

**MR C.J. BARNETT (Cottesloe)** [11.28 am]: I have listened to some of this debate. I do not intend to go through it. My fundamental philosophy is one of progressively, and in an orderly way, deregulating trading hours. I have never shied away from that. However, in the retail business, particularly the retail grocery business, there is an issue of not only trading hours but also market dominance. It is to the advantage of Western Australian consumers and Western Australian producers that we have more competition in our retail grocery business than is the case in other states. I limit my deregulatory zeal by the desire to retain a competitive market. There is no point in deregulating if, at the same time, competition is reduced. It is a pointless move. The fact that the two retail chains in this state have 60 per cent of the market share compared with 80 per cent elsewhere is a preferable result for Western Australia.

I refer to the recent situation in which the Action stores came onto the market and, effectively, Woolworths acquired a significant share of them. In that circumstance, which was also important for consumer choice and competition in the retail market, Action stores were also important purchasers of Western Australian produce from Hillside Meats - a high-quality, small abattoir - many horticultural operations in the south west and fresh fish suppliers. It gave Western Australian consumers the opportunity to buy fresh, good-quality and locally produced produce. Most Western Australians, if given a choice to buy good-quality produce, would buy Western Australian product, particularly as concern increases about the safety of foods and imported food products. People want not only to consume this produce, but also to have some sense of confidence in the conditions under which that food is produced.

The loss of the independent Action chain presents real problems for Western Australian primary producers and food producers. There is little doubt that the major chains will increasingly use home-brand products, as they are doing, and source products from one or two suppliers, and they will be from the east coast.

In an issue that was important to Western Australia, the Australian Competition and Consumer Commission was absolutely useless. It was a genuine issue of competition - that is, ensuring a competitive supply industry for the retail grocery business and competition between retailers - and the ACCC effectively said it was too hard and it could not do anything. I find that approach very disappointing. It was an opportunity to deal with a matter in which there was clearly a public interest and a Western Australian producer interest and which involved a monopoly issue, and the ACCC walked away from it and wrote letters to the editor about why it was too difficult because there was no evidence of substantial change in competition. I was not convinced by that, and most people in the Western Australian business community probably were not either. It is a failing of the ACCC.

We have a serious problem in the state. We are seeing the loss of smaller levels of agricultural, fishing and manufacturing production. Western Australia is very good as a bulk commodity producer - we produce bulk grains and bulk minerals. However, the other fabric of our economic structure is being rapidly eroded and it is reasonable to expect the ACCC to play a role in supporting smaller competitors. There will always be the dominant national players, but there should be a competitive fringe of other suppliers around them.

The ACCC and the commonwealth government failed Western Australia in this episode. This Parliament must take a stronger stand if Western Australia is to have an economy, and an economic structure, that is more than simply a supplier of bulk commodities.

Question put and passed.

Bill read a third time and transmitted to the Council.

### **APPROPRIATION (CONSOLIDATED FUND) BILL (NO. 3) 2005 APPROPRIATION (CONSOLIDATED FUND) BILL (NO. 4) 2005**

#### *Second Reading - Cognate Debate*

Resumed from 23 November.

**MR M.J. BIRNEY (Kalgoorlie - Leader of the Opposition)** [11.33 am]: I am the lead speaker on this bill. The government would have us believe that these bills are effectively machinery or administrative-type bills, but the reality is somewhat different. The Appropriation (Consolidated Fund) Bills are effectively budget bills because they are part of the budget that came down prior to the current financial year. I inform members who do not follow it closely that these bills contain expenditure that was not budgeted for when the budget was brought down prior to the financial year. Members know that the government cannot spend money without the prior approval of Parliament. Prior to the financial year, the government is given the approval of Parliament to spend a certain amount of money, which is in the order of \$12 billion or \$13 billion. At the same time, Parliament gives the government authority to spend a certain amount of money on unbudgeted items. That amount in the 2004-05 budget year was some \$300 million. The government was given the approval to spend \$12 billion or \$13 billion on the budget and to spend up to an additional \$300 million on unbudgeted items for the financial year.

Parliament must retain some control over that expenditure. When the Treasurer's Advance Authorisation Bill is introduced at the beginning of the financial year authorising the government to spend up to an additional \$300 million, the government advises members of the purpose of the funds and asks for the approval of the Parliament for the additional money that the government intends to spend. Frankly, \$300 million is a lot of money, and, quite rightly, the

government must ask elected members of Parliament for approval and tell us what the government intends to spend the money on. That is why we are dealing with the consolidated fund bills. Sadly, the government has chosen a rather deceptive and tricky way of passing these bills. The bills contain some line items to give members an indication of what the money has been spent on, but it is only the bare minimum of information. Frankly, the government has not given us any idea where the money has gone, how it has been appropriated and what exactly it has been appropriated on. That is cause for considerable concern, given that this bill is part of the suite of budget bills and deserves the exact amount of scrutiny that was applied to the budget bills.

We are being asked to approve \$1 billion worth of expenditure with the passage of these two bills. I am sure that the Acting Speaker (Mr P.B. Watson) and other members would agree that that is not an insignificant amount. I will give members an indication of how the funds are divided. One of the bills is for recurrent expenditure that was unforeseen and unbudgeted for at the time of the 2005 budget, and the other is for capital expenditure of an unforeseen and unbudgeted nature at the time the budget was brought down. Interestingly, we are being asked to approve three years' worth of unforeseen and unbudgeted government expenditure relating to the years 2003-2005. Can members remember what happened in 2003? Can members remember what is the significance of some of the unbudgeted and unforeseen items we are being asked to approve two or three years later? I find that to be particularly disturbing. The government could get away with two years without approval if it had to, but ideally it would put through these bills one year at a time so that members would have fresh in their minds the budget that was approved at the time. Members also would have fresh in their minds all the activities and issues that arose during the relevant budget year. We are now being asked to approve recurrent expenditure of \$159 million that was unbudgeted for during the 2003 financial year. The government told us in 2003 that it would spend X billions of dollars. As it turned out, it spent an additional \$159 million. Of course, we scrutinised every line item in the budget in 2003. That is what the budget estimates are for. We asked questions incessantly about each line item in the budget. We are now being asked in 2005 to give the Treasurer approval for an additional \$159 million worth of recurrent expenditure that he did not tell us about during the 2003 budget debate. In addition, we are being asked to approve \$146 million worth of unforeseen and unbudgeted expenditure for the 2004 financial year. Once again, it is a year or two old. Members cannot possibly be expected to look at the 2004 figures and recall all the issues that arose during that financial year. Interestingly, we are also being asked to approve a whopping \$492 million worth of unbudgeted and unforeseen items for the 2005-06 financial year. As I have said, members of the opposition sat down prior to the delivery of the 2005 budget and went through it dot point by dot point, portfolio by portfolio, and we satisfied ourselves that nothing untoward was happening, save only in a political sense. We are now being asked to approve an additional \$492 million worth of items that we were not told about when the budget was brought down. I could live with that, provided that we are given the correct level of detail on these unforeseen and unbudgeted items.

I will give members an understanding of what the Labor Party is trying to ram through this house. I will rattle off a few items as they appear in the Appropriation (Consolidated Fund) Bill (No. 3) 2005, which deals with unbudgeted recurrent expenditure. The government is asking us to approve the hundred grand it spent on the Legislative Council in 2003. What were those Legislative Councillors up to in 2003? We are now being asked to tick off on a hundred grand of expenditure in the Legislative Council. I have no idea what that expenditure was for. It may well have been warranted expenditure, but, as the shadow Treasurer in Her Majesty's opposition, I have no idea what that hundred grand was for and I am being asked to tick off on it.

