

*Standing Committee on Estimates and Financial Operations — Eighty-sixth Report —  
Consideration of the 2020–21 annual reports — Motion*

Resumed from 14 June 2023 on the following motion moved by Hon Peter Collier —

That the report be noted.

**Hon AYOR MAKUR CHUOT:** I rise today to speak on the eighty-sixth report of the Standing Committee on Estimates and Financial Operations, “Consideration of the 2020–21 annual reports”. Firstly, I would like to acknowledge the members of the committee at that time for their contributions. The chair at that time was Hon Peter Collier, the deputy chair was Hon Samantha Rowe and the other committee members were Hon Nick Goiran and Hon Dr Brad Pettitt. The committee was assisted by Andrew Hawkes, advisory officer; Denise Wong, advisory officer on the legal side; and Margaret Liveris, committee clerk.

The Legislative Council Standing Committee on Estimates and Financial Operations reviewed the 2020–21 annual reports of six agencies, which are listed in the report. The committee examined expenditure from the consolidated account against key indicators and matters raised by the Auditor General. The report revealed that the government spent \$30.2 billion from the consolidated account in 2020–21, which was only \$13 million more than expected at the time of the 2021–21 budget. The government also supplemented 40 items of expenditure and created one new item of expenditure from the consolidated account. As I mentioned earlier, the report focused on six agencies: the Department of Education; the Department of Health; the North Metropolitan Health Service; the Department of Planning, Lands and Heritage; the Office of the Auditor General; and the Office of the State Coroner. The report also reflected on the impact of the quality, quantity and timeliness of information provided by the agencies on the committee’s capacity to scrutinise agency operations.

The 2020–21 budget had four main goals: to create strong and safe communities; manage the finances responsibly; promote economic growth and diversification; and build liveable and affordable communities. The government received approval to spend \$27.3 billion across the two appropriation bills, with 149 spending items identified. According to table 1 on page 2 of the report, the spending authorised under the appropriation acts was \$956 million less than expected, but this was balanced out by increases to other agencies under the Treasurer’s advance arrangement of \$980 million. However, the actual spending authorised by other statutes outside the Treasurer’s advance arrangement was \$12 million lower than expected.

As I mentioned earlier, the committee examined six agencies. Collectively, the agencies received \$11.1 billion in appropriations from the consolidated account and reported against eight desired outcomes, 18 services and 72 key effectiveness indicators in that period. The committee, of course, made findings and recommendations, two of which our government responded to. One recommendation was that —

The Treasurer direct the Department of Treasury to advise accountable authorities that the Treasurer’s prior approval is required to overdraw any agency special purpose account.

The response from the government was —

The Department of Treasury will write to accountable authorities subject to the *Financial Management Act 2006* (FMA) reminding them of their obligations under the FMA, including that they obtain the Treasurer’s prior approval under section 19 of the FMA should they anticipate an agency special purpose account becoming overdrawn at any time, including for timing differences between receipts and payments.

Treasury hosts the chief finance officers’ ... forum twice yearly and will also bring this to the attention of CFOs at the November 2022 Forum.

Recommendation 2 states —

The Attorney General advise each head of the respective courts of the *Guidelines for communications and relationships between the judicial branch and the legislative and executive adopted by the Council of Chief Justices of Australia and New Zealand on 23 April 2014*.

The response from the government was —

The Attorney General will advise the heads of jurisdictions of Finding 1 and Recommendation 2 contained in Standing Committee on Estimates and Financial Operations—Report 86.

In conclusion, the *Annual report on state finances* and agency annual reports are crucial documents for the government as they enable an assessment of how the state and individual agencies performed against budget expenditure. Both financial and non-financial criteria are relevant. The committee’s report showcases the government’s commitment to creating strong and safe communities, managing the finances responsibly, promoting economic growth and diversification, and building liveable and affordable communities. The diligent work of the Standing Committee on Estimates and Financial Operations in scrutinising agency operations and ensuring that taxpayer dollars are being used efficiently and effectively is commendable.

**Hon NICK GOIRAN:** We are currently considering the eighty-sixth report of the Standing Committee on Estimates and Financial Operations. If members take the opportunity to go to the back of the report, they will see that the committee set out a summary of the agency hearings. These were annual report hearings for 2020–21. The committee is currently in its annual report hearings for the 2022–23 period.

