

APPROPRIATION (CONSOLIDATED FUND) BILL (NO. 3) 2002

Second Reading

Resumed from 23 October.

MR C.J. BARNETT (Cottesloe - Leader of the Opposition) [12.35 pm]: This is one of two appropriation Bills; the second is the Appropriation (Consolidated Fund) Bill (No. 4). The Appropriation (Consolidated Fund) Bill (No. 3) deals with recurrent expenditure, and the Appropriation (Consolidated Fund) Bill (No. 4) deals with capital expenditure. They form part of the normal budgetary and financial transfer processes, particularly in terms of transferring funds for which expenditure was originally allocated under the Treasurer's Advance. This Bill formalises that process for a three-year period and makes formal appropriations. It essentially covers areas in which policy decisions have been made following the budget and for which extra allocations have been funded out of the Treasurer's Advance, or various budgetary items or departmental expenditures that have been greater than expected because of cost increases or some other event, and which were also funded out of the Treasurer's Advance. The Bill formalises and provides an appropriation for that purpose. It ratifies and formalises, through Parliament, public expenditure that has already taken place. At the same time, the Bill clears the temporary or transitory Treasurer's Advance vehicle.

It is a normal process. It is, however, part of the budgetary process. It is a general, consolidated fund piece of legislation. As such, it allows members of this House to engage, if they so wish, in a general debate on any issue. I do not intend to do that; I intend to make only a few brief comments on this Bill. I will also make a few brief comments on the capital allocation under the Appropriation (Consolidated Fund) Bill (No. 4).

This Bill provides members with the opportunity to debate issues freely. It relates to recurrent expenditure and essentially consists of three schedules. Schedule 1 outlines expenditure for 1999-2000, during which time the previous Government was in office. This Bill effectively formalises some \$129 million of expenditure that had been funded through the Treasurer's Advance. That expenditure is now being formally accommodated through appropriations in this Bill. Schedule 2 relates to the following financial year, 2000-01, in which some \$346 million of expenditure occurred. Schedule 3 relates to 2001-02, in which some \$223 million of expenditure occurred. I will raise one question with the Treasurer, who is not here, even though it is his Bill and his budget. It is a supply for government, so I thought he might have been here; here he comes! I am curious as to why three years of Treasurer's Advances are included in this Bill. Why was this not done before? I appreciate that there may have been some overhang, but not of this scale, particularly of \$129 million for 1999-2000 - that is now some time ago - and \$346 million for 2000-01.

I will draw members' attention to a couple of items that relate to expenditure beyond that nominated in the budget. The Treasurer or one of his advisers may be able to provide further details when the Treasurer responds. Firstly, page 27 of the explanatory memorandum indicates that the restructure of the Department of the Premier and Cabinet following the change of government cost \$148 000. I am curious to know how \$148 000 could be spent within the Premier's own department simply on a restructure. That is a significant amount of money. I also note that the disastrous changes to industrial laws brought in by this Government effectively forced the retirement of the Commissioner of Workplace Agreements, which has cost the State some \$596 000. That expenditure could have been avoided, or managed a lot better. Page 41 outlines expenditure by the Office of State Revenue, including -

an audit of the land tax database to review primary production exemption entitlements on land areas less than 10 hectares, . . .

Some \$333 000 was spent in 2000-01 on that activity. I recognise that that is not a change in the law as such, but it is clearly a change in the policy of enforcement being followed by the Office of State Revenue. Agricultural land should be exempt, and that exemption should be complete. This Government clearly is targeting value-adding activity on small agricultural landholdings in agriculture. In the foothills, kennel operators - I consider that to be an agricultural activity - have been targeted, as has the wine industry. I expect that other industries and small landholdings will be targeted in a similar way. When an income test is applied, the result is quite spurious. I recognise that this is not a change in the law, but there is no doubt that this Government is trying to impose a form of wealth tax through its interpretation of the law on land tax rates on relatively small holdings of agriculturally zoned land.

Mr E.S. Ripper: I think you will find that this is a Richard Court program of which you were not aware.

Mr C.J. BARNETT: It is interesting that the issue did not arise until the Government came into power, and people such as kennel owners and wine producers suddenly received correspondence and telephone calls from the Office of State Revenue. It is clearly a form of property tax being promoted by this Government, and it will be one of the distinguishing policy features.

It is interesting that page 54 of the explanatory memorandum shows extra expenditure on the Police Service as a result of a three per cent increase under the enterprise bargaining agreement amounted to \$4 million. The Treasurer notes that this was partly offset by savings of \$860 000 from delaying the DNA legislation. We always wondered why it took this Government so long to bring in that legislation, given that it had been produced by the previous Government. It had been drafted, and was there for a period of public comment. It took more than 18 months for this Government to bring forward that legislation. This legislation is important for the apprehension of criminals in this State, yet this Government claims that it made savings because it delayed the legislation. It is small wonder that we have such a crime problem.

Mr E.S. Ripper: There were savings that resulted from its being delayed, but it was not delayed for the savings.

Mr C.J. BARNETT: I think it was. The relevant section reads -

savings arising from delays in the DNA legislation (\$860,000);

Mr E.S. Ripper: You are saying that the purpose of the delay was the savings. I am saying that there was a delay, and there were consequent savings.

Mr C.J. BARNETT: Clearly the Government saw that there was an advantage in delaying the DNA legislation. It was delayed firstly for a political reason.