I will go down the list of items for 2003. The Office of Energy spent \$1.8 million that was not in its budget. I am now being asked, on behalf of the opposition, to sign off on that \$1.8 million and I do not have a clue what it was spent on. If it had been in its original budget, I could have gone through it with a fine toothcomb and got to the bottom of it, and I may well have felt comfortable with that expenditure. The Department of Housing and Works spent an additional \$3.1 million that was not in its budget and therefore was not subject to scrutiny. I am now being asked to sign off on that \$3.1 million without having a clue what that money was spent on. The Pilbara Development Commission spent \$826 000. What on? The Treasurer wants the opposition's approval for this bill, but I have no idea what the commission spent that money on. The Department of Justice spent an additional \$2.378 million on its portfolio that was not in its budget, and I am being asked to approve that. I have no idea what the department spent that money on. Was part of it for John Button's payout? Of course, we all know that John Button was wrongly convicted of a crime and has since cleared his name. Was part of that money used for a payout for John Button from the justice department? We would not know. Did part of it involve court costs for Labor's one vote, one value legislation, which failed the first time because the Labor Party tried to ram it through the Parliament in an unconstitutional fashion? Does part of that \$2.378 million relate to Labor's failed initial one vote, one value push? The reality is that I do not know, and I suspect I will never know. I am being asked to approve a couple of million bucks for the justice department and I have no clue what it is for. The Department of Conservation and Land Management spent \$5.7 million that was not in its budget. Once again, there is no itemisation of what that money was spent on. The Fire and Emergency Services Authority of Western Australia spent \$3.2 million that was not in its budget and we have no idea what on. The Department for Planning and Infrastructure spent \$1.4 million that was not in its budget and we do not know what on. Main Roads WA spent \$37 million that was not in its budget. I am referring only to 2003. It is now 2005 and the government is asking us whether we mind ticking off on that additional \$37 million that Main Roads spent that was not in its budget at the

time. I ask the Treasurer to explain how that \$37 million was spent. The government is asking the opposition to approve this bill even though it has no idea how that \$37 million was spent, because it was not in the original budget. The Department of Industry and Resources - I saw the Minister for State Development skulking around earlier - spent \$2 million worth of unbudgeted items in 2003 and now we are being asked to tick off on that money.

The Western Australian Sports Centre Trust spent \$3.295 million that was not in its original budget, yet all that appears in this bill is one line that, in effect, reads "\$3.295 million - please give it a tick". In 2003, the Department for Community Development spent \$2.4 million that was not in its original budget. The opposition has no idea how that money was spent. The list goes on. We are being asked to approve three years' worth of unfunded, unbudgeted items.

It would appear that the Legislative Council was at it again in 2004. It spent another \$395 000 on unbudgeted and unfunded items. Those items may well have been worthwhile; however, if I am to agree to this bill, I would like to know what they were. In 2004, the Department of Housing and Works spent an additional \$1.9 million. Again, we do not know how that money was spent. In 2004, the Department of Consumer and Employment Protection spent \$2.6 million. Once again, one little line appears in the bill. The Department of Conservation and Land Management has again blown its budget. We are being asked to sign off on \$2.3 million in globo. In 2004, the Western Australia Police Service spent \$21 million on unbudgeted items; they did not appear in the budget papers and, therefore, were not subjected to parliamentary scrutiny. A year later, we are now being asked if we would not mind terribly signing off on that \$21 million. We have absolutely no clue what that money was for.

The Public Transport Authority of Western Australia spent \$54 million on items not originally budgeted for in 2004, yet the opposition is being asked, despite there being only one line of reference to it in the bill, whether it would mind approving that money. The Minister for Health spent \$3 million on unbudgeted items; however, the bill does not provide a breakdown of that money, so we have no idea how that money was spent.

In 2005, the financial year just gone, the Department of the Premier and Cabinet no less spent \$35 843 000 on items that were not budgeted for and, therefore, not subjected to the scrutiny of the opposition. Six months later, the Treasurer wheels this piece legislation into Parliament and the Premier says, "By the way, I've spent another \$35 million on my department. Would you mind signing off on that?" The Premier's department spent \$35 million worth of taxpayers' money in addition to the moneys budgeted for. The Premier and the Treasurer wheel this rubbishy bill into Parliament and ask the opposition to sign off on it without telling us how the money was spent. That is a blatant disregard for the processes of this Parliament.

Under the Treasury portfolio, the Water Corporation was given an additional \$14.6 million last year. We do not know why, but we are being asked to approve it. The agriculture portfolio gobbled up another \$7.7 million in unbudgeted items and we do not know why. The list goes on. The Department of Justice was at it again in 2005, spending an additional \$23.7 million on items that were not originally in its budget, yet we are now being asked to approve that expenditure. The Department of Health spent an additional \$50 million in 2005, yet the opposition has not been told how that money was spent. In 2005, the Police Service spent an additional \$5.8 million; the Department for Planning and Infrastructure, \$11.7 million; and the Public Transport Authority, \$20 million. With a stroke of a pen, the government expects us to sign off on this bill.

The Department of Education and Training spent \$82 million that was not originally in its budget, yet the Labor Party has the hide to wheel in this legislation without telling us how that money was spent. The Department of Sport and Recreation spent an additional \$22.4 million. I have no idea what it spent that money on, yet I am being asked to approve that funding.

The case I am making is that the Labor Party, for reasons of avoiding parliamentary scrutiny, has today wheeled in a bill, which is the most flimsy little bill that I have seen in a long time, that covers \$1 billion worth of expenditure that it is hoping we will just sign off on. I am sure that the Labor Party was hoping that we would make a few electorate speeches, given that this is an appropriation bill and it allows us a wide-ranging debate; indeed, the Treasurer's explanatory memorandum is to the effect that it is just an administrative machinery-type bill, which must come into the Parliament and which must be got through, so that members can pretty much talk about what they want to. The Treasurer does not tell us that he will not give us the level of detail that is required for us to scrutinise this bill.

I move to the Appropriation (Consolidated Fund) Bill (No. 4) 2005, which deals with items of a capital nature that were not in the budget when it was originally brought down. Once again, this bill deals with the past three years. Where has the Treasurer been for the past three years? Has he been asleep at the wheel? Why did he not present this consolidated fund bill after the 2003-04 financial year?

**Mr E.S. Ripper:** Your memory fails you. The bills have been brought in, but as they have not been passed by the Parliament we need to do it again.

**Mr M.J. BIRNEY:** It is because the government has not given them any priority whatsoever. These are budget bills.

**Mr E.S. Ripper:** In the upper house your party simply does not deal with the legislative program.

**Mr M.J. BIRNEY:** The government runs the house, not us.

**Mr E.S. Ripper:** We do not have a majority in the upper house, and you do not have any control over Liberal Party members there.

**Mr M.J. BIRNEY:** Look at all the rubbish the government has managed to put through the upper house. These are budget bills, yet they do not get any priority from the Labor Party. I cannot help but wonder if the Labor Party was hoping that it would be able to bundle all three years together in one bill and slip it through.

**Mr E.S. Ripper:** The bills have been in the Parliament before but not passed, so we have brought them in together.

**Mr M.J. BIRNEY:** The 2005 bill has not. What is the Treasurer talking about?

**Mr E.S. Ripper:** This is the normal time for the 2004-05 appropriation bill.

**Mr M.J. BIRNEY:** There is nothing in it. Look how flimsy it is. It contains about four or five pages setting out expenditure of \$1 billion.

**Mr E.S. Ripper:** If you were a bit more experienced with the budget cycle and with the accountability mechanisms, you would know that this information has already been provided to the house in the budget papers.

