is listening to me. That means a great deal to me.

Ms MacTiernan: You blame us for not listening to you. You said you don't want fisheries at Hillarys and we didn't listen. You consented.

Mr JOHNSON: I thought the minister was my friend and now she is saying nasty things to me. I do not know why she picks on me; she is being a bully! If that is in retaliation to a comment I made some months ago when I asked whether there was any truth in the rumour that she went to the same school as Harry Potter, that is unreasonable. I can say to her today that that rumour was also unreasonable. The minister always sidetracks me. When I hear her voice, I home in on it.

As I said, over many years I have heard why these off-budget agencies should be scrutinised by the estimates committees. Until recently there has not been bipartisan agreement on this matter. However, the Procedure and Privileges Committee has reported that it believes that those agencies should be scrutinised. I recall hearing the member for Peel indicate that he was keen to scrutinise the financial state of Homeswest. I am pleased to say that that matter has come before the House, although it has not been voted on. We wait with bated breath for the House to deal with the recommendation and for it to be accepted. I hope it happens soon. Unfortunately, it will not happen soon enough for those agencies to be scrutinised in the coming round of estimates committee hearings.

I continually ask myself why the other House can scrutinise those agencies at its estimates committee hearings but this House cannot. I am sure the Treasurer is aware of that. I know that the other House operates independently of this House. However, if it can happen there, why can it not happen here? Does the Treasurer realise that hundreds of millions of dollars will be spent on the southern railway, yet during the estimates committee hearings we cannot ask any pertinent questions on the financing of that railway?

Ms MacTiernan: You were going to spend hundreds of millions of dollars. You were going to do exactly the same thing.

Mr JOHNSON: No. Again, the Minister for Planning and Infrastructure was not listening. That is why I wonder which school she went to. The Procedure and Privileges Committee unanimously recommended that a bipartisan approach be taken by this House to the scrutiny of off-budget agencies.

Ms MacTiernan: We will do it after we have been in government for eight years.

Mr JOHNSON: That is not a pleasant response. It is remiss of the Government to ignore an important committee such as the Procedure and Privileges Committee. The Treasurer, the Leader of the House and the Minister for Police were members of that committee when it was the Joint Standing Orders and Procedure Committee. It was conducted in a bipartisan way and made recommendations on the best practice under which the House should operate. I say to the Treasurer, who is the acting Leader of the House today, that that should be occurring now.

I approached the Leader of the House a few weeks ago and said that I would appreciate an opportunity to scrutinise three or four of those agencies, such as the Water Corporation, Homeswest and the Western Australian Government Railways Commission, on the expenditure of hundreds of millions - maybe billions - of dollars of taxpayers' money. I emphasised to him that it is taxpayers' money; it is not the money of the Government over there or our money over here. It is a pretty poor show when those agencies cannot be scrutinised by this Parliament on behalf of the people of Western Australia. I asked the Minister for Planning and Infrastructure, who is in charge of the rail project, what she was afraid of and what she was hiding. We have seen the budget blow out enormously already.

Ms MacTiernan: Where has it blown out?

Mr JOHNSON: We want to be able to scrutinise exactly where it has blown out.

Ms MacTiernan: It has not blown out at all. It is a figment of your leader's imagination.

Mr JOHNSON: That is what we want to know. We know that the overall amount has blown out, but we do not know exactly in what sections it has blown out and therefore we want to find out.

Ms MacTiernan: It has been escalated.

Mr JOHNSON: We have a duty to the people of Western Australia to find out.

Ms MacTiernan: You wouldn't understand it.

Mr JOHNSON: We do not want to go back to the dark days of WA Inc. We have moved forward since then; for eight years anyway. I do not want this Government to go back to those dark, dim days of WA Inc. However, until the Government allows proper scrutiny - it has the numbers in this House to do that - of these agencies, through which we are spending hundreds of millions of dollars, it will condone and contrive the occurrence of WA Inc again.

Mr Logan: It occurred under your Government.

Mr JOHNSON: The member for Cockburn's very good friend the member for Peel, who sits next to him, desperately wants those agencies to come before the Parliament. He, like the Treasurer, has been in this place a long time and has always wanted them to come before Parliament. A committee has agreed unanimously on that, yet this Government suddenly does not want to take any notice of that committee or even of its own members on that committee. That is a bit of a shame. It is, in fact, more than a shame; it is a disgrace. We should clearly be able to scrutinise those off-budget agencies.

The Opposition wants to ask many questions of the Water Corporation and it cannot do that in this House. Members in the other House will be able to do that because members of the Water Corporation will attend the estimates committee hearings in that House. What is the difference between that House and this House? Members in this House will not have an opportunity to ask searching questions of those agencies.

