



PARLIAMENT OF WESTERN AUSTRALIA

LEGISLATIVE COUNCIL

REPORT

OF

STANDING COMMITTEE

ON

**ESTIMATES AND FINANCIAL
OPERATIONS**

IN RELATION TO THE

1990-91 BUDGET ESTIMATES

Presented by the Hon E J Charlton (CHAIRMAN)

NOVEMBER 1990

COMMITTEE MEMBERS

Chairman:	Honourable E J Charlton MLC
Deputy Chairman:	Honourable Sam Piantadosi MLC
Members:	Honourable Reg Davies MLC
	Honourable Max Evans MLC
	Honourable John Halden MLC
	Honourable Tom Helm MLC
	Honourable Barry House MLC
	Honourable Margaret McAleer MLC
	Honourable Norman Moore MLC
	Honourable Mark Nevill MLC
	Honourable Bob Thomas MLC

CLERK TO COMMITTEE

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PART 1: INTRODUCTION

1.1 ESTABLISHMENT, FUNCTIONS AND MEMBERSHIP OF COMMITTEE

To enhance its process of review and scrutiny the Legislative Council resolved on December 21 1989 to establish this committee amongst three new Standing Committees. The committee consists of five members and its functions are to consider and report on -

- (a) the estimates of expenditure laid before the Council each year; and
- (b) any matter relating to the financial administration of the State.

Under the resolution of the House the committee must report on the estimates referred by or within 1 sitting day on which the second reading of the *Appropriation (Consolidated Revenue Fund) Bill* is moved. For the purposes of considering the estimates the House may appoint not more than six additional members at any stage of its examination. The reference to “estimates of expenditure” includes continuing appropriations, however expressed, that do not require annual appropriations.

The committee may also initiate investigations without prejudice to the right of the Council to refer any such matter.

The five original members of the Committee are the Honourables E J Charlton, Reg Davies, Max Evans, Sam Piantadosi and Bob Thomas. On September 27 1990 an additional six members were appointed for the purpose of considering the Estimates of Revenue and Expenditure for 1990-91. The members appointed were the Honourables John Halden, Tom Stephens, Barry House, Margaret McAleer, Norman Moore, and Mark Nevill. The Honourable Tom Stephens resigned from the Committee on October 18 1990 and the Honourable Tom Helm was appointed on the same date.

1.2 SUBCOMMITTEES

Under Legislative Council Standing Order 38A the Committee divided itself into three subcommittees for the purposes of considering the various estimates. Each subcommittee was assigned one of the three Legislative Council Ministers having responsibility for the range of Government operations.

It was agreed that the members be assigned to the Subcommittees as follows:

Subcommittee A (Hon M J Berinson, Leader of the House)

Hon Max Evans (Chairman)
 Hon Norman Moore
 Hon Mark Nevill
 Hon Bob Thomas

Subcommittee B (Hon K Hallahan, Minister for Planning)

Hon E J Charlton (Chairman)
 Hon John Halden
 Hon Margaret McAleer

Subcommittee C (Hon G Edwards, Minister for Police)

Hon Sam Piantadosi (Chairman)
 Hon Reg Davies
 Hon Barry House
 Hon Tom Helm

The Committee of eleven members adopted in principal a program of hearings prepared by the Leader of the House and determined to meet over three days with specified time for each area of review. Copies of the Timetables of the subcommittees which were adopted are attached to this Report as an Appendix.

This program provided for each of the subcommittees to meet with Chief Executive Officers and other representatives of each of the departments and authorities for which the particular Minister was responsible. Each of the Ministers remained present during the whole of the subcommittee hearings.

PART 2: CONSIDERATION OF ESTIMATES AND RECOMMENDATIONS

2.1 LEGISLATIVE COUNCIL

The Committee heard evidence from both the President, the Honourable Clive Griffiths and the Clerk, Mr Laurie Marquet concerning the extreme difficulties which have been experienced by the Legislative Council Department and its Officers in attempting to maintain an expected level of facilities to the House, its Members and its Committees. The Committee compliments the department on its excellent presentation of detailed and specific evidence which clearly shows an extremely serious and deteriorating financial position. This detailed documentation should also ensure the Legislative Council funding for 1991-2 can be presented early and completely.

This deteriorating financial position is of such extreme proportions that if the shortfall is not immediately addressed and rectified the Legislative Council may exhaust its funds by March 1991 and could be forced to cease operations. The President and Officers of the House have sought to have their allocation increased by \$227,200.00 and at the time of hearing evidence on November 22 1990 were still in negotiation with the Government. The amount falls far short of the original request required to adequately service the Council and its Committees.

The requirement for further funding has been brought about by numerous factors but much of it relates to the need to adequately staff, house and resource the additional three Standing Committees which the House resolved to appoint on December 21 1989. Nearly twelve months later the Legislative Council is still unable to finalize their staffing and servicing due to inadequate resourcing.

The Committee notes that additional safeguards have been put in place by the Department to better monitor and control expenditure and recognizes the need to expend its allocation in an efficient and stringent manner.

The Committee views with serious concern the shortfall of \$227,200.00 and considers that it must be immediately addressed.