**Mr M.J. BIRNEY:** Absolute rubbish! Not at all!

**Mr E.S. Ripper:** I have before me the section of the budget papers for 2005-06 dealing with the Department of the Premier and Cabinet, which reads, "Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2004-05 Budget to Parliament on 6 May 2004 are outlined below."

**Mr M.J. BIRNEY:** Is the Treasurer saying that there is no need for him to provide all the detail that I have just asked for?

**Mr E.S. Ripper:** What I am saying to you -

**Mr M.J. BIRNEY:** Just answer the question.

**Mr E.S. Ripper:** I am saying that you have already had the information and a chance to debate it. This is a machinery matter.

**Mr M.J. BIRNEY:** May I just clarify the position? Is the Treasurer saying that there is no need for him to provide additional information on these bills when they go through the house?

**Mr E.S. Ripper:** The information has been provided; it is there. The house has already had the information.

**Mr M.J. BIRNEY:** Absolute rubbish.

**Mr R.F. Johnson:** That is in relation to the main budget bill. What we have here is not the main budget bill.

**Mr E.S. Ripper:** The budget papers explain details of between budget decisions for each agency. The opposition has already had the information and a chance to ask questions about it in the estimates committee process.

**Mr M.J. BIRNEY:** That is complete rubbish.

**Mr R.C. Kucera:** You do not understand the process.

**Mr M.J. BIRNEY:** Let us look at a couple of these items. The Treasurer is asking us to approve \$180 million worth of capital works. That item was not originally set out in the budget papers.

**Mr E.S. Ripper:** You have already had the information.

**Mr M.J. BIRNEY:** The Treasurer has given us this flimsy little bill.

**Mr R.C. Kucera:** You do not understand the process.

**Mr M.J. BIRNEY:** I will make the member for Yokine look silly in a minute, so I would not talk if I were him. The Treasurer has set out in the bill an allocation of \$5.2 million for the Police Service. What did the government build for the Police Service? Do we not have a right to know when we are dealing with this bill?

**Mr E.S. Ripper:** If you go to the budget papers for 2005-06 and refer to the Police Service, you will be able to read it.

**Mr M.J. BIRNEY:** Let us look at this one, because I do not think it can be found in the bill. Under the heading "Minister for State Development" and "Industry and Resources - Administered" is an \$88 million capital item. What did the government build for \$88 million?

**Mr E.S. Ripper:** You know very well what that is about.

**Mr M.J. BIRNEY:** What did the government build for \$88 million?

**Mr E.S. Ripper:** If you are referring to the item that I think you are talking about, it was a loan to the owners of the Dampier to Bunbury natural gas pipeline to expand the pipeline and to provide for the economic security, and the electricity security, of the south west of the state.

**Mr M.J. BIRNEY:** When did they expand it?

**Mr E.S. Ripper:** They are expanding it right now.

**Mr M.J. BIRNEY:** The Treasurer is asking us to appropriate this money for last year. The pipeline was not expanded last year. Interestingly, in the pre-election statements, this item was to be expended in two to three years from now. The stamp duty revenue was coming in and this was to be expended in two or three years. Now, retrospectively, we are being asked to sign off on the \$88 million deal. The money could have earned about \$4 million a year in interest.

**Mr E.S. Ripper:** The member has the information already. The member and his colleagues have asked numerous questions about the matter and it has been adequately explained to the house on numerous occasions. The member has had the information again in the budget papers.

**Mr M.J. BIRNEY:** Absolute rubbish. This, my friend, is a sleight of hand. The pre-election statement would have us believe that the expense would be incurred in about two or three years. All of a sudden, retrospectively, a line item of \$88 million is slipped in. It states "Industry and Resources - Administered" and contains a figure of more than \$88 million. The Treasurer wants us to sign off on that. It just so happens that I know the \$88 million is the deal the government has done with Alinta. Why does it not contain that information in the bill?

**Mr E.S. Ripper:** The information has already been given to the house and it is already in the budget papers. We are not doing anything different from what we outlined. The money was advanced -

**Mr M.J. BIRNEY:** Not doing anything different?

**Mr E.S. Ripper:** We are not doing anything different. The money was advanced as a loan. When the milestones for the expansion of the pipeline are met it will become a grant. At that stage it will be expended. However, the budget of the Department of Industry and Resources had to be expanded to create the loan. When the new item was created, we had to come through this process even though it will not be expended until it becomes a grant.

**Mr M.J. BIRNEY:** Why did the pre-election statement have it expended in two or three years from now?

**Mr E.S. Ripper:** Because that is when all the milestones are expected to have been completed.

**Mr M.J. BIRNEY:** Why are you now asking us to agree to the expenditure last year?

**Mr E.S. Ripper:** We did not expend it last year.

**Mr M.J. BIRNEY:** That is exactly what you are doing. It is going through the appropriation bill.

**Mr E.S. Ripper:** We did not expend it last year. We shall expend it when the milestones are met. However, to advance the loan, a new item has to be created and the budget of the Department of Industry and Resources has to be expanded. That is why it is contained here. It will not be expended for a couple of years.

**Mr M.J. BIRNEY:** I do not think the Treasurer understands what he is saying.

**Mr E.S. Ripper:** I do not think you understand what you are saying. I am perfectly comfortable with what is in the bill, and what we have previously announced. It is all consistent.

**Mr M.J. BIRNEY:** This bill is asking us to sign off on last year's expenditure. Contained in the bill is a line item for \$88 million, which I presume is for the expansion of the Alinta gas pipeline. We are being asked to sign off on that \$88 million deal retrospectively when we were told before the election that it would not happen for two or three years. It is clearly a sleight of hand.

**Mr E.S. Ripper:** No, that is quite clearly an idiotic lack of understanding on your part. You are just showing your inexperience. The fact that you are inexperienced and do not understand the budget process does not stand as a criticism of the government.

**Mr M.J. BIRNEY:** I know more about business than the Treasurer will ever know.

**Mr E.S. Ripper:** But not very much about the public sector!

**Mr M.J. BIRNEY:** We are being asked to approve expenditure from last year. Quite frankly, the Treasurer does not know what he is doing. It is as simple as that.

Let us deal with another issue that the Treasurer just raised. He said that in not providing all the additional information I am seeking, the government is not doing anything different. The Treasurer could look at the last time he brought in similar appropriation bills, which was three years ago.

**Mr E.S. Ripper:** I think you have just verballed me. I said that you have already had the information; it is in the budget papers.

**Mr M.J. BIRNEY:** The Treasurer said that the government is not doing anything different.

**Mr E.S. Ripper:** I said that we are not doing anything different with regard to the pipeline.

**Mr M.J. BIRNEY:** The Treasurer did not say any such thing. If the Treasurer looks back three years, he will find that the appropriation bills were about this. They had all the information in them that I require now in order to make a

decision about whether we should pass these bills. Why is it that, three years ago, the Treasurer provided that information but today he has not?

**Mr E.S. Ripper:** The information is in the budget papers; it is there for you. There is no lack of information.

**Mr M.J. BIRNEY:** Presumably, the Treasurer is saying that it would have been in the budget papers three years ago as well?

**Mr E.S. Ripper:** It is there. There is no problem.

**Mr M.J. BIRNEY:** Why did the Treasurer provide a 30-odd page memorandum containing all the detailed information three years ago, but this year the explanatory memorandum is one page?

**Mr P.D. Omodei** interjected.

**Mr E.S. Ripper:** What is the member saying? He thinks the Leader of the Opposition needs some help because he is not good enough on his own.