A couple of years ago, when it was considering those annual reports, members will see that the committee had the opportunity to have a brief number of hearings, specifically four. On 16 February, the committee met with the Office of the Auditor General. On that date, amongst other things, the committee had a discussion with the Auditor General in a public hearing about the issue of ministerial notices to the Auditor General for the non-provision of information to Parliament. Members will recall that this is a continuing saga under the WA Labor government. In fact, just last week, the Legislative Council considered for a full four hours a different committee report from the Standing Committee on Estimates and Financial Operations that noted the WA Labor government had not, as far as I am aware, issued any of the section 82 notices that it is obliged to under the law of Western Australia, specifically the Financial Management Act 2006. This point was raised persistently over the course of the four hours we considered that report. The report has now been noted. After all that time, there was no response from the government to confirm whether those notices had been complied with. This is the type of issue that was examined by the committee on 16 February 2022 in the annual report hearing with the Office of the Auditor General.

I once again make the point that there is very little point in having section 82 of the Financial Management Act if the government is going to arrogantly say to other members of Parliament, the Auditor General and the people of Western Australia, “Talk to the hand. We don’t care about section 82. We will act in an arrogant fashion as if it doesn’t even exist.” There is very little point in even having that particular law on our statute books if the government is going to act in that fashion. Alternatively, there is an opportunity for the government to reform that section so that it becomes more powerful and more meaningful.

On 23 February, the following week, the committee had the opportunity to have an annual report hearing with the Department of Planning, Lands and Heritage. It is convenient that we should be discussing this this afternoon, given the Standing Committee on Estimates and Financial Operations was considering the most recent annual report of exactly that department during a public hearing this morning. Two years ago, when the committee was examining the annual report of the department, members will note that one of the things considered was the consultation and co-design process associated with the Aboriginal Cultural Heritage Bill 2021.

In fact, just this morning, we were informed by the department that it undertook, to use the words from its most recent annual report, “an extensive consultation process” over a period of five years. I asked the department this morning how much the consultation process cost. I can inform members that that question has been taken on notice, and in due course the Standing Committee on Estimates and Financial Operations will receive that information from the department and then be in a position to inform members about the cost of that consultation and co-design process. Ultimately, that process proved to be so bad that the Cook Labor government had to move to repeal the bill. One wonders how much WA taxpayers’ money was wasted as a result of the shambolic rollout of the Aboriginal cultural heritage laws last year. How much did it cost? The Standing Committee on Estimates and Financial Operations will find out and we will report to the house in the fullness of time.

On 23 March 2022, the committee had public hearings with the Department of Health and the North Metropolitan Health Service. One of the many things examined by the committee on that day was the state government’s purchase of rapid antigen tests and the source of those tests. Some members may recall that for a period of time in Western Australia, we had what might be described as a RAT plague. We had so many RATs in gigantic warehouses. We had two government departments ordering and procuring these RATs as if they were going out of fashion. There was no coordination; departments were not talking to each other. It manifested in a significant adverse finding by the Auditor General of Western Australia. If I recall correctly, she said something to the effect that in all her time she had never seen anything like it. I am paraphrasing, but it was quite an extraordinary set of circumstances. We had two government departments procuring far too many RATs to the point that many ended up expiring and being wasted. There was no coordination process at all. Again, taxpayers’ money was wasted due to a level of incompetence within the WA Labor government. That has been exposed because of the work of the Auditor General.

Since then, repeated efforts have been made to get to the bottom of who exactly made the decision to procure those RATs. Enormous shields have been put in place by multiple ministers of the Crown to ensure that we will never find out that information. There seems to be a great aversion to being transparent about the process. How is it possibly the case that the state government’s purchase of these rapid antigen tests descended into such a chaotic disaster? Western Australians are entitled to know the answer to that question, but here we are, a couple years later, still none the wiser because of the shields against transparency and the aversion to accountability that the ministers of the Crown have.

At this time, there was a discussion between the committee and the Department of Health about the Chief Health Officer’s advice on the public health state of emergency declarations and what might otherwise be described as

the other state of emergency declarations. Members may recall that petition 49 entitled “Coronavirus—State of Emergency” was tabled by me on 10 May 2022 later that year, not long after this particular hearing. The petition then went off to the Standing Committee on Environment and Public Affairs. The unaccountable replacement health minister Hon Amber-Jade Sanderson said —

The State Government’s management of the COVID-19 global pandemic continues to be world class. It is disappointing to receive a petition from members of the community, and tabled by a Members of Parliament that seek to undermine the Government’s efforts to keep Western Australians safe.

Western Australians were asking for the Chief Health Officer’s advice that justified those particular declarations to be made public, and yet we had an arrogant minister of the Crown who again said, in effect, “Talk to the hand. We won’t provide that information.”