The Committee therefore **recommends** -

- (a) *That the House note the serious shortfall in the Legislative Council budget and*

the indications that it will fully expend its allocation by March 1991 if the shortfall is not addressed; and

- (b) *the House recommends that the Government make a supplementary grant of \$227,200.00 for the 1990-91 Legislative Council budget.*

2.2 APPROPRIATION (CONSOLIDATED REVENUE FUND) BILL

The Committee has considered the Estimates of Revenue of Expenditure for 1990-91 as Tabled on September 27 1990 and referred to the Committee and is satisfied that the proposed appropriations will meet expenditure under the various items subject to an increase in the allocation given to the Legislative Council.

The Committee therefore **recommends** -

That the Appropriation (Consolidated Revenue Fund) Bill 1990 be allowed to proceed subject to a positive response to recommendation 2.1(b).

2.3 GENERAL RECOMMENDATIONS CONCERNING ESTIMATES

Having made this general recommendation the Committee **recommends** -

That the House recommend action, note or comment on the various matters raised in relation to the following specific departments or authorities estimates.

2.3.1 Aboriginal Affairs Planning Authority

That the House notes that a Final Report of an Inquiry into services in remote rural Western Australis is to be released in December and that it is intended that this report be considered by the Standing Committee on Estimates and Financial Operations when released; and

That the House recommends that the Government ensure that Federal Government funding allocations for specific purposes, as well as general allocations, be made in consultation with the State and be implemented by the AAPA.

2.3.2 Country High Schools Hostels Authority

The House notes that there is a shortfall on allocation of funds to the Authority over and above the fees paid by students.

2.3.4 Department of Local Government

That the House notes the charges that have been placed upon the Local Authorities for the lodgement of notices in the Government Gazette and will monitor the level of these charges next year.

2.3.5 Department of Technical and Further Education

That the House express concern for the future role for TAFE in pre vocational and industry orientated training.

2.3.6 Environmental Protection Authority

That the House recommends that the Government carefully monitor the FTE numbers available to the EPA to ensure that they can properly undertake their responsibilities.

2.3.7 Health Department and Ministry for Education

That the House recommends that the Government make appropriate public consultation a priority before administrative decisions are made concerning health and education;

that the House note that the Committee proposes take action to consider and debate changes to policy and funding in the areas of health and education;

that the House requests that in future consideration of Annual Estimates the Committee be provided with a complete break down of the estimates for all hospitals; and

that the House recommends that the Government permit greater flexibility in TEE scores for admission to the Faculty of Medicine at UWA with particular emphasis to attracting persons prepared to serve in country areas.

2.3.8 Keep Australia Beautiful Council

That the House notes the cessation of funding to this Council and advises the Government that it will take interest in its future operation and funding.

2.3.9 Office of the Family

That the House recommends that the Government give appropriate consideration to the funding of the Rural Youth Association in view of its important contribution to rural youth.

2.4 SPECIAL RECOMMENDATIONS

2.4.1 Scrutiny of Authorities

That the House note that the Committee believes that further consideration should be given to the scrutiny of SECWA, WA Water Authority, Transperth, Main Roads Department, Homeswest and other similar authorities.

2.4.2 FTE's

That the House requests that in future consideration of Annual Estimates the Estimates Committees be provided with a break up of FTE's to show total FTE's, permanent staff numbers and numbers of contractual employees employed.

2.4.3 Audit Reports

That the House requests that in future consideration of Annual Estimates copies of audited or drafts of those Reports be made available to the Estimates Committees.

PART 3: CONSIDERATION OF PROCESS AND PROCEDURE ADOPTED

This being the first year in which this Committee has operated it is understandable that it has been a rapid learning process for all those involved. Generally the process operated well however

a number of problems have been noted by members of the Committee and the Committee proposes to review the process in detail at a later stage. In doing so the Committee will take into account all the matters raised and will give opportunity for all Members to contribute their views.

Three issues that the Committee have considered are the way in which questions were answered during the subcommittee hearings, the times and timetable of hearings and the need to consider the General Loan and Capital Works budget at the same time as considering these Estimates.

3.1 ANSWERING OF QUESTIONS BY DEPARTMENTAL OFFICERS

There was a tendency in some of the subcommittees for Ministers to answer all questions and not to permit the departmental officers to do so. This had the direct effect of making the process far more time consuming than it could have been. Whilst the Committee acknowledges that questions which relate to matters of Government Policy are the province of Ministers many of the questions asked during the course of the hearings did not so relate.

The Committee has resolved -

- (a) that it affirms its belief that parliamentary committees have the right to ask questions of any witnesses, including public servants, appearing before the Committee, and
- (b) acknowledges that Public Service witnesses may refuse to answer questions on the grounds that the question relates to Government policy, and in which case the answer is to be provided by the Minister.

3.2 TIMETABLE

The problems which occurred with the times of the hearings and the timetable itself were that in some cases too little time was given to departments or authorities for which subcommittees had a desire to spend more time with. This had the effect of either delaying later departments or of leaving matters unresolved.

The Committee has resolved -

That in future consideration of the Annual Estimates it determines the timetable for hearings.

