

**McGOWAN GOVERNMENT — LANGOULANT REPORT**

*Motion*

**HON MARTIN PRITCHARD (North Metropolitan)** [11.30 am] — without notice: I move —

That this house congratulates the McGowan government for responding positively to the Langoulant report by implementing major changes relating to governance arrangements, decision-making and accountability processes to ensure that —

- (a) we learn from the mistakes of the past; and
- (b) strong attention to financial management is the fundamental principle for all future governments.

As this state moves towards \$30 billion-odd worth of debt, heading towards \$40 billion, there is obviously a massive problem, I congratulate the Premier for setting up a special inquiry into the issues that contributed towards this massive debt. I thought the Premier's selection of inquirer was particularly good. Last week, I said that I had had an opportunity to meet with Mr John Langoulant. He and his CV particularly impressed me, he being a former Under Treasurer and CEO of the Chamber of Commerce and Industry of Western Australia. That probably made him a strange choice by a Labor Premier, but I thought it a particularly good choice. His unique skill set made him the ideal person to lead this inquiry.

Last week, a motion was moved on royalties for regions and the Langoulant report. During that debate I was reasonably animated on the issues around that. During the debate it was said that it is important for this government to focus on what it can do to try to remedy those problems, rather than focus on what the Barnett government did. Not only can we walk and chew gum at the same time, I am pleased to say, but it is particularly important that we do. The quote is: "Those who cannot remember the past are condemned to repeat it." This state certainly cannot afford to do that. We need to learn from mistakes, and for that reason we need to understand the mistakes made by the Barnett government and act upon them. I will talk about some of the steps being taken in light of the Langoulant report.

I will particularly focus on something I have never been involved with—the cabinet process. I think many of the Barnett government's problems resulted from dysfunction within the cabinet. I will focus my contribution in that area. But before I do, I will talk about part of the report that explains a little why, during some members' statements last night, members on this side rolled their eyes a bit. I stress that the two members who raised during members' statements concerns about question time are new members of this place and certainly were not part of the Barnett government. I have been a member of this place for three years. During the two years the Labor Party was in opposition, the Barnett government used the term "commercial-in-confidence" quite a lot. I now want to quote from the report of the Langoulant inquiry. The "Special Inquiry into Government Programs and Projects: Final Report Volume 1" states at page 84 —

Commercial-in-confidence is often used as a reason for not sharing information about government contracts or projects.

This reference is relevant to many cases in recent times. In the event that a Minister decides not to provide information to Parliament, he/she is required to inform the Auditor General accordingly. This then triggers the Auditor General's obligation to provide an opinion to Parliament.

The next paragraph is particularly relevant —

Up to the end of the 2016/17 financial year, there were 148 such notices received from Ministers. The Auditor General issued a negative opinion for 62. In other words, the Auditor General believed that over 40 per cent of the ministerial decisions not to release information to Parliament were inappropriately made. For the Western Australian Government's report card on transparency, this must surely constitute an unacceptably low mark.

I encourage members opposite to continue asking questions. I certainly hope that on this side of the chamber the words "commercial-in-confidence" are not used any more than is absolutely necessary. As I have said, during my first two years in this place, the Barnett government certainly used those words a lot. Yesterday, a question without notice was asked that must have taken up more than one page with the lead-in and then the question. That does not help the situation.

I now turn my mind to cabinet. I will quote small snippets from the Langoulant report, but there are obviously a lot more things in the report that I could quote. The final report volume 1 states at page 65, under the heading, "Cabinet—key findings" —

4. The breakdown in control over the budget process saw a rapid pace of recurrent expenditure growth develop from early in the first term.

I keep banging on about the recurrent budget. That is where I believe the problem lies. My time is limited, but, if I have time, I will get onto spending on projects. That is one thing. The Barnett government built into the recurrent budget obligations that will extend well into the future. That is why state debt is continuing to grow. I see that as the major problem.

The report continues —

5. Cabinet did not enforce—and quickly lost control of—the quality of financial information contained in Cabinet Submissions, especially those dealing with Royalties for Regions projects.
6. Cabinet required to consider and approve all new spending proposals but did not enforce the rule that spending proposals be supported by business cases. Further, many business cases were flawed, some without any defined investment activities and most with inadequate risk assessments. Cabinet's authority was diminished these actions.
- ...
9. The disregard of Treasury's warnings of future risks to the budget based on the budget's forward estimates contributed materially to the State's current financial position.

