

ADDRESS-IN-REPLY

Motion

Resumed from an earlier stage.

HON J.A. COWDELL (South West) [7.33 pm]: Before the dinner break I was referring to the expanding budgetary black hole of \$60m expended by this Government on advertising in this State. I pointed to the policies proposed by the current Government while in opposition and I specifically referred to the statutory restrictions that were proposed for government advertising. I pointed out that we passed the 1992 Electoral Amendment (Political Finance) Bill, which contained at least the minimum requirement of transparency; that is, all government departments and agencies must disclose in their annual reports all advertising-related expenditure. However, even this legislation, so little as it was, was too much when the coalition Government came to power in 1993, and it took three years of parliamentary motions, opposition Bills and Commission on Government recommendations to get the Government to the starting blocks.

In 1996 the 1992 Electoral Amendment Act was amended and that part of it containing new section 175ZE was finally proclaimed. By virtue of the timing of the proclamation, the coalition Government ensured that no systematic disclosure of government advertising expenditure would occur prior to the December 1996 poll. In the annual reports covering the 1996-97 financial year, about the only government department that disclosed its advertising expenditure was the Electoral Commission. The Opposition pursued this situation through parliamentary questioning so that the annual reports for the 1997-98 financial year showed somewhat better compliance, although about half the government departments and agencies required to report advertising expenditure failed to do so.

The reports covering the 1998-99 financial year showed a better rate of compliance, although some notable exceptions appeared. The list I composed as best I could indicated that a range of agencies, including port authorities, appeared to be non-compliant. Also non-compliant were the Commission for Equal Opportunity; the Commissioner of Workplace Agreements; the Environmental Protection Authority; Family and Children's Services; GoldCorp Australia; a number of development corporations; a number of supervisory boards, including the Finance Brokers Supervisory Board and the Land Valuers Licensing Board; and a number of other bodies, including the Perth Theatre Trust, the Perth Zoo and so on. Even in the third year of the operation of the Act, which required those advertising expenditure details to be furnished in annual reports, a range of government instrumentalities were not so reporting. Let us hope that the annual reports covering the period July 1999 to 30 June 2000 will finally meet the compliance requirements of the legislation and disclose advertising-related revenue.

The Government appears to be satisfied that there is no effective follow-up mechanism under section 175ZE of the Electoral Act. Until this year, the Electoral Commission did not even have a comprehensive list of the government bodies required to comply with section 175ZE. I understand that, in response to a parliamentary question, it is now in the process of compiling that list. Parliament still awaits confirmation of that list. We are aware that certain statutory bodies, such as AlintaGas and Western Power, the biggest spenders in the advertising stakes, are not required to report their expenditure under section 175ZE. Undoubtedly, this is entirely satisfactory to the Government.

We then move to other forms of restriction. Disclosure is perhaps the weakest form of check on government advertising excess. What about restrictions per se on government advertising that were demanded by the Liberal Opposition? It is not strictly true to say that we have not heard of them since the coalition came to power in 1993 because members will remember that the Foss amendments that restricted non-emergency government advertising prior to and during an election period were included in the 1992 amendments to the Electoral Act. When the amendments were overhauled in the 1996 Bill, the Government felt it should at least pay lip service to its previous high ideals. It did not repeal the Foss amendments. It amended the Act so that all sections need not be proclaimed, and the Government promptly failed to proclaim the Foss restrictions on advertising and on ministerial and parliamentary travel.

Hon Derrick Tomlinson: Are they the same ones not proclaimed by the previous Government?

Hon J.A. COWDELL: Indeed they are; however, this non-proclamation followed a further set of amendments. The ministry advised the Governor to proclaim only sections 1 to 4 of the 1992 Act. I expected that this might have been the case. In the 1996 debate, I attempted to move an amendment to clause 24 along the following lines -

provided that where section 4 of this Act comes into operation and section 5 and 6 of this legislation remain unproclaimed -

I refer to the Foss clauses -

- section 5 and 6 shall be deemed to commence operation 42 days prior to the polling day of the first general election subsequent to such day as section 4 comes into operation.

Indeed, my concerns were well justified because sections 5 and 6 were not proclaimed. The Foss-Pendal restrictions on government advertising and expenditure were enacted by Parliament. Section 191B(1) of the 1992 Act reads -

During the relevant period in relation to an election an officer of a public agency shall not -

- (a) print, publish or distribute any matter; or
- (b) cause, permit or authorize any matter to be printed, published or distributed, for or on behalf of the government or a government authority.