I say to the Treasurer that when I spoke a few weeks ago to the Leader of the House and said that those agencies should appear before the House, he said there was no time to organise that but he may look at doing it next year. I told him all he needed to do was pick up a phone and give those agencies two weeks or two days notice - the Government is responsible for those agencies - to appear before the estimates committee hearings on a certain day. I assure the Government that those agencies will attend the hearings because the Government can direct them to do so; that is all the Government need do. The Government and the ministers are derelict in their duty by refusing to do that. I would understand if those agencies refused to attend because they had not been given enough notice to attend, such as one day's notice, but they could have been given two to three weeks notice. Why is the Government afraid of those agencies appearing before the estimates committee hearings before this House to be scrutinised properly?

Ms MacTiernan: What were you afraid of?

Mr JOHNSON: I have never been afraid, my friend.

Ms MacTiernan: What were you afraid of for eight years when you were in government?

Mr JOHNSON: The minister. I have always been afraid of her.

Ms MacTiernan: You are on the way to Damascus. Do you know what will happen?

Mr JOHNSON: The minister absolutely bullies me. She reminds me of the wife of a fisherman who is getting on in years. It is only at times that she reminds me of that lady.

Ms MacTiernan: I am not going to interject again.

Mr JOHNSON: The minister is rude to me, hurts my feelings and then does a runner.

Ms MacTiernan: Yes, because you are not responding. Today you have revealed that you have had two damascene conversions. The first was your change of heart about Hillarys Boat Harbour and the second your commitment to scrutiny of off-budget agencies. When will the third occur? I want to know when you'll get on board the plan for the direct, fast rail into the city.

Mr JOHNSON: The third miracle I will perform will be waving a wand over the minister's head. The minister should not do a runner.

Ms MacTiernan: Okay.

Mr JOHNSON: She has made two comments and I will respond to her. She asked me what made me change my views. I have not changed my views.

Ms MacTiernan: But you consented in Cabinet.

Mr JOHNSON: No, if the minister would listen, I will respond to her and give her the honest truth. She referred to my view on the fisheries building at Hillarys. I have never changed my view on that.

Ms MacTiernan: But you consented to it.

Mr JOHNSON: No, I told the minister that the Liberal coalition Cabinet did not vote with a show of hands from left, right and centre factions - I am sure the Labor Party will have another faction soon. We simply had a consensus view. I told the Cabinet about my concerns and said I would not be happy until those concerns were addressed.

Ms MacTiernan: Can you explain something?

Mr JOHNSON: No, I am answering the minister's interjection.

Ms MacTiernan: I want to follow on the point you just made, because it is a very interesting point.

Mr JOHNSON: No, because the minister will do a runner again.

Ms MacTiernan: No, it is an interesting point. The Leader of the Opposition used to tell us when you were in government that he absolutely opposed the sale of Westrail. Can you tell us what he actually said in Cabinet? How does that opposition manifest itself when you don't actually have a vote?

Mr JOHNSON: I am very happy to answer questions about my stand on things. If the minister wants to ask another previous minister about his stand on things, she should ask him.

Ms MacTiernan: I just want to know how consensus works.

Mr JOHNSON: I am telling the minister that is what happened.

Ms MacTiernan: What happened when he said he violently disagreed?

Mr JOHNSON: That rebuts your first comment about a change of heart.

Ms MacTiernan: No, it doesn't. It does not make sense.

Mr JOHNSON: Yes it does. I have told the minister that I have never changed my view on that matter. I want to give back \$15 million to the Minister for Planning and Infrastructure from my electorate so that she can use it somewhere else on something much better. I would do that, but I cannot resist my good friend - the minister is now doing a runner and I have not answered her second question. Now the minister has gone. I will get out my hanky.

The DEPUTY SPEAKER: The member should address the motion.

Mr JOHNSON: I get sidetracked by my friend. That is the trouble. She has that effect on me.

I have explained to the House the views of the Opposition, as well as the views of many members on the other side of the House. The Government has had plenty of opportunities to arrange for those four government agencies to attend the estimates committee hearings. The Leader of the House said that it might happen next year and indicated that there might have to be a ballot system. A lot of us will not want a ballot system. We know which areas we are interested in; there are only about four of them. Perhaps we will pick other agencies the following year. The main ones are Homeswest, the Water Corporation and the Western Australian Government Railways Commission. There is another one, but I cannot think of it. There was a maximum of four or five off-budget agencies that we asked to appear at the estimates committee hearings this year. That very

genuine request was blatantly refused by the Leader of the House, and he gave no good reason whatsoever for that decision. All members should be very concerned at the Leader of the House not agreeing to that, because members from both sides of the House want to scrutinise those areas on behalf of their electors - the taxpayers of Western Australia - who pay their wages when they sit in this place. However, those agencies cannot be scrutinised.

Next week we will take a very active role in Estimates Committees A and B. However, we are greatly concerned that we cannot investigate the hundreds of millions of dollars of taxpayers' money that is spent in certain areas. The Government is running scared. It does not want the public of Western Australia to know too much about what is going on in those off-budget agencies, and it should stand condemned for that. It has a wonderful opportunity to change things, as has been done over the years through the procedure and privilege committees. The recommendations of that committee always had bipartisan support. We have not heard a peep from the Leader of the House on the recommendation from that very important committee.