I think I will run out of time, so I will get to the theme of my concern and to what this government is doing to try to resolve these issues. I want to give members my view of what happened in the two years of the Barnett government when I was on the opposition benches. I do not know what happened in cabinet, but my belief is that Colin Barnett was so dominant in cabinet that he reduced the Treasurer and Treasury positions to little more than nodding to them. I think that led to the Treasurer's position not being taken as seriously as it needed to be.

During that time, we had Troy Buswell, Colin Barnett for 231 days and then Christian Porter. Another concern with Christian Porter being in the Treasurer's position is that that was the time when I believe Colin Barnett and Christian Porter developed this action plan to spend without regard for the future to put pressure on the federal government to change the way in which the GST is formulated, because blind Freddy could see that the GST was going to reduce. That was reported in the newspaper and that is the belief that I have. Colin Barnett returned for 25 days and then Troy Buswell returned for one year and 246 days, and then we had Colin Barnett for seven days and then we finally had Mike Nahan for three years. I believe the Treasurer's position was diminished. With such a formidable Premier, and with the positions of the Treasury and the Treasurer being so diminished, I think that led to the breakdown of the processes that should normally occur within cabinet.

As I indicated, I do not particularly have concerns with the decisions about spending on projects because, at the end of the day, there is some infrastructure in place. Obviously, I did not agree with all the decisions about infrastructure. For instance, I was supportive of a cheaper version of the stadium, but having spent the money, we now have a very good stadium and I certainly am looking forward to going there one day and enjoying it. I do not want to be overly critical of the decisions that cabinet made, even though in many cases there were not good business cases and Treasury had been diminished. I do not want to be overly critical of the spending in that way. What I am critical of is building up the recurrent budget—the one that we had to pick up. That is the biggest pity and what is leading the state towards possibly having \$40 billion worth of debt.

I am very pleased to say that Hon Ben Wyatt is held in very high regard and is a very strong voice of reason on spending. Even though the Langouant report has only recently been handed down, the Premier and the cabinet have already turned their minds towards making sure that the cabinet processes return to what they should be. I want to read into *Hansard* the three key recommendations on page 67 that have already been implemented. Recommendations 5, 6 and 7 on that page have been accepted by this government. Recommendation 5 refers to the requirement for agencies to adhere to the 10-day rule for cabinet submissions to ensure adequate consideration of proposals by cabinet and relevant departments. For those who are not in cabinet, there are 10 days during which the different agencies are meant to speak with each other and Treasury is meant to look at the projects. That is all to be done before the submission comes before cabinet, and that is commonly referred to as the 10-day rule. Recommendation 6 states —

Departments must consult with Treasury early in the process of preparing Cabinet Submissions with financial implications for the State.

Of course, that is what always should happen. Treasury should be key to spending in the state, and I am very pleased. I believe Ben Wyatt will make an extremely good Treasurer. Recommendation 7 states —

All submissions with a financial impact for the State must be submitted through the Expenditure Review Committee.

Which is a subcommittee of cabinet that focuses on this area. The recommendation continues —

No submission with a financial impact should be allowed to go to Cabinet without an Expenditure Review Committee decision.

These are just some of the recommendations, and many more will be implemented by this government to make sure we get back to a situation in which not only the decisions but also the processes leading to decisions are right. I do not believe all the decisions of the previous cabinet were bad decisions, but I believe there was a massive breakdown in the processes that could have ensured that all the decisions were good. That is the concern I have and I congratulate the Premier on taking up the recommendations of the Langouant report and bringing the state back into surplus.

**HON PETER COLLIER (North Metropolitan — Leader of the Opposition)** [11.45 am]: I like Hon Martin Pritchard; he is one of the good guys on the opposite side and I have a great deal of respect for him, but I cannot agree with this motion, I am sorry. There are elements of it, of course, that I agree with, and I have no problem with some of the recommendations of the Langouant report. If we can improve the processes of government, particularly with regard to procurement and transparency, anyone is going to support that, especially someone who has been in government for as long as I have. But there are elements of the motion that I do not agree with, including the first part—that this house congratulates the McGowan government for responding positively to the Langouant report—because, quite frankly, there has been very little evidence of the government's so-called transparency and improvements in procurement and organisation, et cetera. In fact, a litany of issues shows that this government is really off on the wrong foot. I am going to go through a number of them. Unfortunately yet again, because we have only 10 minutes in these debates, I will leave most of my comments to my contribution to the budget debate, in which I will have unlimited time, so people can bring their knapsacks, because I can tell members I am going to be on for hours on that. I have no problems whatsoever talking about the Langouant report. I am not critical of the Langouant report; it provides some very good suggestions, but I will be making far more comprehensive comments on it.