The section then dealt with certain matters that were exempted and defined "government authority", "political reference" and "relevant period". This section has been passed by both Houses of Parliament and assented to by the Governor, yet the Government refuses to have it proclaimed. Could there be any greater abuse of power than the deliberate frustration of the resolve of both Houses of Parliament as expressed in 1992 and again in 1996?

The Foss provisions placing restrictions on partisan advertising during and in the lead-up to an election period are missing in action. The Government's credibility on this issue seems to have suffered a similar fate. Nevertheless, the Government is not satisfied with the situation that prevails; that is, we have some transparency with respect to government advertising through annual reports, but no statutory restriction on the level of advertising. Indeed, we dealt two weeks ago with the first Electoral Act amendment Bill since 1996. The Government proposed that a repeal of section 175ZE be part of that Bill; that is, that the requirement for the disclosure of the level of government advertising and propaganda, the weakest form of restraint, be abolished. It was only trenchant opposition to such a move from the Opposition and the threat that it would not succeed in this Chamber that prevented its appearance in the Bill. The governing parties have not only abandoned any commitment they once had to restricting government advertising propaganda but now also want to abandon reporting to Parliament the cost of the propaganda. The arrogance of power has taken hold.

While I refer to the arrogance of power, let me not overlook the Foss dictum, which goes something like this: All these constraints, whether they be statutory or otherwise, are necessary only with a Labor Government. One does not need such rules, laws or regulations with a coalition Government because it comprises such honest, decent and trustworthy people who would never misuse or abuse their power.

Hon Derrick Tomlinson: I could not have put it better myself.

Hon J.A. COWDELL: Perhaps the member should be in the ministry as well.

Hon Derrick Tomlinson: You flatter me!

Hon J.A. COWDELL: I will let that comment pass.

The Government's stance is that it would not use government advertising for propaganda purposes; therefore, it is unnecessary to impose any restraint. The Attorney General has enunciated that principle on numerous occasions in this House, as he did specifically in the 1992 debate.

I refer back to 1989 when Hon Peter Foss and Hon Phil Pendal moved to impose statutory restraints on government advertising. The amount of expenditure complained about in the 1987-88 financial year was \$10.4m. Specific exception was taken to the expenditure of \$636 000 on television and press advertisements for the care and respect program, the family program and the law and order package.

What figures on government advertising have been presented to Parliament in the past few years under the legislation that the Government wants to repeal? Members should be aware that this does not include the biggest spending instrumentalities or all the agencies that are required to comply. In the 1997-98 financial year the tally I came up with - that is, with only partial reporting - was \$32 445 606. In the 1998-99 financial year the figure was \$50 934 670. What will the figure for 1999-2000 be, excluding instrumentalities that are not required to report? One could estimate on that scale of escalation that the figure would be at least \$60m or \$70m, but we will not have the figure until after the next election; and if the Government had its way, we would not have those figures at all.

Members will be aware of some of the apparent dimensions of these campaigns. One of the pet campaigns utilised by Hon Eric Charlton when he was Minister for Transport was that wonderful campaign, which is still going in an abridged form, of Fix Australia, Fix the Roads. Hon Eric Charlton managed to put sums of up to \$600 000 on some occasions into this propaganda exercise.

Hon M.J. Criddle: Have you looked at the roads of Western Australia recently?

Hon J.A. COWDELL: It is amazing how that expenditure completely dried up when the federal Labor Government ceased to hold office. Suddenly it was not an issue - not enough for \$600 000. Far be it from me to suggest that the advertising expenditure was significantly high during the period of office of the federal Labor Government but almost ceased to exist with the change of Government, despite the fact that there was no enhanced funding.

Hon Derrick Tomlinson: You are not suggesting political bias, are you?

Hon J.A. COWDELL: Never! Members will be aware of the non-partisan nature of the \$400 000 spent on the third wave industrial advertising; the \$75 000 that was spent on the four-page promotion of the Gngalara park proposal; and the minimum of \$400 000 that was spent on promoting the salinity strategy. It is a pity the money was not spent on the work rather than the glossy documents.

Hon Derrick Tomlinson: It is the necessary dissemination of public information.

Hon J.A. COWDELL: Of course. We note Hon Derrick Tomlinson's fine distinction when he went on ad infinitum in the 1992 debate about education philosophy and certain documents.

