

**“SPECIAL INQUIRY INTO GOVERNMENT PROGRAMS AND PROJECTS: FINAL REPORT”**

**77. Mrs R.M.J. CLARKE to the Premier:**

I refer to the “Special Inquiry into Government Programs and Projects: Final Report”, which found that poor management of royalties for regions by the Liberal–National government led to “a considerable waste in the use of public funds”. Can the Premier now outline to the house how the McGowan Labor government will ensure the governance of royalties for regions is improved and that the taxpayers of regional Western Australia no longer have their money wasted.

**Mr M. McGOWAN replied:**

I thank the member for Murray–Wellington. Let me be clear: the royalties for regions program will continue under this government. It will continue with a cap of \$1 billion. People in regional Western Australia are no doubt furious and angry with the management of the program by the Nationals in office, and the way there was so much mismanagement and lack of proper process in this program. As the special inquirer said —

**Mr D.T. Redman** interjected.

**The SPEAKER:** Member for Warren–Blackwood!

**Mr M. McGOWAN:** Members of the National Party can keep interrupting, but they need to learn the lessons of this report. Until they learn the lessons of this report, they will be unfit to be back in government. I bet they have not even read any of it. The National Party is out there fighting amongst itself. The Western Australian leaders are attacking the national leader, Barnaby Joyce, trying to take attention away from their failures of administration when they were in office. That is all that was yesterday! They attacked Barnaby Joyce and claimed the moral high ground to try to take attention away from this.

Several members interjected.

**The SPEAKER:** Members, I want to hear this.

**Mr M. McGOWAN:** We saw through the Nationals’ little plan. As the special inquirer said, there was a significant lack of rigour applied to project selection. I will quote again —

With regard to proposals made under the Royalties for Regions program, Cabinet applied a lower standard of financial scrutiny to ...

Those projects —

... than that applied to other budget proposals.

That is saying something! The Leader of the National Party has said that that was all wrong. She was out there yesterday saying that that was all wrong. I will quote her. She stated —

Every project required a business case ...

Again, that is untrue. The special inquirer found that only five out of 50 projects examined had adequate business cases, and that nine projects had no business cases at all. Yesterday, the Leader of the National Party misled the press and misled the people of Western Australia. The special inquirer said that the business cases—I will quote again—“were uniformly of an extremely poor standard”. Therefore, we had loss after loss and waste after waste in what should have been a good program full of good projects. The National Party managed to lose the state an enormous amount of money—hundreds of millions of dollars—through its mismanagement.

We are already ensuring that all royalties for regions decisions go through the Expenditure Review Committee, which will strengthen governance and accountability. We will ensure that royalties for regions has a defined strategy and a clear plan —

**Ms M.J. Davies** interjected.

**The SPEAKER:** Leader of the National Party, I call you to order for the first time.

**Mr M. McGOWAN:** — and a set of priorities. From today’s question time and yesterday’s performance, it is apparent that members of the National Party are incapable of changing and incapable of learning—they are! They do not accept that there needs to be any strictures, any propriety or any process around the spending of government money. All they try to do is turn country against city. In doing so, they have been outed for losing hundreds of millions of dollars of taxpayers’ money. It is taxpayers’ money! This inquiry points out in large writing what a failure the National Party was in government and the poor processes they put around the spending of taxpayers’ money.