We need to look at whether the government is receptive to one of the key recommendations, for the establishment of a parliamentary budget office. Apparently the government does not want that. It certainly does not want the opposition coming in and scrutinising funding. I have asked questions in this place and have been through this at length, as have a number of my colleagues on this side of the chamber and on the crossbench with the National Party and Greens, and we have been handballed from pillar to post, particularly, for example, on business cases for projects. There are no business cases for projects and no procurement processes in a number of cases. We have a list of all the projects and it does not read positively for the government. The government can throw stones, but ultimately when it throws mud, it digs a hole for itself, and it is doing exactly that now.

I will raise a couple of things. Ultimately, scrutiny and transparency always comes back to the Parliament. We are the upholders of transparency and scrutiny. There is no evidence whatsoever of corruption on the part of the previous government—I want to make that perfectly clear. We have to make sure that that is retained. There have been a few little minor hiccups for the government, including one that I went over forensically. It took me dozens and dozens of questions to get to the end of it, and that was the ministerial car issue. I had to ask no less than about 20 questions on that. We had ministers who were double dipping; they were getting a car allowance plus a ministerial car. One would think that that would take one or two questions, but as I said, I asked dozens of questions. I have been over this forensically in a previous debate. Finally, it worked out that eight ministers had double dipped, including the Leader of the House, Hon Sue Ellery. They got an extra \$5 300. Did they pay it back? No, they did not. As I said, we have to be very mindful that what goes around comes around.

I wish to touch on the Labor Party's parliamentary performance, when it found it did not have complete control over the Parliament. After the election, it was about 50–50: the centre right had around 50, and the centre left had around 50. The Leader of the House thought that she had 18. She was counting the Greens; she thought she had them in her pocket so she tried to get one of our guys to be President. It did not happen, of course; we did not go weak at the knees. It got Hon Kate Doust, who is a phenomenal President. The Labor Party has been glowing about having the first female President, after all the time it spent trying to get one of our guys to do it.

I turn to Local Projects, Local Jobs. Have there been any business cases for any of those dozens, if not hundreds, of projects? Not at all. An amount of \$39 million was allocated. I wonder what Mr Langouant thinks of that. Are we congratulating the Premier for that—for that open transparency? Of course not.

I have to deal with a number of other issues, one of which is Carnegie Clean Energy and the wave energy project in Albany. We are digging deep on that one. It is beyond me how on earth the Labor Party can spend \$16 million

Hon Martin Pritchard; Hon Peter Collier; Hon Dr Sally Talbot; Hon Jacqui Boyde; Hon Tjorn Sibma; Hon  
Darren West

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on a one-megawatt wave power plant when we spent \$12.5 million on a five-megawatt wave energy power plant on Garden Island. A lot of processes are not being followed. I would have loved to have been in the cabinet room when the decision to give that money to Carnegie was made and ministers were asked whether there was conflict of interest and no minister put up their hand. “There is no conflict here.” I am watching the pigs fly around because if there is no conflict of interest on that contract, there is no conflict of interest on anything.

I would like to finish on an important issue because it is symptomatic of the issues that I have. As I said, I take on board the intent of the motion but, in reality, I do not think government transparency exists, although the Labor Party is congratulating itself on its transparency. Let us look at the tourism numbers. On 14 March 2018, the Minister for Tourism was asked a question without notice by Libby Mettam, the member for Vasse, in the other place. She stated, in part —

... showing WA international visitor numbers are in freefall against national trends and the tourism industry’s subsequent scathing attack on the government.

The minister replied, in part, during a lengthy tirade —

... the numbers increased by 52 417.

At the end of his question, he said —

We are fixing the mess that we inherited from the previous government.

He was on script there—back to his Labor Party speaking notes—saying that it had no option but to fix the mess left by the Liberal–National government. At least he is holding firm on the speaking notes. On 15 February he made a ministerial statement, which read, in part —

I am pleased to report that the campaigns, created with \$2 million, resulted in 52 147 bookings during the campaign period. The money spent by these additional visitors represents a significant contribution towards our goal of economic improvement and job creation. That is why this government has committed \$425 million for destination marketing and event tourism over five years to increase visitation.

He said there were an additional 52 147 bookings, so he stated that. When the figures came out, showing that there had been a decline in the number of visitors, I thought, “Hello, hello, hello; there’s something not quite right here”, because the figures had gone down. Yesterday I asked the minister quite specifically —

I refer to the international visitor survey results released by Tourism Research Australia ...