**Hon DARREN WEST:** I would like to make a short contribution to the debate on the eighty-sixth report of the Standing Committee on Estimates and Financial Operations, *Consideration of the 2020–21 annual reports*. I had a good experience meeting with the committee for an annual reports hearing recently. I look forward to the report of that hearing. This year’s annual report hearings are coming up. As I indicated earlier, these are a very important part of the scrutiny of government. I commend the committee. It is ably chaired by Hon Peter Collier; it has been for a while.

It is deputy chaired by my good friend and colleague Hon Samantha Rowe. At the time of this report, Hon Jackie Jarvis was a member of that committee. She has since been replaced by Hon Dan Caddy. Hon Dr Brad Pettitt was also on the committee. Hon Nick Goiran is mentioned, along with the hardworking staff who work with members to bring us this scrutiny and investigation of annual reports of government agencies. It is very important that we have that scrutiny and investigation of government agencies. I have looked through this report and found a couple of things to be quite fascinating. I know these reports can be perceived by many as a little bit droll and dry, but they are an important mechanism that Parliament uses to make sure government agencies are doing what they have been asked to do and carry out the tasks within the budgets provided. As someone who has run a business and had to manage a budget in the past, I find it quite interesting.

The report makes some good recommendations and findings that I will run through for members. The first recommendation reads —

The Treasurer direct the Department of Treasury to advise accountable authorities that the Treasurer’s prior approval is required to overdraw any agency special purpose account.

I am not sure what became of that, and I would be interested to find out perhaps later during this debate. That seems a fairly sensible recommendation to me—that the Treasurer needs to sign off on any overdraw for any agency’s special purpose account. We thought that would come under good governance, and I hope that is now the case.

Finding 1 reads —

The State Coroner’s decision not to provide evidence directly to the Committee delayed the Committee’s examination of the Government’s provision and delivery of coronial services.

This was the bit that really fascinated me. If members go back further in the report to around page 10, there is a section on the provision of information. This one ended up quite intriguing to me. The provision of information comes under paragraph 5.1, which reads —

The ability of the Parliament and its committees to scrutinise Government and its agencies is influenced by the quality, quantity and timeliness of information made available for that purpose. Unlike previous reports, this section does not include a table on occasions of non-provision of information by Ministers, as the truncated process meant the Committee did not submit questions prior to hearings.

It goes on, at paragraph 5.2 —

The Committee sought to meet with the State Coroner, as part of its consideration of the 2020–21 annual reports. The State Coroner produces a separate annual report under the *Coroners Act 1996*, with certain aspects of performance contained within the Department of Justice annual report. The Committee last met with a State Coroner in March 2012.

That is a fairly lengthy break, I guess you could say. I will go into the details of how we got to that situation, but remember when we talk about 2020–21, we are talking about the financial year when COVID was just beginning. In looking through a lot of the tables, I noticed there were allocations for COVID-related activities and directives. It would be the very first report ever that reports on such allocations for COVID because it was the first financial year in which the state began to very successfully battle the COVID-19 pandemic. Paragraph 5.3 reads —

The State Coroner declined to attend a hearing and then provide answers to the Committee’s written questions, citing a desire to preserve judicial independence. The Committee sought to reassure the

State Coroner that its questions would not relate to judicial decision-making and would focus on the operations of the agency, such as staffing numbers and waiting times. The Committee was surprised and disappointed by the State Coroner's decisions. A copy of the correspondence between the Committee and the State Coroner is contained in Appendix 3.

I encourage members to read appendix 3 of this report and the correspondence exchange between the committee, the State Coroner and the Attorney General. Bear in mind that the State Coroner had not appeared before the committee since 2012. The committee sought to rectify that, albeit without success. Many of us have worked with the clerk of the standing committee, Margaret Liveris. She is a very dedicated and hardworking committee clerk. She received correspondence from the coroner's office on 10 March 2022 during this committee process. The coroner wrote —

I refer to your email of 6 December 2021 advising that the Standing Committee on Estimates and Financial Operations resolved to invite the Office of the State Coroner for Western Australia in for the 2020–21 Annual Report Hearings.

I have reflected upon my acceptance of the Committee's invitation and determined to respectfully withdraw that acceptance, in order to preserve my judicial independence.

Unsurprisingly, that caused a response from the Chair of the Standing Committee on Estimates and Financial Operations, Hon Peter Collier, who wrote back to the State Coroner —

Thank you for your letter dated 10 March 2022.