3.3 GENERAL LOAN AND CAPITAL WORKS

The Committee believes in future consideration of the Estimates that time should be allowed for the consideration of the General Loan and Capital Works Budget.

TIME	COMMITTEE A	COMMITTEE B	COMMITTEE C
10.00am			
12.00pm			
12.30pm			
1.00pm			
1.30pm			
2.00pm			
2.30pm	PREMIER & CABINET, EXCO, GOVERNOR, LONDON AGENCY	OFFICE OF THE FAMILY	GOLDFIELDS-ESPERANCE DEVELOPMENT AUTHORITY
3.00pm		ABORIGINAL AFFAIRS PLANNING AUTHORITY	GERALDTON MID-WEST DEVELOPMENT AUTHORITY
3.30pm			TRANSPORT
4.00pm	AUDITOR GENERAL, SALARIES AND ALLOWANCES TRIB.	STATE PLANNING COMMISSION	
4.30pm	TREASURY, WA TREASURY CORPORATION		MARINE AND HARBOURS
5.00pm			
5.30pm	PUBLIC SERVICE COMMISSION	PLANNING AND URBAN DEVELOPMENT	METROPOLITAN PASSENGER TRANSPORT TRUST
6.00pm	DINNER	DINNER	DINNER
6.30pm	DINNER	DINNER	DINNER
7.00pm	DINNER	DINNER	DINNER
7.30pm	ECONOMIC DEVELOPMENT	MULTICULTURAL AND ETHNIC AFFAIRS COMMISSION	WESTERN AUSTRALIAN COASTAL SHIPPING COMMISSION
8.00pm		LAND ADMINISTRATION	
8.30pm	OFFICE OF GOVERNMENT ACCOMMODATION	REC. CAMPS & RESERVES BOARD	WA GOVERNMENT RAILWAYS
9.00pm	STATE TAXATION	ZOOLOGICAL GARDENS BOARD	
9.30pm		WA HERITAGE COMMITTEE	OFFICE OF RACING AND GAMING
10.00pm			
10.30pm			

PARLIAMENT OF WESTERN AUSTRALIA
 Estimates and Financial Operations Subcommittees
 Wednesday, 24 October 1990

TIME	COMMITTEE A	COMMITTEE B	COMMITTEE C
10.00am	Miscellaneous Services	Arts	Rural Adjustment and Finance Corporation
10.30am		Art Gallery of Western Australia	
11.00am		Library Board of Western Australia	Agriculture Department
11.30am		Perth Theatre Trust	
12.00pm	Trade Development	Western Australian Film Council	Agriculture Protection Board
12.30pm		Western Australian Museum	Western Australian Meat Commission
1.00pm	Lunch	Lunch	Lunch
1.30pm	Lunch	Lunch	Lunch
2.00pm	Valuer General's Office	Environmental Protection Authority	Fisheries Department
2.30pm	Crown Law Department		
3.00pm		Conservation and Land Management	Western Australian Tourism Commission
3.30pm			Gaming Commission
4.00pm	Corporate Affairs Department	Swan River Trust	Sport and Recreation, WA Sports Centre Trust
4.30pm		Waterways Commission	
5.00pm	Law Reform Commission	King's Park Board	Bureau for the Aged
5.30pm	Legal Aid Commission	Department of Local Government	Bush Fires Board
6.00pm	Dinner	Dinner	Dinner
6.30pm	Dinner	Dinner	Dinner
7.00pm	Dinner	Dinner	Dinner
7.30pm	Resources Development	Keep Australia Beautiful Council	Police
8.00pm		Building Management Authority	
8.30pm	Mines Energy Police Bureau, Minerals Research Inst		
9.00pm		State Service	Consumer Affairs Department
9.30pm			

PARLIAMENT OF WESTERN AUSTRALIA
 Estimates and Financial Operations Subcommittees
 Thursday, 25 October 1990

TIME	COMMITTEE A	COMMITTEE B	COMMITTEE C
10.00am		Health Department, AIHP, WAADA	South West Development Authority
10.30am			
11.00am			Regional Development and the North West
11.30am		Education	
12.00pm	Corrective Services		Great Southern Development Authority
12.30pm		WA Academy of Performing Arts	Water Authority of Western Australia
1.00pm	Lunch	Lunch	Lunch
1.30pm	Lunch	Lunch	Lunch
2.00pm	Equal Opportunity Commission	Hedland College	Water Authority of Western Australia
2.30pm	Small Business Development Corporation	Kalgoorlie College	Productivity and Labour Relations
3.00pm	Public Trust Office	Karratha College	
3.30pm	Registrar General's Office	Office of Higher Education	Employment and Training
4.00pm	Electoral Commission	Secondary Education Authority	
4.30pm	Government Employees' Housing Authority	Technical and Further Education	Occupational Health Safety and Welfare
5.00pm			
5.30pm	Rural Housing Authority	Country High Schools Hostels Authority	Registrar, Industrial Relations Commission
6.00pm			
6.30pm			
7.00pm			
7.30pm			
8.00pm			
8.30pm			
9.00pm			
9.30pm			