They showed that the figures in Western Australia, which were the lowest, had fallen from 965 900 visitors to 947 000 in September 2017. I asked him why he said there had been an increase of 52 000. He tabled a draft ministerial statement from Tourism WA. He said that he did not specifically mention international visitors. Rubbish! That is wrong. The question specifically asked about international visitors. Libby Mettam said, “WA international visitor numbers”. She was quite specific. It is in *Hansard*. Have a look at this, guys. In the draft ministerial statement that the minister received, he says it resulted in 52 147 bookings during the campaign period, not additional bookings but bookings. The actual figures from international visitor surveys show that every year after 2009 the number of international visitors increased. They in fact decreased last year; they decreased by over 18 000. There is something very, very suspicious about these figures. The article in *The West Australian* today titled “WA tourism worst in the nation: Analysis reveals true extent of industry mire” states —

WA Tourism Minister Paul Papalia said the state of the tourism sector was a direct result of inaction by the previous Barnett government.

“We knew when we took office that tourist numbers had collapsed,” he said.

It is not about collapse. He told the chamber down there that they have increased and now he is saying they have collapsed. He cannot have it both ways. He cannot say they have increased one day and decreased another day. Again, it shows a lack of transparency. If the government members want to come in here and prophesise and moralise about being great on transparency and congratulate each other all the time, they should make sure to remember that we are keeping an eye on them and their track record is appalling. At this stage their answers to questions are vague or just a handball and this stuff with these tourist numbers has long way to go. As far as I am concerned, that minister has a lot to answer for.

**HON DR SALLY TALBOT (South West)** [11.55 am]: I want to support the motion moved by my colleague Hon Martin Pritchard. I do not know whether the honourable member who moved the motion was able to gauge the reaction he was getting from members sitting on the opposition benches while he was speaking, but for his information they were terribly interested when he was talking about the role that former Treasurers had played in their misreading of royalties and all the information that they were getting from their own department, the

Department of Treasury. They were very interested in all that, because clearly they had not read that section of the Langoulant report. They were absolutely mystified about where Hon Martin Pritchard might have got that information from. Those of us who got further than page 1 of the Langoulant report know exactly where that comes from, and I know Hon Martin Pritchard will be very happy to provide members of the Liberal Party with the references in the Langoulant report to remove that air of mystery they have every time we talk about former Liberal Treasurers and the wreckage that they created for this state.

However, I have to say that when Hon Martin Pritchard moved on to the substance of the motion, which was about the changes that the McGowan Labor government has made, particularly to the management of royalties for regions, opposition members glazed over. I am sorry to tell Hon Martin Pritchard that even his rhetoric could not stir them to action. They glazed over because they know nothing about proper cabinet processes. I can assure this chamber that we will not let the previous ministers who sat around the cabinet table and presided over such a catastrophic situation for all those years off the hook. That means Hon Peter Collier, who just addressed everything that was obviously on his mind. We know what is on his mind because he is up and down all the time talking about these things. The reason it takes Hon Peter Collier so many questions to get answers is that he does not understand the information he gets, so he has to come back again and again. He wants to just try listening; he wants try to do a bit of reading on the subject. He gets the answers and he is not happy with them. It is the old story, as was referred to yesterday in this place: members might not like the answer they get, but that is the answer. I urge Hon Peter Collier to do a bit more work on the subjects he is trying to get information about.

We will not let Hon Donna Faragher off this hook. She sat around that cabinet table as Minister for Environment in the first couple of years of the Barnett government, from 2008 to whenever it was, and the information that went to cabinet at that time is all in the Langoulant report. If Hon Donna Faragher does not have the time and energy to read to Langoulant report, for goodness sake she should download the electronic copy and word-search for her own name, because she will find references to previous practices that went on in that cabinet room that just cannot be contemplated anymore. That is why I think that the first part of Hon Martin Pritchard's motion about learning from the mistakes of the past is the key to the way that this government, the McGowan Labor government, will conduct itself from now right through to the next election and through periods of government after that until the cycle changes. We will never resile from our key responsibility to the Western Australian community to put robust changes in place to make sure that every single dollar of taxpayers' money that is spent goes into areas that benefit the community. That is the key lesson that the Liberal and National parties forgot. Whether they even learnt it in the first place is a bit of a mystery to me. If a government has learnt that lesson and understands that it is dealing with taxpayers' money, it could never walk away from those good practices that have now been very clearly outlined for us in the Langoulant report. Unfortunately, for eight and a half very long years, the Liberal-National government watched all the numbers turn red and the graphs change year by year. Hon Peter Collier tells us that we have to look forward to his response to the budget speech. I can tell members that I am looking forward to it very much because I want to know whether a minister who sat around that cabinet table for eight and a half years understands what solid budget management looks like. That is what we will be looking for from Hon Peter Collier when he responds to the budget speech. The problem for that whole eight and a half years was that that mob over there spent the money as though it was theirs. They forgot that the money belonged to the taxpayers of Western Australia. They spent the money as though it was theirs. They bankrolled their pet projects, they cut corners and they found ways of going around Treasury. Remember the old Keating adage that a person should never get between a Premier and a pot of money? What about defying the processes of Treasury? Is that a lesson that members opposite have learnt now? They cannot get away with that in a modern, democratic society, and yet they tried it on. It is outrageous that for eight and a half years we saw all this carry on and lack of proper process.