**Mr M.J. BIRNEY:** Mr Speaker, let me tell you what these items in the budget should say, or words to that effect. The last Appropriation (Consolidated Fund) Bill (No 3) that was introduced by Richard Court dealing with the situation in the late 1990s contains a fair bit more information - surprise, surprise - than the bill that has been introduced by the now Treasurer. The Department of the Premier and Cabinet has expended an extraordinary amount of money - about \$35 million - on unbudgeted, unfunded items. The line in the bill simply refers to the Department of the Premier and Cabinet and it contains the figure. I will show members what Richard Court used to do. I am reading now from the Appropriation (Consolidated Fund) Bill (No. 3) 1999, which refers to Premier and Cabinet, additional expenditure - \$3.34 million. The explanatory memorandum then states -

The overrun is mainly attributable to the employment of additional part-time electorate officers (\$1,800,000), the fit-out of new Parliamentary electorate offices (\$1,000,000), additional expenses of the Royal Commission into the City of Wanneroo (\$500,000) and additional premiums for RiskCover (\$323,000).

This from a Premier and Treasurer who was accountable and was prepared to tell it how it is. There is also a line in this bill referring to resources development - \$6.8 million in unbudgeted expenditure. The explanatory memorandum further states -

Outlays are higher than estimated mainly due to a grant to the Western Australian Land Authority for the purchase of land for the Oakajee Industrial Estate project (\$10,000,000) and costs of feasibility studies associated with the proposed Oakajee Port project (\$1,350,000).

Oakajee was quite a controversial issue at the time and, instead of trying to cover it up by just including that one headline figure of \$6.8 million, Richard Court went on to tell us where that money went. In the education portfolio there was \$25 million worth of unbudgeted expenditure, and Richard Court went on to say -

The expenditure increase is due to enterprise agreement salary expenses (\$21,500,000) . . .

In short, that document is completely different from the document that the Treasurer is asking us to deal with today. Indeed, three years ago when the Treasurer brought in the last Appropriation (Consolidated Fund) Bill all those details were contained in the accompanying explanatory memorandum. This time around we have nothing - absolutely nothing whatsoever - other than these flimsy bills.

I want to deal with another matter relating to the Treasurer's Advance Authorisation Bill. As I said earlier, by way of the budget debate and the approval for the budget bills, the government is given approval by this house to spend a certain amount of money, whether it be \$12 billion or \$13 billion. The government is then given authorisation to spend up to an additional \$300 million that is not budgeted for. The Treasurer's Advance Authorisation Bill is passed in May or June each year, and it relates to expenditure in the following year. In the last financial year, on 1 June 2005, the government passed its 2005-06 Treasurer's Advance Authorisation Bill, at which time it made amendments to the original \$300 million limit and amended it upwards to \$750 million. We now know that the government spent approximately an additional \$630 million on items not budgeted for and unfunded in the 2004-05 budget. Can the Treasurer guarantee the house that at the time he introduced his 2005-06 authorisation bill, increasing the government's limit from \$300 million to \$750 million, he had not already exceeded that \$300 million limit?

**Mr T.R. Buswell:** He is knocked off on this one.

**Mr M.J. BIRNEY:** This is a genuine question. I am referring to the \$300 million Treasurer's authorisation limit that he gave himself prior to the 2004-05 budget. The Treasurer came back in June and increased that amount to \$750 million retrospectively for that year. Can the Treasurer guarantee that he had not exceeded the amount of \$300 million by the time he had passed his bill increasing it to \$750 million?

**Mr E.S. Ripper:** We certainly acted according to the law. The way in which this issue works is that supplementary payments to agencies that have increased financial obligations are normally made in June. That is, they are normally

made after the passage of the legislation. Therefore, even though a decision might have been made earlier, the supplementary payment itself would not be made until there was authorisation.

**Mr M.J. BIRNEY:** So as at the date that the Treasurer brought in the bill to increase the limit to \$750 million, he had not exceeded the \$300 million limit?

**Mr E.S. Ripper:** I would need to consult with Treasury. I doubt that we would have, because we have to act in accordance with the law.

**Mr M.J. BIRNEY:** It seems odd that the government gave itself a \$300 million limit for the financial year, but when it got to the twelfth month of that financial year, it decided the \$300 million was not enough and it needed \$750 million. If the Treasurer has acted in accordance with the law, on the date that the bill went through to authorise that \$750 million, the additional expenditure would have had to have been under \$300 million for the year. The Treasurer would have us believe that in that last 29 days, the government spent \$330-odd million that had not been budgeted for.

**Mr E.S. Ripper:** You need to understand how it works. The supplementary payments to fix the budgets of the agencies -

**Mr M.J. BIRNEY:** These are above and beyond the budget?

**Mr E.S. Ripper:** Yes - tend to be made in June, towards the end of the financial year, when the financial situation for each agency becomes clear.

**Mr M.J. BIRNEY:** If the Treasurer can give me an assurance that he had not exceeded his \$300 million limit -

**Mr E.S. Ripper:** I can give you an assurance that we acted in accordance with the law.

**Mr M.J. BIRNEY:** Is the Treasurer prepared to tell the house at some stage today that he had not exceeded his authority?

**Mr E.S. Ripper:** I have given you an assurance that we acted in accordance with the law. We would not do anything different. I will consult with Treasury about the question the member has asked.

**Mr M.J. BIRNEY:** In that case, I will clarify the question. The question is: as at 1 June 2005, how much of the \$300 million Treasurer's advance authorisation had been spent?

**Mr E.S. Ripper:** I will give you a written answer on that.

**Mr M.J. BIRNEY:** Very good. I will move on.

There is a litany of examples of poor management by the Labor Party in this state. Revenue is out of control in Western Australia. Budget revenue has grown by \$3.6 billion, or 34.2 per cent, in just four years. Interestingly, expenditure has also ratcheted up and is completely out of control. Every year when the government does its financial statements, it predicts a certain level of expenditure, and every year it blows its expenditure by a massive amount. A good example is the public service. The number of public servants in Western Australia is increasing exponentially every year, and so too is the wages of those public servants. They are going through the roof.

**Mr E.S. Ripper:** Do you think we should not have put extra child protection officers into the Department for Community Development? Is that your view? Do you think we should not have put extra police officers into the Police Service, or extra teachers into the school system?

**Mr M.J. BIRNEY:** I will tell the Treasurer what I am saying. If the government increases its recurrent expenditure every year by these dramatic levels, at some stage mining royalties will drop off and the property market will reverse, and the Treasurer and the Premier will be left high and dry running a state that cannot sustain itself on its revenue base. In fact, it will probably be me who will be left high and dry trying to run a state that cannot sustain itself on its revenue base. That is why I am trying to make this point today. During its first four years in government, Labor enjoyed a \$7 billion revenue bonanza compared with what it had forecast in 2001.

**Mr E.S. Ripper:** If you were faced with that problem, what would you do?

Several members interjected.

**Mr E.S. Ripper:** Would you increase taxes if you were faced with that problem? Is that what you would do?

**Mr M.J. BIRNEY:** The Treasurer should ask the Premier about that, because, before the last election, when the Premier was Leader of the Opposition, he said that he would not need anywhere near the amount of Treasurer's advance that Richard Court had been getting, because he intended to show a bit of restraint and stick to his budget. However, the reality is very different, because every year he has sought \$300 million in the Treasurer's advance, and last year he sought \$750 million as an additional advance!

**Mr E.S. Ripper:** There is a big difference. The big difference is that we have run five budget surpluses in a row, whereas the Court government ran a deficit in five out of eight budgets.