The Standing Committee on Estimates and Financial Operations is disappointed that you will not be attending a hearing to discuss the activities and resourcing of the Coroner's Court. As the Committee's staff endeavoured to assure your staff, the Committee is cognisant that you are a judicial officer and the importance of judicial independence from the Executive and the Parliament.

The Committee understands that your Office is funded by the Department of Justice. However, as the head of this Office, the Committee believes your input would be useful in relation to issues such as staffing numbers and waiting times for coronial investigations. Accordingly, I attach a list of questions that are indicative of the types of questions you would have been asked at the hearing. I invite you to reconsider appearing before the Committee.

If you are not minded to appear before the Committee, please provide your written answers to the questions instead. If there are any questions you would rather not, or cannot, answer, you may refer them to the Attorney General.

It goes on to indicate where the coroner might reply with her correspondence. The attachment, which I am sure members around the chamber are reading as we speak, includes a list of questions that the committee put to the State Coroner. There is a reply from the State Coroner's office. It reads —

Thank you for your letter dated 24 March 2022.

For the same reason as outlined in my letter dated 10 March 2022, I respectfully decline to provide a written answer to the questions under cover of your letter dated 24 March 2022. The reason is to preserve my judicial independence.

I note some of the written questions under cover of your letter may be answered by other agencies and I also note that a copy of your letter has been sent to Hon John Quigley MLA, Attorney General.

While it is not open for me to refer these questions to the Attorney General, the Committee may wish to raise the matters with the Attorney General direct.

Then they did. The committee's questions are there and the letter that was sent to the coroner was forwarded to the Attorney General. It reads —

As you are aware, the Standing Committee on Estimates and Financial Operations (Committee) wrote to the State Coroner on 24 March 2022 inviting her to reconsider her decision to not appear before the Committee and to answer certain questions about the operations of her agency should she opt to not appear. On 31 March 2022, the State Coroner declined to provide written answers to these questions and suggested that the Committee raise the matters with you directly. The State Coroner's letter is attached ...

The letter is attached, and so are the questions that were put to the State Coroner. It is a fascinating exchange —

**Hon Kyle McGinn:** It was!

**Hon DARREN WEST:** I thought so, Hon Kyle McGinn. It was one of the more fascinating exchanges I have found in a report into annual reports by the Standing Committee on Estimates and Financial Operations. Given that the precedent was set in 2012, even the all-powerful Standing Committee on Estimates and Financial Operations was unable to make the State Coroner budge. All in all, it is a fascinating read. Great work by the committee. I enjoy the reports and I look forward to other members' contributions.

**Hon PIERRE YANG:** I thank the deputy chair for the opportunity to say a few things on the eighty-sixth report of the Standing Committee on Estimates and Financial Operations, *Consideration of the 2020–21 annual reports*. I normally have an unreserved amount of respect for Hon Darren West—normally!—but in his concluding remarks on this report, he referred to the “all-powerful Standing Committee on Estimates and Financial Operations.” I wish to ask the honourable member where this was reported in *The West Australian* and, if it was not reported in *The West Australian*, I question the accuracy of that statement.

**Hon Darren West:** It’s in *Hansard*, member!

**Hon PIERRE YANG:** It is in *Hansard* now under the honourable member’s name, but it was not reported in *The West Australian*. Perhaps one day *The West Australian* can also report —

**Hon Stephen Dawson:** They might read *Hansard* today and fix it tomorrow.

**Hon PIERRE YANG:** Certainly, they have a lot of work —

**Hon Darren West:** On the front page of tomorrow’s paper!

**Hon Peter Collier:** Do you mean knock Harley Reid off? He’s on the front page every single day.

**Hon Darren West:** There are lots of similarities.

**Hon PIERRE YANG:** At least, members, we are now spending valuable parliamentary sitting time debating matters of significance, unlike the two hours of debate we had earlier today, which I shall not make any reflection on.

I want to thank Hon Peter Collier, the chair of the committee, and all the members of the committee, Hon Samantha Rowe, the capable deputy chair; Hon Jackie Jarvis, now a minister of the Crown; Hon Nick Goiran; and Hon Dr Brad Pettitt for their work on consideration of the 2020–21 annual reports.

With the remaining time I have today, I want to bring to the attention of the chamber page 4 of this finely crafted report by the all-powerful Standing Committee on Estimates and Financial Operations as it refers to WA Health.

**Consideration of report postponed, pursuant to standing orders.**

**Progress reported and leave granted to sit again, pursuant to standing orders.**