**MR RIPPER** (Belmont - Treasurer) [4.22 pm]: A long time ago in a galaxy far, far away, the member for Hillarys was a member of the Select Committee on Procedure. That committee made the following recommendation -

(2) That the scope of inquiry during the Estimates Committees be expanded to include items relating to capital expenditures; and

...

“(3) In addition to the published estimates, the Estimates Committees may consider the budgets of any of the agencies included in Government Finance Statistics, whether general government agencies or public trading enterprises, but no report on those agencies is required.”

The Procedure and Privileges Committee is not the first committee to recommend on a bipartisan basis that government trading enterprises be examined during the estimates process. The first committee to recommend that was the Select Committee on Procedure. Its report was presented to this House on Thursday, 27 June 1996. The Government of which the member was a supporter did not take up that recommendation.

Ms Hodson-Thomas interjected.

Mr RIPPER: I accuse the member for Hillarys of plagiarism. I accuse him of reading out all my speeches from 1997 to 2000.

Mr Johnson: I did not even look at them. I promise you that. I can remember quite vividly when you spoke about what I have spoken about today. If the previous Government did not do it and made a mistake, does that mean that you should not do it?

Mr RIPPER: It means that the member might be open to a charge of a lack of consistency. Then again, he probably would level the same charge at me.

Mr Whitely: We should be soft on him on plagiarism, otherwise how will he say anything intelligent? We should allow him to plagiarise as much as he likes.

Mr RIPPER: I am quite happy for him to quote me because, in doing so, he quotes a reliable source.

That recommendation was made to the House in 1996. The member for Hillarys and I were both on the committee that made the recommendation. I supported the recommendation in the House. However, the then Government did not implement the recommendation.

Ms Hodson-Thomas: So you are not going to do it now.

Mr RIPPER: Now that the Liberal Party is in opposition, it is asking us to be accountable for matters for which it was not.

Ms Hodson-Thomas: However, you keep talking about accountability.

The DEPUTY SPEAKER: Order, members!

Mr Johnson: Who was the other member of that committee from your side of the House at the time?

Mr RIPPER: At the time of this report, it was the member for Pilbara.

I well understand the arguments put by the member for Hillarys, because I have put those same arguments on many occasions. The Government has not been prepared to immediately bring in the agencies suggested by the Liberal Opposition; that is, the Water Corporation, Western Power, the Forest Products Commission and Homeswest. I note that it did not suggest the agency responsible for the Perth urban rail project. We are not prepared to bring those agencies before the estimates committees at this time.

Ms Hodson-Thomas: What about next year?

Mr RIPPER: The Government will consider the approach that should be taken, because previously we have argued the same principle put forward by the member for Hillarys. We will consider what arrangements could be made for a proportion of the 39 government trading enterprises to be brought before the estimates committees. I have a direct personal interest in this matter. As the Minister for Energy, one of those agencies falls within my portfolio, and, as I represent the Minister for Government Enterprises in this House, I would be the minister subject to the most questioning were this matter to be taken up.

Mr Johnson: You are not afraid of that. You are a man of steel!

Mr RIPPER: No. Based on my experiences at question time, I just want members opposite to ask me more questions! We do not want to bring all 39 agencies before the estimates committees. In my view, we need a process by which to make a determination about which agencies appear before the estimates committees. The Government will work on that.

Mr Johnson: Do you agree that perhaps it should be the prerogative of the Opposition to choose, say, four or five of those agencies? Let us be honest in this Chamber: it is the job of the Opposition to scrutinise government expenditure, through either ministers' direct portfolios or their off-budget agencies.

Mr RIPPER: We need a process that is fair to all members of Parliament. Opposition members have their rights but so, too, do government backbenchers. I will not make any commitments about what type of process it will be, but the Government will give consideration to it.

I add one final point. I am reluctant to give advice to the Opposition.

Ms Hodson-Thomas: You cannot help yourself.

Mr RIPPER: I cannot help myself. I point out to the Opposition that four standing committees of this Parliament have the ability to deal with issues related to the expenditure or the budgets of government trading enterprises. That process was a reform introduced by the last Parliament. If members opposite want to examine a government trading enterprise, and they cannot wait until next year, they should move a motion during a meeting of one of those portfolio-based standing committees.

Mr McRae: I am sure that members opposite have been informed by the members of the Economics and Industry Standing Committee that we have opened a bidding process for all members of the committee to identify the full range of areas that they would like to examine, discuss and review. I am very disappointed that in two weeks, not one matter has come from members opposite.

Mr RIPPER: I do not know whether everyone was able to hear that interjection.

Several members interjected.

The DEPUTY SPEAKER: Order, members!

Ms Hodson-Thomas: I am hoping that in next year's estimates you will give consideration to the Western Australian Government Railways Commission. I do not know why that has been overlooked.

Mr RIPPER: I hope that next year the member is successful in getting the Liberal Opposition to put that forward as an area that should be examined. I hope the member has more influence with the Leader of the Opposition than she does with the government side on this issue. With those few remarks, I commend the report to the House.

Question put and passed.