**Mr M.J. BIRNEY:** What a load of rubbish. The Treasurer and I know that that is not true.

**Mr E.S. Ripper:** It was driving the state into deficit. We have made good budget decisions and run surpluses.

**Mr M.J. BIRNEY:** That is not true. The Treasurer and I study budget papers because of our jobs and we know that the Court government did not run deficit budgets every year.

**Mr E.S. Ripper:** Five out of eight.

**Mr M.J. BIRNEY:** I know how the Treasurer is trying to put a spin on this issue. I will take this opportunity to give members an insight into the Treasurer's thinking and how he tries to put a spin on politics in Western Australia today. The Court government operated under a cash accounting system. According to the system of the day, which was cash accounting, the Court government ran budget surpluses. Just prior to the Court government's leaving office, the government accounting system in this state changed to accrual accounting. The Treasurer has, very cutely, applied the new accrual accounting system to the Court government's cash accounting system and claimed that it ran a deficit.

**Mr E.S. Ripper:** It did.

**Mr M.J. BIRNEY:** I will buy the Treasurer a bottle of something really nice if he can bring me a budget statement that shows a budget deficit for Richard Court's government. Will he do that for me?

**Mr E.S. Ripper:** No.

**Mr M.J. BIRNEY:** He cannot do it!

**Mr E.S. Ripper:** I can bring you the Court government's own analysis in which the Court government revealed that it had those deficits. I can also provide commentators' analyses that state that the Court government was running a deficit but would not admit it.

**Mr D.F. Barron-Sullivan:** Do you know that the commonwealth government -

**Mr E.S. Ripper:** Does the Leader of the Opposition need help? A while ago the member for Warren-Blackwood was helping him. The Leader of the Opposition is on his feet, why can't he make the speech?

**Mr D.F. Barron-Sullivan:** I wonder if the Treasurer understands that the commonwealth Liberal government produces its budget on a cash-flow basis. Had that been done here, the previous Liberal government would have demonstrated a surplus in every budget.

**Mr E.S. Ripper:** We have used the Court government's measure and we are running surpluses. On its own measure, it ran deficits and you do not like it. You are looking around for any measure that will try to rebuild the Court government's record.

**Mr M.J. BIRNEY:** I need to clarify for my own peace of mind whether it is true that under the accounting system of the day, which was cash accounting, the Court government ran surplus budgets.

**Mr E.S. Ripper:** The Court government often claimed to run a surplus when in fact it did not.

**Mr M.J. BIRNEY:** Was that under the cash accounting system?

**Mr E.S. Ripper:** It claimed to run surpluses, when its own measure produced in 2000 showed that in fact it had run deficits.

**Mr M.J. BIRNEY:** The Treasurer will not quite answer the question, will he? Under the system of the day the Court government ran surplus budgets. Consequently, the Treasurer has tried to apply the new accrual system to the 1990s to support his claim that the Court government ran deficit budgets. The fact is that that is a very cute argument that does not wash with people. Having exposed the Treasurer's argument on that issue, I feel as though I can now move on.

**Mr E.S. Ripper:** You feel as though you have to move on, otherwise you will lose the argument.

**Mr M.J. BIRNEY:** Absolutely not.

Where has all the money gone? The government is earning about an extra \$3.6 billion in revenue every year. Naturally, as a result, we can expect to see something for that revenue, such as lots of new hospitals, schools and police stations being built. As I drive around this state, I struggle to find all those new capital works that we have been told will be built. When the Court government left office in 2001, it was spending \$1.13 billion on on-budget sector capital works that included hospitals, schools and roads. Guess what this mob spent four years later, having enjoyed a \$3.6 billion revenue increase? It spent \$1.11 billion on on-budget sector capital works - works that matter such as schools, hospitals and roads. The money is coming into one hand and going out of the other hand and there is nothing to show for it. We have heard the government make a litany of promises about hospitals it intends to build and a tunnel that has not even started to chew up the money allocated to it. We can legitimately ask: where has all the money gone? The fact is, nobody quite knows.

Given that this is pretty much the last sitting day of the year - so I believe - it is probably worthwhile reflecting on a couple of issues the Labor Party has mismanaged in some of its portfolios over the year. I think 2005 will be remembered as the year in which the Labor Party deserted children in this state. I am getting sick to the back teeth of reading about allegations of sexual and physical abuse against children and about all the other sorts of heinous crimes that are committed against children in this state. I am also getting sick to the back teeth of reading about the inaction of



the Labor Party, its Premier and the minister in this area. Some weeks ago, staff at the Department for Community Development called a crisis meeting to voice their concerns about the way in which the government is running the department. The meeting was attended by 300 staff members and, thankfully, we had somebody in attendance who wrote down all the allegations that were made. People would think that these allegations were made by the mothers and sisters of people who had been abused or by people who were in a particularly parlous emotional state. In fact, all the allegations that I am about to quickly go through were made by staff members of the department. The allegations included: child maltreatment allegations being left unallocated; long delays in counselling for children in foster care; the three-month deadline to check on kids in foster care not being met, and sometimes taking up to six months; sexually abused kids having 12 or more caseworkers in two years; abused children not being adequately cared for by the department; children being denied contact with relatives because of a lack of resources; contract workers, untrained in DCD procedures, working as caseworkers; some DCD staff having up to 20 case loads; more team leaders being urgently required; DCD staff having unmanageable deadlines; the system not being able to cope anymore; kids being placed in hostels instead of foster care; Midland DCD being short by 34 full-time employees; a 50 per cent staff turnover at Midland DCD; the Perth office of DCD being in crisis, with unacceptable workloads; 45 child maltreatment allegations being left unallocated at Perth DCD office; the Perth office, which has 55 staff, having a turnover of 56 staff in two years; and one child not being able to have dental work because of a lack of resources to do the preparatory work. Those allegations have been made by full-time employees of the Department for Community Development.

**Mr E.S. Ripper:** Are you arguing that there is a case to employ more public servants in the department?

**Mr M.J. BIRNEY:** I am arguing that we need a minister who is prepared to manage her department, rather than one who sits in a swanky St Georges Terrace office, puts her hands over her head, adopts the crash position and hopes that all will go well. We need a minister who is prepared to put in place procedures that will work and will benefit kids who are being abused.

**Mr E.S. Ripper:** Leaving aside all that rhetoric, you said earlier that too many public servants were being employed.

**Mr M.J. BIRNEY:** The Treasurer said that it is rhetoric, but it is not. When one office has 55 staff members and a turnover of 56 staff members in two years, one must ask what is happening in the department. This department is in absolute crisis. When 300 staff members are so incensed by the way in which the government is dealing with their department that they are moved to call a crisis meeting, we must say that the department is in crisis. I refer to the findings of the Auditor General's public sector performance report. The Auditor General found that up to 119 days expired before allegations of sexual abuse at childcare centres were investigated; that it took up to 102 days to investigate allegations of physical abuse at childcare centres; that 31 per cent of new childcare centres were not being checked within six months of opening, as they are meant to be; that health and safety complaints took, on average, 111 days to resolve; and that 43 per cent of investigations into child maltreatment claims took between 91 and 231 days to resolve. In other words, some poor kid was abused and it took the Labor Party 231 days to resolve that issue. What an absolute disgrace. The fact is that the Auditor General has damned the government for its handling of this department.

Some other items are also interesting. The Department for Community Development annual report, which was tabled in the Parliament on 8 November, shows an increase of 42 per cent in child neglect, an increase of 33 per cent in physical abuse, an increase of 24 per cent in sexual abuse and an increase of 30 per cent in emotional abuse of children, and yet the government has adopted the crash position. Members may well ask where all the problems are in DCD. The answer to Legislative Council question on notice 1351 might begin to answer that. The question states -

For each Department and Agency under the Minister's control, including the Minister's office -

(1) How many unfilled positions are there?