I want to stress again that for me the most important part of Hon Martin Pritchard's motion is that we learn from the mistakes of the past. I am very sorry to say that it is clear that most members of the Nationals WA have not read beyond page 1 of the Langoulant report. When Hon Martin Aldridge responded to the motion I moved in this place two weeks ago, he drew our attention to a very important sentence at the opening of the Langoulant report on page 1, which states —

The program itself —

That is royalty for regions —

led to one of the most profound changes ever to occur in regional development across Western Australia. Many good programs and projects have occurred under the umbrella of this policy.

That is the key statement. That is the explanation for Labor's consistent support for the royalties for regions program. That is the reason Labor in government has committed to continuing the royalty for regions program. Indeed, the one recommendation of the Langoulant report that we are not going to adopt is that the cap be abolished. I know why Treasury does not like it. We all know why Treasury does not like it, but those of us who

understand regional Western Australia, which includes the Labor Premier of this state, know that we do not need to change the legislation because that legislation, as it was passed by this Parliament in 2009, is good legislation. I absolutely endorse the comments made by Hon Martin Aldridge when he read from about page 1 of the Langoulant report. Royalties for regions is a good program. That is why Labor will keep it and that is why Labor will own it. Unfortunately, there are another 999 pages of the Langoulant report and that is where members of the Nationals get into trouble. If they are ever going to say in this place that they have learnt from the mistakes of the past, they must read those 999 pages, because that is where they can find out what went wrong.

As members know from my comments a couple of weeks ago in this house, I went back and looked at the debate in 2009 when the royalties for regions legislation passed through this place. I wanted to find out whether at that stage we were just happy with what was being laid on the table. Remember, we already had the outline of royalties for regions, so I wanted to see whether the debate, which I remember went on for a considerable time, went into any details. Indeed, I found that Labor members in both this place and the other raised a number of concerns about how royalties for regions was going to operate. I then found these comments that I will put on the record and then tell members who said them. This is the quote —

I have been somewhat offended by the notion, which has some political carriage, I suppose, that this is a slush fund for the National Party and that we do not care about how we do things and are throwing money around like confetti. That is impossible to do. We cannot do that. We have a very robust system through cabinet, the Expenditure and Economic Review Committee and Treasury. Business cases need to be developed so every single dollar that has been identified as royalties for regions funding has gone through. There is nothing in royalties for regions funding that has not been 100 per cent endorsed by the Premier, cabinet and Treasury and every member on this side of the Parliament. That is as it should be.

I think Hon Mark McGowan could lay claim to that quote, and I and every single member on this side of the chamber would believe him, because that is his commitment. Unfortunately, it was the broken promise by Hon Brendon Grylls.

**HON JACQUI BOYDE (Mining and Pastoral — Deputy Leader of the Nationals WA)** [12.06 pm]: I thank Hon Martin Pritchard for bringing the motion to the house today. On the back of the last two weeks' discussion around transparency in government and the Langoulant report, it is good that for the third week in a row royalties for regions and regional Western Australia seem to be a priority of this government. The unfortunate thing about that is that the actions of this government in regional Western Australia say otherwise. The government can pontificate all it likes about how much it supports transparency in government and how much royalties for regions means to the Labor Party, but the fact is that is actually not the reality on the ground in the electorates of the people I represent. I also find this motion interesting, given the member's contribution last week when we asked the house to refer the \$39 million "cash for votes" fund—the Local Projects, Local Jobs fund—to the special inquirer. I said last week that if this government were actually serious about transparency and governance, it would refer that program to the special inquirer. The member said last week that I was playing games in this house and that I was politicising an issue. Really? I find that statement incredible, because this is not a game—this is about transparency of government—and then the member brings this motion to the house today for discussion. Is that a political game? I ask the member that question.

