

GOVERNMENT BUILDING CONTRACTS

870. Hon MURRAY CRIDDLE to the Minister for Housing and Works:

My question follows that asked by Hon Peter Foss regarding the Department of Housing and Works. Given that the minister has said that he got what he wants, I ask -

- (1) What consultation took place to arrive at this decision?
- (2) Did the decision have cabinet approval?
- (3) What examples of flaws in the previous policy can the minister identify to justify this decision?
- (4) Does this decision apply to a principal company or other companies?

Hon TOM STEPHENS replied:

(1)-(4) In my view the consultation was not adequate. I have not had the opportunity to comprehensively discuss these issues with enough people. The consultation involved some very short-notice consultation with the Building Construction Advisory Council. I have inherited this body in my portfolio from the previous Government. I value this body's advice and in normal circumstances I would have liked to have more contact with it.

Hon George Cash: Was that because you read about it on the front page of this morning's paper?

Hon TOM STEPHENS: No.

Hon George Cash: When did you realise your letter was being distributed around Western Australia?

The PRESIDENT: Order! Hon George Cash seems eager. He is in line for a question, but not just yet.

Hon TOM STEPHENS: By way of response to the first interjection -

The PRESIDENT: The minister is to follow standing orders, ignore the interjections and answer the recognised question.

Hon TOM STEPHENS: I respond to Hon Murray Criddle, by way of a sideways comment to Hon George Cash, and say that I have always worked on the basis that whatever I write could appear on the front page of *The West Australian*. I was rather surprised that this happened to be on the front page, because I do not see it as a great issue.

Hon George Cash: Quite a few others do.

Hon TOM STEPHENS: They might. I asked myself whether it was reasonable for all the construction work of the Government to go to a single contractor.

Hon Murray Criddle: Was it previously?

Hon TOM STEPHENS: Well, the honourable member -

The PRESIDENT: Order! This is not a debate.

Hon TOM STEPHENS: Can I ask -

The PRESIDENT: The minister cannot ask questions back either.

Hon TOM STEPHENS: It was a simple arrangement whereby when a corporation reached a certain level of government contracts, some informal contact was made and those corporations were told to drop off. I am not interested in those sorts of informal arrangements. I want the government policy to appear precisely in writing and to be transparently declared. I am not interested in anyone from the department ringing a company and saying, "You have enough government work; that will be enough for now", which apparently was the arrangement under the previous Government, and maybe even Governments of my persuasion.

Hon Norman Moore: You have been making allegations about that all day.

Hon TOM STEPHENS: No, I have not.

The PRESIDENT: Order! Has the minister answered the honourable member's question?

Hon TOM STEPHENS: I was just saying to Hon Murray Criddle that I have put in place what I believe is a transparent response to the risk that 100 per cent of government work could fall into the hands of any single contractor. This is not targeted against any individual corporation.

Opposition members interjected.

Hon TOM STEPHENS: Members should listen to me. They are showing their ignorance by interjecting all the time. They might learn something.

The PRESIDENT: Order! If the minister has finished, they cannot interject. Has the minister finished?

Hon TOM STEPHENS: I will tell opposition members this: if a company like BGC (Australia) Pty Ltd, which seems to have particular reservations about this policy, were to complete one of the five or six contracts that it currently holds and was down to four, it would be entitled to bid; and if it was the lowest tenderer it should expect to win the next government contract for which it is eligible.

Several members interjected.

Hon TOM STEPHENS: There is no issue. The Opposition is beating up a storm when there is no problem. I understand that the federal Government operates on the same basis. Do members know that Australia Post recently let a contract for which it did not accept the lowest tender either? Do members know why? The reason was that the federal Government said that the company that submitted the lowest bid was too close to the union movement and was not to get the job.