The answer was 218; there are 218 unfilled positions in that department. It is no wonder that a crisis meeting was called to try to deal with that matter.

The Auditor General's latest report on the Gordon inquiry also speaks volumes about the mismanagement by the Labor Party. Who can remember the Premier, almost with a tear in his eye, talking about the Gordon report and how his government had a 120-point action plan to try to deal with it? The government would put it all in place, and there was \$60-odd million worth of new money. Importantly, the Premier would put the secretariat that would oversee the implementation of the new plan under the Department of the Premier and Cabinet. This was such an important matter that he would keep that secretariat in his own department. What do members reckon the Auditor General said about that very secretariat? He is absolutely scathing of it. He said that no plan is in place to monitor whether the Premier's 120-point action plan is getting up and running. He is scathing of that secretariat. He also said that the opportunity to collect some definitive information is disappearing because of the actions of the government. He also went on to say that some of the much-heralded programs being put forward by the Labor Party to deal with this matter are not being followed through to any kind of conclusion. For instance, the Labor Party allocated \$800 000 to the indigenous community partnership fund, which was to be spent by the end of the 2005 financial year. At that time, only \$397 000 had been spent. Only half of the money had been spent. What has happened to that program? The government came up with its Safe Places, Safe People program, which had an allocation of \$601 000 that was due to be spent by the end of the 2005 financial year. At that time, the government had spent only \$144 000. Once again, that is an abrogation of

the government's duties. I say again that 2005 will be remembered as the year in which the Labor Party ignored children in this state and decided to turn the other cheek to allegations of child abuse and child sexual abuse.

Of course, DCD was not the only department in crisis. We all know that the Department of Justice has also been in crisis. With a hop, step and jump, double murderers have simply walked out of Karnet Prison Farm. Repeat sex offenders are alleged to have raped prison officers. Serious drug traffickers have walked out of minimum-security prisons. The Labor Party's answer to all that is the Mahoney report. Quite frankly, we are struggling to see anything in the Mahoney report that will deal with the endemic problems that exist within the Department of Justice. We are really struggling to see - surprise, surprise - any mention of the former minister, who is now the Minister for Police and Emergency Services, and her stewardship of the Department of Justice. I believe that all members in this house, even members of the Labor Party, are well and truly aware that the member for Midland, in her capacity as the Minister for Justice, oversaw an absolute disaster in that portfolio.

Outcomes-based education, and its proposed implementation next year, has also been an absolute disaster. A new minister is very keen to create some credentials for herself, to the point that she cannot possibly back down on outcomes-based education because that would not look good for a new minister. A massive amount of evidence is available to the Minister for Education and Training that people are not ready for outcomes-based education in years 11 and 12. It is fine to have outputs and a broad statement on what a child should achieve by the end of his schooling, but there must be some degree of input. Almost every week teachers tell me that they have no idea how to implement the OBE for years 11 and 12. The minister is not prepared to concede that point, given that she is a new minister and thinks that politically she will look bad if she does so. That is a real problem within the teaching profession.

The blue flu ran rampant across Western Australia. The epidemic started at the Raffles site. We had to drag the government, kicking and screaming, to the view that the blue flu is a bad thing for Western Australian industry. After some time we finally got the government to agree that blue flu is a bad thing. As it transpired, the government was only paying lip service. I understand it voted against the Deputy Leader of the Opposition's blue flu bill.

**Mr T.R. Buswell:** You are absolutely correct.

**Mr M.J. BIRNEY:** On the one hand, the government was dragged to the view that blue flu is a bad thing for Western Australia and, on the other hand, when the crunch came and the Deputy Leader of the Opposition introduced a bill to test its bona fides, it ran for cover and voted against that bill.

All over Western Australia there have been reports of burst water pipes. At the same time, the government would have us believe that it is spending record amounts of money on infrastructure. I recall a figure of \$300 million being quoted in this place as expenditure on infrastructure for the Water Corporation. What the government failed to tell Western Australians is that almost the whole lot, plus a bit, will be spent on the desalination plant. When the minister says that the government is spending another \$300 million on water infrastructure, people get the impression that their pipes in the back lane will be fixed and all the infrastructure will be brought up to scratch. They will be saddened to know that the whole lot will go on a desalination plant and, at the same time, water pipes will continue to burst. Figures that were tabled in the Parliament this year revealed that last year about 1 600 water pipes burst in Western Australia. That is an epidemic as well.

Who can forget the hospital waiting list. Mr Slippery is telling us waiting lists are at an all-time low. However, we have since found out that the waiting list to get onto the waiting list has about 30 000 names on it. It is no wonder that the waiting list is at an all-time low, when the waiting list to get onto the waiting list is at an all-time high.

*Withdrawal of Remark*

**Mr R.C. KUCERA:** The member for Kalgoorlie, the Leader of the Opposition, is well aware that members in this house should be referred to by their proper title.

**The SPEAKER:** That is true. Unfortunately I was not listening; I was speaking to the Clerk. If the Leader of the Opposition referred to members by anything other than their title, he should desist from that.

**Mr M.J. BIRNEY:** I did refer to the Minister for Health as Mr Slippery. I apologise; I do not know what came over me, quite frankly.

**Mr R.C. KUCERA:** The standing orders clearly show that a member must withdraw or apologise without qualification. The Leader of the Opposition is making a mockery of the withdrawal of remark system.

**The SPEAKER:** I do not know whether the Leader of the Opposition withdrew, but he should withdraw that comment, if that is what he said.

**Mr M.J. BIRNEY:** Absolutely, Mr Speaker. I withdraw, I withdraw.

*Debate Resumed*

**Mr M.J. BIRNEY:** I was referring to the waiting list to get onto the waiting list, before I was rudely interrupted. About 30 000 people are waiting to see a specialist before they can get onto the waiting list to have something done about their health problems.

At the same time, it is taking Western Australians months to get an appointment with a dentist in the public health system. At some hospitals people must wait up to 20 months for hip replacement or knee reconstruction surgery. I am reminded of the words of the then opposition leader, Dr Gallop, prior to the 2001 election who said that Labor knows about health and will fix it. Having 30 000 people on the waiting list to get onto the waiting list is not fixing the health problem! People have to wait for months and months to see a public dentist and they have to wait up to 20 months for a hip replacement or knee reconstruction. I do not consider that to be an indication of an adequate health system.

One of the greatest acts of arrogance from the government this year was the government's payment to public servants to attend a political rally. I have followed politics for quite some time. Indeed, my father was a federal member of Parliament in 1975. From a very young age I had an interest in politics. I am struggling to remember a greater act of arrogance. The government told its employees it was looking for a rent-a-crowd to give the other mob a slap and was prepared to pay public servants to protest against another government in this country. That is a blatant misuse of taxpayers' money. Interestingly, when the second rally was organised, the Labor Party was not quite as generous because it realised that it had done the wrong thing. It realised that it had blatantly misused taxpayers' money by paying public servants to attend a political rally. The second time around it afforded that courtesy to only its union mates who work in the departmental structure and nobody else was paid to go. Frankly, that was an admission that the government had got it wrong.

What about the new Minister for Tourism? What a gem he has been! Members will find that for years some bureaucrats within the tourism department have been desperately trying to get rid of Rally Australia for reasons unknown. They probably tried it out on the member for Yokine when he was the Minister for Tourism, but I suspect he stood them down and said that he would not get rid of it. On the first day the member for Rockingham became the Minister for Tourism, the bureaucrats got into his ear and said that he should get rid of the event and Mr Wet Behind the Ears said that it was no problem at all to get rid of it. All sorts of tricky mathematics were used at the time to justify the axing of Rally Australia. We know that when the government has a bent on something, it will use any kind of mathematics it likes to support its cause.