It is our job in opposition to scrutinise the government's decisions. I take that job seriously, as do all members of this house. I welcome the opportunity to discuss the transparency of government and what governments should be doing with taxpayers' money. I welcome the Langoulant inquiry. We have said all along that the National Party always supported a review of the royalties for regions program to ensure that its legacy and longevity is always important to the National Party. That is why it was legislated for. This is not a political game, it is about creating a legacy in regional Western Australia, unlike the Local Projects, Local Jobs fund, which has received an enormous amount of scrutiny from the media and this house about how taxpayer funds are being spent.

Quite rightly, the Parliament should be asking those questions. In my view, it is a shocking abuse of taxpayer funds. That has been evident in the discussions we have had in this house and by the questions the opposition has continued to ask the government around the transparency of, and decision-making for, that \$39 million. We will continue to do that, because it needs to be justified. That problem will not go away for members of this government. It will continue to be a black mark on the government until it actually takes some steps to provide some transparency around that fund. That is your job, Hon Martin Pritchard, as a member of the backbench of this government. Hon Martin Pritchard needs to ensure that his cabinet is making decisions that are transparent and in the interests of regional taxpayers. I heard him say a whole lot in his contribution. He reflected negatively on decisions made by the former cabinet, but he is not even a member of the current cabinet. Hon Dr Sally Talbot has never been a member of a cabinet either. I do not understand how the member could reflect on decisions about which he knows nothing.

**Hon Alannah MacTiernan** interjected.

**The ACTING PRESIDENT (Hon Robin Chapple):** Members, order!

**Hon JACQUI BOYDELL:** No, I have never been in a cabinet.

**Hon Alannah MacTiernan** interjected.

**The ACTING PRESIDENT:** Order! Thank you. We were doing quite well for a minute there.

**Hon JACQUI BOYDELL:** Thank you, Mr Acting President. I was about to say, before I was rudely interjected upon, that I have never been a member of a cabinet and I would never seek to reflect on any internal processes or decisions that a cabinet has made. My job in opposition is to look at the facts—that is, the reality on the ground—and to say that I do not think the government is fulfilling its own ideals around transparency in government. We were told that a rolled gold transparent government would be delivered to the people of Western Australia. That is a great aspiration. The government should continue to aspire to that, because it has not fulfilled that promise to date. Given the answers we have had in this Parliament and the discussions we have had over the past two weeks and even today, I think the opposition has done a great job in establishing that these projects went through cabinet through the Local Projects, Local Jobs fund with no business case, no scrutiny, no application process, no tender process and no idea of how the impacts of that funding were going to be determined, measured or accounted for on the ground.

I go back to the motion—we learn from the mistakes of the past. How exactly are government members doing that? What have the decisions the government has made shown us? They are the questions we are asking. How is the government doing that? I would really like to know. I find it amazing that during the debate on the Local Projects, Local Jobs fund last week and again this week, there has been no admission from the government that a better process could have been run for that fund. There is the opportunity to refer it to the special inquirer and to learn from the mistakes of the past 12 months. The Local Projects, Local Jobs fund is no way to deliver transparency and accountability of decision-making in government. I am not the only one who is saying this. People have called in to radio programs and have said, “Well, we got \$20 000 but we actually don’t know what we got that for. We are happy to have it, but we’re not sure why we got it.” How many other projects were given taxpayer funds with no real reason or justification of need? That has even been recognised by those organisations. The minister announced \$7 million for the Kalumburu pool in my electorate. They do not want a pool! Whose idea was that? Is that still fixed? The community does not know. If that is justification for transparent decision-making and engagement with the community, it is a very sorry representation of how this government will seek to deliver taxpayer funds in the future. It is a really big problem for this government, and I hope that it learns from its mistakes and finds a better path forward as we head toward this year’s budget. Last week, I asked the Minister for Regional Development whether any business cases had been received for the Local Projects, Local Jobs projects funded by royalties for regions. She could not answer the question! If she were across her portfolio at all, she would have known the answer to those questions. The Premier himself said that each project went through a rigorous evaluation process. I do not understand what this government determines to be rigorous and transparent. That is a real issue for the people of Western Australia. I suggest that the Minister for Regional Development look in her own backyard before she starts reflecting on the decisions of the last government, and learn from the mistakes that are currently being made by this government.