Hon Derrick Tomlinson: That is right. You must inform the public.

Hon J.A. COWDELL: Some \$160 000 was spent on television commercials promoting new national parks and the maritime pine program, when no new national parks have been created. No doubt the intention was there. Some \$170 000 was spent on a couple of pamphlets, "WA Forests Today" and "WA Plantations". "WA Plantations" cost \$88 843 for printing and distribution. Why the electors of members in the metropolitan area needed this vital information on plantations, I am not quite sure.

Hon Derrick Tomlinson: You want to keep your electorate informed, pandering to the ignorant masses.

Hon J.A. COWDELL: The Government is doing a good enough job on that.

There are other figures; for example, from 1997-98 to 1999-2000, \$436 000 was spent on infill sewerage information, which is hardly the sort of expenditure the Government needs if it is merely to send a letter with the relevant details to those people in the area who will be affected by it. We had extensive advertising here. The advertising level referred to by Hon Phillip Pandal in his famous speech in support of his 1989 Bill was an amount of \$10.4m for the previous financial year. For the financial year before last the figure was \$50 900 000, and that is only a partial figure. Heaven knows what it will be for the past financial year. As I say, we will not get those figures until after the election.

Hon Simon O'Brien: You could buy an eighth of a non-existent petrochemical plant for that.

Hon J.A. COWDELL: Indeed, but this Government was elected to do away with all of that.

Hon Derrick Tomlinson: We did; we have not failed. We do not have a contract for a blue-sky petrochemical plant.

Hon J.A. COWDELL: The Government has a contract for a few printing presses.

Hon Derrick Tomlinson: It is necessary dissemination of public information, and you are aware of that.

Hon J.A. COWDELL: Advertising has now reached such scandalous levels that the Australian Labor Party can go to the people at the next election with the promise of withdrawing \$20m of advertising money and re-allocating it to hospital and education programs without any fear of doing too much damage to the overall advertising budget.

We are looking at conventions, rules and regulations because we have no statutory restrictions. Indeed, this course has been adopted in other jurisdictions. The New Zealand Government adopted guidelines following its Auditor General's report in 1989. New Zealand followed the United Kingdom's example where a set of guidelines were adopted by the United Kingdom Government in 1985. The Premier of New South Wales issued memoranda in 1991 and 1992 which were to act as a check on improper expenditure. A memorandum of the Premier of New South Wales was issued in May of 1991, which dealt with advertising expenditure during election campaigns; that is, from the time of the issuance of the election writ to the closing of the polls. According to my notes it stated -

"Campaign advertising is defined as any promotional advertising where an accredited advertising agency has been engaged to develop concepts, artwork, scheduling [and the like]."

Advertising placed during election campaign periods does not give ground for claims that they are published for party-political purposes;

There must be no advertising could be claimed to have a political purpose;

Advertisements are not to include any photographs of Ministers;

Advertising must have a clear commercial or essential community information purpose and be necessary at that particular time.

Various guidelines have been compiled, among them an Auditor General's report that was issued in Victoria in 1996. It is hardly surprising that the response of the Kennett Government to the suggestions of the Victorian Auditor General was "Shove off".

As Western Australia certainly has no statutory limitations, I surmise that we have no limitations by reason of conventions, rules and regulations, although I am still waiting for an answer to my question asking the Premier whether he can confirm that.

We have no rules, no conventions and no regulations to rule out government advertising propaganda. The only precedent that the Western Australian Government follows is the federal precedent of the massive lie based on massive expenditure. I bring to members' attention *The Bulletin* article of 12 September this year entitled "Selling Out", by Deborah Light, which identifies the magnitude of the fraud at the federal level. The article states -

A confetti of confidentiality agreements covers the advertising, media and research companies working for the Coalition government but it fails to conceal this: when it comes to selling a message, this government knows what it's doing. As the graph on the facing page shows, you don't have to convince the government that it pays to advertise. . . . Notably, controversially, it has used advertising heavily to convince us to embrace a new tax system.

The federal election is due next year so stay tuned for more. Government initiatives are expected on welfare, superannuation, drugs and tourism and - if the recent past is any guide - advertising will be used to ease their passage into the community. Common slogans might include "Your taxes at work", but what will the real messages be? Will they encourage the population to work for welfare or crack down on drugs? Or will they subtly encourage us to return a Coalition government at the next election?