I refer now to consultants. The government is awash with consultants. Who could forget that when in opposition, the current Premier campaigned on the issue of consultants? However, now we have seen a \$12 million blow-out on consultants over the past year. The Labor Party said one thing in opposition and, surprise, surprise, has done something else now it is in power.

In conclusion, the big issue today is the Appropriation (Consolidated Fund) Bills, which the government would have us believe are just administrative-type bills that simply need to be ticked off on. The bills contain \$1 billion worth of expenditure. The retrospective expenditure relates to the past three years, and we are being asked to give it the nod; to give it the tick and to get on with the next order of business. That is a disgrace. I call on the Treasurer to do what he has done in previous years; that is, provide an explanatory memorandum that sets out the expenditure contained in the bills and informs us about where it went. Anything short of that would be to treat this Parliament with absolute contempt.

**MR T.R. BUSWELL (Vasse - Deputy Leader of the Opposition)** [12.33 pm]: I add my support to the comments of and the position taken by the Leader of the Opposition today in examining the nature and content of these bills. It is interesting to note some of the purposes presented for the Treasurer's advance authorisation. Some of the reasons given are to make payments of an extraordinary or unforeseen nature in anticipation of or addition to the relevant appropriations by Parliament or to make advances for the temporary financing of works and services or to officers of the state. Finally, we are told that the TAA acts as a financial buffer between planned expenditure and actual expenditure. What happened in 2004-05? At the start of the financial year the government laid down a budget that projected revenue of approximately \$12.7 billion against expenses of approximately \$12.5 billion. What happened during that year that caused the Treasurer to come back to the Parliament earlier this year and say that the \$300 million authorisation that he had up his sleeve to act as a financial buffer between planned expenditure and actual expenditure, which has been an effective buffer in this state for many years, was not enough?

**Mr M.J. Birney:** Does it start with "e" - for election?

**Mr T.R. BUSWELL:** It could be "e" for election. The Treasurer said, "It's not enough. I think I need \$750 million. I'm having a bit of trouble keeping a cap on this beast that the government unleashed in 2001 called recurrent expenditure growth." It gives an interesting insight into the mismanagement of the current government.

**Mr E.S. Ripper:** Do you know who holds the record for recurrent expenditure growth in one year? Richard Court.

**Mr T.R. BUSWELL:** I am glad that the Treasurer has raised the previous government. I will refer to what the Treasurer said the last time he asked for an increase in the Treasurer's advance authorisation, which I believe was in 2001-02. He said -

This Bill is largely required to accommodate the spending excesses of the previous Government since its last budget.

The last time the Treasurer said in this place that he could not manage the state's economy in line with what he had anticipated, he blamed it on the previous government. He said that it had excessive expenditure. He said -

This irresponsible financial management has put the State's credit rating at risk and leaves the new Government with a significant financial challenge . . .

He went on to say -

. . . the Opposition's cavalier approach to expenditure management has resulted in massive appropriation overspending relative to budget. Accordingly, a significant burden is placed upon the Treasurer's advance.

He even said -

The new Labor Government is committed to a stricter program of expenditure management. The expenditure review committee will ensure that the systematic abuse of the Treasurer's advance will not occur in future.

Finally, he said this little gem -

It has been our long-held belief that a substantially lower limit on the Treasurer's advance is desirable . . .

I wondered to myself when I read those fine words by the Treasurer in 2001 what excuse he would put forward this year. Last time he blamed it on the financial irresponsibility of the previous government. The bad news is that the Treasurer has been in office for four years, and if the principles that he argued then hold true - I presume they would - he can blame only himself and this government's financial irresponsibility over the preceding four years. I am forming an increasingly strong view that one of the underlying themes of the government, and one of the lasting legacies he will leave us, is best summed up by the term "mismanaging the good times". As I say, I am forming an increasingly strong view that the Treasurer, along with this government, is mismanaging the good times in this state.

**Mr E.S. Ripper:** That may well be your view. Go through the expenditure and tell me which ones you disagree with.

**Mr M.J. Birney:** Government advertising.

**Mr T.R. BUSWELL:** I will get to that in a moment. I will not detail to the extent that the Leader of the Opposition did, because of time constraints, the Treasurer's inability to provide the necessary detail to support his requests under this bill. I will not go into that. It almost reeks of what we call beer-coaster budgeting; that is, the government knocks up a few figures on the back of the beer coaster and shoves it across to the opposition, because it thinks it will take the government at its word and sign off on it. Unfortunately, that will not happen in this place, and I give the Treasurer the tip that it certainly will not happen in the other place.

As the Leader of the Opposition alluded to, I am interested in finding out whether the Treasurer illegally exceeded the spending of his initial \$300 million approved TAA.

**Mr E.S. Ripper:** No; we acted according to the law.

**Mr T.R. BUSWELL:** That is yet to be determined.

**Mr E.S. Ripper:** No, I am telling you.

**Mr T.R. BUSWELL:** The Treasurer has told me, but it has not been determined. I do not accept the Treasurer's telling me something as being a definitive determination that it is a fact. I will not believe it is a definitive determination as a fact until we see the evidence on the table.

**Mr E.S. Ripper:** Do you think that the State Solicitor's Office and the Department of Treasury and Finance would allow actions that would be against the law?

**Mr T.R. BUSWELL:** We will see, Treasurer, and we will wait with interest to review that information.

I am forced to take a step back, because we have had four full years of the Treasurer's financial mismanagement of the state. We have an opportunity to sit back and have a bit of a look at where the Treasurer has been going and what he has been up to. Given the level of reckless expenditure growth in this state, I am often caused to ask myself whether that expenditure growth is driving the burdensome tax system or whether it is the other way around. Is it a fact that the coffers are that full that the government feels that it can spend money willy-nilly without any form of effective control? I think it is a combination of both those factors. The growth in recurrent expenditure in this state is creating the potential for a significant structural imbalance in the budget in years to come. I am sure that the Treasurer would agree that he is placing this state and its medium to long-term economic strength in a parlous situation if government revenue goes into a state of decline. It is very difficult to rein in growing recurrent expenditure.

**Mr E.S. Ripper** interjected.

**Mr T.R. BUSWELL:** I am talking about what will happen in years to come. The Treasurer knows as well as I do that if revenue streams drop back in the current environment of aggressive recurrent expenditure growth, we will experience significant structural problems in maintaining a budget surplus. I was very interested to look at the Treasurer's management of expenses and the first budget he handed down. The Treasurer stated that his laudable objective for

expenses would be to cap the rate of growth in outlays to the levels necessary to match price changes and population growth. In the Treasurer's first budget, the forward estimates reveal that for the recently completed financial year of 2004-05, expenditure in this state would be \$11.5 billion. In actual fact, expenditure was over \$13 billion. In other words, after four years this government's expenditure has ended up \$1.5 billion ahead of the position it planned to be in four years ago. That is not a good indicator of the Treasurer's capacity to manage expenditure in Western Australia. In fact, in the first four years of the Gallop government, recurrent expenditure increased by 25 per cent. Has population growth in Western Australia increased by 25 per cent? Definitely not. Has inflation increased by 25 per cent? Absolutely not. Has the combination of population and inflation growth increased by 25 per cent? Absolutely not. By the Treasurer's own measure, he has failed to manage recurrent expenditure growth in this state. The challenge - this highlights the point I made earlier - is that if we keep going with a recurrent expenditure growth of 25 per cent, in four years our expenditure will balloon by another \$3.3 billion. Of course, the flip side to expenditure is taxation, something that the Treasurer conveniently forgets to discuss in this chamber. The total tax take under the Treasurer's stewardship has increased from \$2.9 billion to \$4.3 billion, an increase of 50 per cent. I talked recently in this place about the measure the Treasurer uses to indicate tax competitiveness. We all know that the measure he started using was the concept of tax per capita; that is, how much tax should be collected per capita for every man, woman and child in Western Australia. The Treasurer was so keen on using tax per capita as a measure of tax effectiveness that he tried to ensure that our interstate ranking in taxation revenue per capita did not change. Guess what? Our ranking did change. In fact, taxation revenue per capita in Western Australia rose from \$1 322 a person in 2001-02 to \$2 188 a person in 2004-05. In other words, in the past financial year the government collected \$2 188 from every man, woman and child in Western Australia.