**HON TJORN SIBMA (North Metropolitan)** [12.16 pm]: Before I left for Parliament yesterday morning I happened across the *Today* breakfast television program, which ran a small segment on the American comedian Bill Murray. Members might know that Bill Murray is famous for the movie *Groundhog Day*. I reflect on the fact that in the last three weeks in private members’ business Labor members have seemed utterly obsessed with bringing forth motions about the Langoulant report. They are variations on a theme, but they seem to be obsessed with this report and do not seem to be able to speak to any other matter of significance. I wonder why that is. One answer to that question might be that there is no significant accomplishment that this government has undertaken in the last 12 months that merits a self-congratulatory motion in the way that this motion is put. The obsession of members opposite with the past reveals their utter stultification in the present and the fact that they have no tangible practical plans for the future of this state. They have none! Otherwise, they would let it go. I reflect on the contribution made by Hon Dr Sally Talbot, who appears to have spent the better part of the last five or six weeks doing nothing other than poring through the Langoulant report.

**Hon Michael Mischin** interjected.

**Hon TJORN SIBMA:** Perhaps so.

I do not know whether the honourable member has made it to the end of that report, but reading the report is one thing and comprehending the recommendations of the report is an entirely different matter. I do not think that members opposite have understood the implications of accepting the report and undertaking the recommendations

in it. John Langoulant has made at least 100 recommendations, but nowhere have I seen them tabulated in some sort of government document with reports against implementation. Members opposite should be very wary of the standards they are setting for themselves. I do not think those members, particularly backbench members, comprehend the implications of endorsing this report in the manner that they do. They will fail to live up to them. They are failing now, without the need for this report.

**Hon Darren West:** Have you read it?

**Hon TJORN SIBMA:** Yes, I have.

I will refer to a particular recommendation. Recommendation VII states —

It is recommended that Government establish a Parliamentary Budget Office to enhance transparency and public understanding of election commitments, —

That is a very important passage in that sentence —

and the budget and fiscal policy settings.

**Hon Alannah MacTiernan:** Why would we be worried about that?

**Hon TJORN SIBMA:** That is an apt interjection, member. I refer to a question put in this place by my friend Hon Jim Chown to the Leader of the House. I will paraphrase the question somewhat, but the preamble states —

It is recommended that Government establish a Parliamentary Budget Office to enhance transparency ...

He asked —

- (1) Is the government going to establish a parliamentary budget office?
- (2) If yes to (1) —
  - (a) what will be the cost ...
  - (b) what is the intended time frame ...
- (3) If no to (1), why is the government ignoring the significant recommendation ...

The response by Hon Sue Ellery is telling. There is no endorsement of the establishment of a PBO by this government. That should be a simple yes or no answer: “Yes, we will”, “No, we won’t”, or, “Yes, we think it’s a good idea; we’re just trying to evaluate what the best possible model is.” There are different models of how a PBO should operate. There is a commonwealth model and there is one in Victoria that has slightly different resourcing, but the government is not running at any great pace to this recommendation of the report. I wonder why that is. I only reflect on the costing process for the current government’s election commitments last time around. It was reluctant to submit to Treasury \$5 billion worth of uncostered promises. The government does not want to repeat that same mistake. It has avoided scrutiny in the past and it wants to avoid it in the future as well. It makes the Premier’s commitment to running a transparent, open and accountable administration very hollow. There is absolutely no intention to fulfil that commitment—absolutely none. In two other areas, the government, through its own actions, has proven utterly deficient.

One of the other recommendations is about the release of information labelled commercial-in-confidence to avoid disclosure. Hon Martin Pritchard made a very good point: this is a caveat on the release of information that has probably been used and abused by governments for far too long. But it is an area worthy of evaluation. The government does not seem to have knocked out that idea completely, but two or three days after Langoulant delivered his report and the Premier was extolling its virtues, a very simple question was put to the Premier, I think by Geof Parry from Channel Seven, about whether the government would be prepared to release the costings related to Roger Federer’s promotion of Western Australia. This was two or three days after the report came down. The Premier was asked, “Will you release this information?” He said, “No. It’s commercially confidential.” This is a Premier who cannot maintain a consistent line on transparency for more than three days.

**Hon Jim Chown:** Or anything for that matter.

**Hon TJORN SIBMA:** Or anything for that matter—a very good interjection.

The proof of the pudding is in the eating and I do not see the government has any particular appetite for fulfilling its pledge on accountability. It does not, it is not serious and it cannot be trusted. I say this with all due respect: I want to reflect on observations made on the previous government’s cabinet processes by people who were not there, would not know, could not know, and will never get to cabinet positions themselves. It just will not happen. I do not know how Mr Langoulant had privileged access or insight into the cabinet processes of the previous government. I do not think that would be possible, but if members opposite are suggesting that the process was



deficient because business cases were not completed for contemplation and reflection before decisions were made, all I can say is that the government has not been particularly forthcoming with the business cases that support its decisions to fund programs and projects that were election commitments or otherwise.