Mr R.C. Kucera: That is more twisted than a stick of liquorice. You know darned well why it was delayed. You are misinterpreting the information.

Mr C.J. BARNETT: What is the minister talking about? He is not necessarily a fit person to be a member of this Chamber, so I will continue my speech.

A piece of legislation was introduced in November 2000. It may have required some minor changes, yet it takes 18 months for this Government to bring on its DNA legislation, so that this Government could claim that it introduced DNA legislation, and was being tough on crime. The Government chose, for a political reason, to delay the introduction of that legislation to try to make it Labor Party legislation, rather than something introduced by the previous Government. Now the Treasurer boasts in his own explanatory memorandum that that helped the Government to save \$860 000. What an appalling approach to public finance and to law enforcement!

A similar situation exists in the health area. That section states -

an increase in demand levels, aged care pressures, higher input costs and wage rises for nurses and allied staff (\$70,000,000);

That is a fair bit of money, but at the same time we find that voluntary severances cost over \$10 million. The Minister for Health claims that he is increasing the employment of nurses and the like, yet his department spends \$10 million on getting people out of the health system. This has not been well thought through at all. If there is a shortage of health professionals and support staff in our health system, why would the Government spend \$10 million on taking people out of the health system? That is what this Government has done.

Mr E.S. Ripper: Do you think there is a shortage of clerical and administrative officers in the health system? Those are the areas that have been cut.

Mr C.J. BARNETT: Why is the Treasurer getting so excited?

Mr E.S. Ripper: Because your argument is so appalling.

Mr R.C. Kucera: You are distorting things. Now tell the truth.

Mr C.J. BARNETT: I would not talk about the truth if I were the minister. He is one of the few people who could talk about the truth in this Chamber. I would not be talking about the truth.

Since the Treasurer is right on top of this, during consideration in detail I will require a detailed explanation for that \$10 million - which categories of workers and which hospitals. If the Treasurer is right across it, we will see how good he is during consideration in detail on each of those items. We will see if he can provide me with the full information, because all I have in front of me is voluntary severances costing our health system \$10 305 000. This Parliament, and the people using the public health system, have a right to know why a Labor Government would spend \$10 million on taking people out of the health services. The Treasurer has about two hours to provide a full explanation to this Parliament of why \$10 million was spent for that purpose.

Mr E.S. Ripper: Are you trying to say that we should have more clerks?

Mr C.J. BARNETT: I want to know how the Treasurer and his bumbling health minister can spend \$10 million taking people out of the health system, which is clearly struggling. The Treasurer should give me the answer in the consideration in detail stage, as he is such a hot shot on this stuff. He should see if he can answer it from the

point of view of financial credibility, instead of engaging in the petty politics and grubby tactics the Labor Party is famous for in this State. The Treasurer distinguished himself personally with the media last week; let us see how he goes this time.

Ms A.J. MacTiernan: You come into this Chamber and make disgraceful allegations about minister after minister.

Mr C.J. BARNETT: For example?

Ms A.J. MacTiernan: I will tell you if you shut that ugly mouth long enough.

Withdrawal of Remark

Mr R.F. JOHNSON: I would dearly love to hear the Minister for Planning and Infrastructure back up what she is saying, but what she just said about the Leader of the Opposition is unparliamentary, and I suggest she withdraw.

The ACTING SPEAKER (Mr J.P.D. Edwards): Minister, I believe that language was unparliamentary. It is not necessary, and I ask you to withdraw.

Ms A.J. MacTIERNAN: I withdraw.

Debate Resumed

Mr C.J. BARNETT: There is something to be said about parliamentary standards in this Chamber. I did not rise to speak about parliamentary standards, but I am happy to engage in debate about parliamentary standards. I challenge the Minister for Planning and Infrastructure to substantiate her claim.

Points of Order

Mr E.S. RIPPER: I think the Acting Speaker brought the matter to a conclusion with his ruling. If the Leader of the Opposition wishes to debate parliamentary standards, that would need to be done on another motion.

Mr R.F. JOHNSON: The Treasurer has misunderstood what we are talking about here. The Leader of the Opposition was asking the Minister for Planning and Infrastructure to elaborate on the comments she made about the Leader of the Opposition coming into this Chamber and making derogatory remarks about ministers.

Mr J.N. Hyde: Which motion are we discussing?

Mr R.F. JOHNSON: The member for Perth should be quiet and go back to sleep.

The call for the withdrawal of remark was a result of an interjection by the Minister for Planning and Infrastructure. I will not repeat it because it was unparliamentary.

Mr J.N. Hyde: The Acting Speaker has already ruled on it!

The ACTING SPEAKER: The member for Perth!

Mr R.F. JOHNSON: The minister was not being asked to elucidate on the unparliamentary comment; she was being asked to elucidate on the allegations she made about the Leader of the Opposition.

The ACTING SPEAKER (Mr J.P.D. Edwards): I do not believe there is a point of order on the point raised by the member for Hillarys. I ruled on the minister's point of order and she withdrew the remark. The House is debating the Appropriation (Consolidated Fund) Bill (No. 3) 2002 and I ask that members keep to the relevance of the Bill.

Debate Resumed

Mr C.J. BARNETT: I return to my comments about the \$148 000 restructure of the Department of the Premier and Cabinet. It is a very large amount of money to be spending in that department. I will seek details of the increase in staffing in that department. I expect the Treasurer to provide details of the number of media officers employed and their functions.

Debate interrupted, pursuant to standing orders.

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