**Mr M.J. Birney:** They used to measure our tax competitiveness with other states on a per capita basis, but when it ended up being right at the very top of the scale, they changed it to a GDP basis.

**Mr T.R. BUSWELL:** That is exactly right.

**Mr E.S. Ripper:** I wonder who else has used the GDP basis - Richard Court and Peter Costello?

**Mr T.R. BUSWELL:** They did not change it. This government changed it halfway through its term. The government changed it because tax rates per capita went up by 65.5 per cent, and Western Australia jumped up a couple of notches on the rung. In fact, if the gambling taxes are taken out of the equation, Western Australia has become the highest taxed state.

**Mr E.S. Ripper:** Why would you take out gambling tax?

**Mr T.R. BUSWELL:** It is a measure of business tax competitiveness. The Treasurer knows as well as I do that a number of business groups in this state are advocating business tax competitiveness as the measure that the Treasurer should be using. I am intrigued about why, as the Leader of the Opposition has indicated, expenditure is blowing out in Western Australia. I think something has happened to me since I became a member, because when I go to bed I now read such things as this consolidated financial statement. I ask that the Treasurer put his photograph on the inside of the cover as a memento.

**An opposition member:** Something for you to read before you go to sleep.

**Mr T.R. BUSWELL:** Perish the thought.

**Mr E.S. Ripper:** I do not like the idea of you looking at my photograph when you are in bed.

**Mr T.R. BUSWELL:** I may already be doing so! If I have seen a woman's face in ink spots, I can see the Treasurer's face on the flyleaf. Who knows what could be happening in my mind since I came into this place?

**Mr R.C. Kucera:** No wonder he has a blue hand!

**Mr T.R. BUSWELL:** The member for Yokine has raised that issue before, and it was not something I jumped to my feet to deny. Anyway, I will move on.

I have discovered that in the consolidated financial statements for the four years from June 2001 there is an item for employee entitlements; in other words, how much the government pays the people who work for it. Do members know how much that went up in the first four years of this government? It went up from \$4.5 billion to \$6 billion a year. Of the increase in government recurrent expenditure of \$2.6 billion, \$1.5 billion is used to fund the Western Australian public service.

**Mr M.J. Birney:** Doesn't the government have a three per cent wages policy?

**Mr T.R. BUSWELL:** It has a three per cent wages policy. Some of the increase is driven by increases in numbers and some by increases in wages. I was intrigued by how much those public sector numbers increased over that period. I got the information from the Treasurer's document on the profile of the Western Australian state government work force. The Western Australian public sector head count numbers in the first four years of this Labor government increased by 18 142. If we work that back to a measure that is a little easier to understand, it means that for every working day that

Labor has been in government, it has lined up 18 Western Australians and asked them to enter the public sector and work for the government; that is, 18 people per working day have entered the public service.

**Mr E.S. Ripper:** Nurses, teachers, police officers, environmental health officers -

**Mr T.R. BUSWELL:** Here is the sting in the tail. Where are the nurses? Where are the teachers? Where are the police officers? Where are the child protection workers? The extra public sector workers have not gone into those areas. The government has soaked them up like a giant sponge. I suspect that if we marched down St Georges Terrace and into some government buildings, we would find basements full of people just sitting there waiting to be called on to do something, because they are not delivering meaningful services to Western Australians at the moment. The government has 18 000 more people on its payroll, but it is not delivering meaningful services to Western Australians.

I have been interested to look at what has happened to the salaries of those people. We now know that 54 per cent more Western Australian public servants are being paid between \$100 000 and \$150 000, 280 per cent more Western Australian public servants are being paid between \$150 000 and \$200 000, and 453 per cent more Western Australian public servants are being paid more than \$200 000 a year.

I want to touch on one other point. Our leader emphasised the point of consultants, which is a very interesting point. In the 2004 calendar year \$28.8 million was spent on consultants.

**Mr E.S. Ripper:** I think when you ran the Busselton council, the expenditure on consultants went from \$7 000 to \$600 000.

**Mr T.R. BUSWELL:** That is an interesting point. I did not get elected by promising to cut consultancies; the Treasurer did. I did not get elected by promising to cut back expenditure; the Treasurer and the Premier did. I am not the hypocrite, the Treasurer is. There is an expenditure of \$28.8 million, but there is a sting in the tail. The government has changed the definition of consultants. To be a consultant in this state now is to be part of a narrowly defined field, compared with the definition under the previous government. What did we find when we looked at different categories of Western Australian public servants? There is a category called "contract employees". What is a contract employee if not a consultant when he is not being a consultant? They are hidden consultants. What did the government pay contract employees in the past few years? Could it have been a couple of million dollars? It was \$42.2 million!

Debate interrupted, pursuant to standing orders.

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## **TOM DRINKWATER, PEOPLE AGAINST VANDALISM**

*Statement by Member for Mindarie*

**MR J.R. QUIGLEY (Mindarie)** [12.50 pm]: I acknowledge the efforts of Mr Tom Drinkwater, a businessman, property developer, primary food exporter and octogenarian, in establishing in the electorate of Mindarie the people against vandalism initiative. Mr Drinkwater owns property in my electorate and has initiated the people against vandalism initiative in order to have a war on graffiti in the electorate. He is a private citizen but, with his tremendous energy, he has brought together the local police, government schools, private schools, local businesses and churches as well as upper and lower house members of Parliament. The object is to respond to graffiti vandalism by removing it swiftly, all of which is done through voluntary efforts. It works in much the same way as a volunteer bush fire brigade - Mindarie has a branch of that as well. People against vandalism units will go out with a properly resourced trailer and wipe out graffiti. They are vigilant about which groups of children or young people in the community are perpetrators. The people work with the schools and the police to stem the flow of vandalism. The initiative has been going for six months on a trial basis and it is now moving to a permanent basis. I have every optimism that the work of Mr Drinkwater will make a big difference in our community.

## **WESTERN AUSTRALIAN COLLEGE OF AGRICULTURE, DENMARK**

*Statement by Member for Stirling*

**MR D.T. REDMAN (Stirling)** [12.52 pm]: I had the good fortune to attend the Western Australian College of Agriculture Denmark graduation ceremony recently. The event was attended by more than 150 visitors, including parents, extended family, a number of sponsors and local dignitaries. As an ex-principal of the school I could not help but feel a little at home during the ceremony. It was impressive to see, not only the variety of awards given but also, in particular, the breadth of the student body that received the awards. Graduating students were well presented and reflected the breadth of awards given.

I compliment the staff of the WA College of Agriculture Denmark for their commitment to the students, both in the educational program and in the residential and domestic side of the college, which was so clearly evident in the quality of the young men and women who graduated. Recent changes to the School Education Act, making it compulsory for students to stay at school for years 11 and 12, make it all the more important that students are able to access not only a rigorous academic program but also a realistic and relevant vocational program.