Over the last three weeks, I have asked for a business case—any business case at all for any project from \$2 000 to multiples of hundreds of thousands of dollars that were funded through the Local Projects, Local Jobs program. I do not have a single one. Apparently, more than 700 projects are being funded. Of those 700 projects, I would think one of them must have a business case. I identified five business cases in a question yesterday. I asked for the acquittal process. My question could not be answered because apparently the acquittals have not been undertaken. That suggests to me that the money has gone out, it is completely unjustified and members opposite are chasing their tail by trying to retrospectively work up business cases because none went in at the front end. With all due respect to Hon Martin Pritchard, it is very hard to take this kind of moralising, sanctimonious puritanical view of financial administration in this state when members opposite cannot, will not and will never live up to the expectations and aspirations that the Premier says very easily but runs away from at every opportunity. Shame on the government!

**HON DARREN WEST (Agricultural — Parliamentary Secretary)** [12.26 pm]: I acknowledge Hon Martin Pritchard for bringing forward this important private members' business. It is very important that we heed the warnings of the Langouant report. It has become abundantly clear over the last hour that opposition members still do not get it. They do not have any understanding that we need to learn from their mistakes of the past because they defend those mistakes that they made in the past. If these opposition members were to be re-elected at the next election—heaven forbid—I think it is safe to say that the financial carnage that we saw over the last eight and a half years would be repeated. After a year of sitting over there in opposition, no lessons about how bad and how reckless they were with other people's money over eight and a half years. They absolutely trashed the Western Australian economy to the tune of forty thousand million dollars. That is what we are left to clean up—a debt of forty thousand million dollars.

Several members interjected.

**The ACTING PRESIDENT (Hon Robin Chapple)**: Order! Hon Darren West has the call and not very much time, so please refrain from interjection.

**Hon DARREN WEST**: I heard the Leader of the National Party talking to Gareth Parker, trying to defend the National Party's management of the royalties for regions program. I thought Gareth Parker made one of the best comments I have heard about the National Party's performance when he said that it looks like denial is not just a river in Egypt. Denial is alive and well on the other side of the house. I look forward to the Leader of the Opposition's long contribution in reply to the budget speech because economic advice from a cabinet member of the Barnett government is always useful. It is always useful because we should do the exact opposite of what a Barnett government cabinet member says when they give economic advice—the exact opposite.

**Hon Simon O'Brien** interjected.

**Hon DARREN WEST**: I look forward to that, honourable member, because I think it will be most useful for governments going forward to look at the *Hansard* for economic advice from members opposite after their performance of eight years in government. The key is to learn from the mistakes of the Barnett government, and we are doing that.

**Hon Simon O'Brien** interjected.

**Hon DARREN WEST**: Member, I have only two minutes.

The one recommendation that we will not adopt is to scrap the royalties for regions program. The difference between members of this government and the previous government is that we have the capacity to manage this important program. Members opposite clearly did not, but we have Premier McGowan, Treasurer Ben Wyatt and one of the most capable ministers ever seen in this state, Hon Alannah MacTiernan. We have the capacity to manage that program and we will manage it in a sustainable way.

The alternative Premier, Dr Mike Nahan, has publicly stated that a government he leads, which includes the National Party, will scrap that program. Therein lies one of the major differences between the government and the opposition. The government stands for and believes in royalties for regions; can deliver royalties for regions and will deliver royalties for regions. The opposition now opposes royalties for regions. That is a very important distinction that we have to make. When the opposition says that the government is not doing anything in the regions, we are doing the most important thing—keeping that important fund for regional and economic development and jobs well into the future. That is what we will do in a responsible way. The Langouant report

**Extract from *Hansard***

[COUNCIL — Thursday, 29 March 2018]

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Hon Martin Pritchard; Hon Peter Collier; Hon Dr Sally Talbot; Hon Jacqui Boyde; Hon Tjorn Sibma; Hon  
Darren West

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has been helpful to guide us by pointing out all the economic inadequacies of the Barnett government. We will learn from that. I thank the member for bringing that on.

Finally, I have a cheque given by the previous government to the Mid West Sports Federation, signed by Terry Redman. I will just display that.

Motion lapsed, pursuant to standing orders.