There have always been questions about the blurring of distinction between party propaganda and educational campaigns when advertising is commissioned by a government. But they have become more strident following several campaigns used by the present government to usher in the GST. One of the largest was the "Chains" campaign, which accounted for a whopping \$46m of the government's \$461m education campaign about the new tax. Of that, \$20m was spent on media for a campaign which lasted two months. . . . Advertising from August to November 1997 for the privatisation of Telstra, with a top-up the following October to November, was worth just over \$9m in media placements alone . . .

Auditor-general Pat Barrett -

That is at the federal level -

- recommended the guidelines in late 1998 following his assessment of advertising outlays immediately prior to the 1998 election, which saw the government spend up big on education campaigns, notably the community, education and information program (known as GST No 1).

The article then provides a graph that indicates a marked increase in advertising expenditure in the immediate run-up to polls. We are approaching a similar situation in Western Australia, with an annual advertising expenditure in the order of \$60m. That is an amount that could significantly and beneficially affect a range of other worthy government programs. The question is: Where do we go from here?

I draw the attention of the House to a Bill that was introduced by the Leader of the Opposition in another place.

Hon Murray Montgomery: South Australia, Victoria, New South Wales?

Hon J.A. COWDELL: The other place is a bit closer than that. It was a 1997 Bill based on the findings of various Canadian - particularly British Columbian - New Zealand and United Kingdom experiences. In fact, it provided guidelines for a committee consisting of people such as the Auditor General to check that we were not getting propaganda in our advertising budget but that the expenditure in that regard was legitimate. Of course, that Bill, the Scrutiny of Government Publicity Bill, was blocked in the Assembly. As I said, it provided for a government publicity committee to consist of the Auditor General, the Ombudsman and one part-time member. This committee was to review government publicity for political purposes, to provide guidelines that were to be adhered to, and to ensure compliance to prevent the very problem that had been identified by the Liberal Opposition, which had proposed various statutory measures to rectify it.

At the moment, only two measures are in place. We must at least make sure that they are operational. One concerns the transparency of disclosure. The Electoral Commissioner must report on departmental compliance with section 175ZE of the Electoral Act and collate the figures for Parliament on an annual basis, in my opinion. This does not happen at the moment. Section 175ZE is in the Electoral Act. It is a requirement that the various departments and agencies disclose their advertising and advertising-related expenditure, but that has on many occasions been more honoured in the breach. Given that this is under the Electoral Act, there is a role that the Electoral Commissioner needs to fulfil. Most of this information comes considerably after the event, but it is better than nothing. As I said, hopefully the Western Australian Electoral Commission will be encouraged on its way by having now compiled a list of those instrumentalities and bodies that are required to publish details of advertising revenue in their annual reports.

We have a section 191B of the Electoral Act. In fact, at the moment it is a section of the Electoral Amendment (Political Finance) Act of 1992 - a section that has not yet been proclaimed. It is the Foss section that is missing in action. It limits government advertising expenditure in the campaign period and immediately preceding it. This provision has been effectively passed twice by Parliament. It was passed once in 1992, and it was effectively considered again by virtue of the passage of the 1996 Electoral Legislation Amendment Act. The Government must cease frustrating the will of Parliament and proclaim this section that was so stridently advocated.

Hon W.N. Stretch: Members opposite have short memories.

Hon J.A. COWDELL: The situation is that the amendment was moved by Hon Peter Foss. He accepted further amendments to ensure that it was at least half-operational, and did not outlaw the advertising of elections. The Electoral Act was reviewed in 1996 and the other sections were proclaimed, including section 175ZE. We have two measures at hand. Firstly, the transparency of disclosure. I hope that is becoming more effective. I have been trying to assist that process by addressing questions to the Minister for the Environment, the Minister for Regional Development, the Minister for Transport and ministers of various departments and instrumentalities that may have overlooked their requirements. The second measure was moved and amended in this House, and then accepted and carried by the Legislative Assembly in 1992. It is still there. I conclude my comments by moving an amendment to the Address-in-Reply to seek the Bill's proclamation.

Amendment to Motion

Hon J.A. COWDELL: I move -

That the following words be added to the motion -

But we regret to inform Your Excellency that Electoral Act amendments, meant to restrict partisan government advertising during an election period or immediately prior to an election period, passed by this House and the Legislative Assembly and assented to by Your Excellency's predecessor, have not been proclaimed in an attempt to frustrate the will of Parliament.

Debate adjourned, on motion by Hon Muriel Patterson.