

Carmen gets Supply

John Hyde

A ministry's first responsibility is to the people of the state it serves. Yet, the day after his appointment to clean up the WA Inc. scandal, the new Deputy Premier, Mr Ian Taylor, was able to say on radio that a Minister's first loyalty is to the party and the government. He seems not even yet to understand that it was the tendency to treat power as personal property which gave rise to WA Inc. It was the attitude which for two long years allowed members of caucus to turn a blind eye to scandals, eventually to take action only after the public had become aware of them.

The new Premier, Dr Carmen Lawrence, says she wants to restore "trust, openness and confidence in her government". I am sure she speaks the truth but, if she is to earn the trust of the public, she has first to convince Ministers who have grown arrogant in office that they hold their office in trust for the public and that the rules of their trusteeship are sacrosanct.

Having established that the Labor Party exercises power only on behalf of the public, she is entitled to a proper concern for the party's welfare. Indeed, it is in the public's interest that she should have that concern. Western Australians would not be well served should Labor for long remain discredited, thereby opening a political gap for minor parties to fill with promises of the sun, moon and sky.

In that light, her first responsibility to her party becomes to ensure that it is not forced to an early poll, at which it will be slaughtered. The next is to restore its stature so that Labor continues to be a major influence upon Western Australian political opinion and is soon returned to office, following its probable defeat at the next election.

To force an election the Opposition needs the numbers in the Upper House at a time when a supply bill is before it. The next opportunity will come before June. At present, the Liberals are resolved to block supply, but that resolve would evaporate if Labor looked half decent. The Nationals, whose votes are also needed, and who hold seats with Labor Party preferences, are not so resolved. In spite of the dirty linen yet to be aired, I think Carmen Lawrence has an excellent

chance---one that Peter Dowding no longer had---of avoiding a forced election. That, however, will depend upon "trust, openness and confidence in the government".

As Dowding promised, but did not do, she must make a clean break with WA Inc---any attempt to justify WA Inc. would reduce her much-needed credibility. Making the break will be more easily said than done, even though she is almost untouched by scandal. With hindsight, she should have resigned from the Dowding cabinet, but, in fairness, it should be admitted that at the time she might well have felt she could influence events from within---it is an old dilemma. She enjoys considerable public goodwill: for her strong handling of a recent teachers' dispute, as the first female Premier, and for reasons of chivalry. Nevertheless, she will remain extremely vulnerable to the slightest wiff of politico-commercial scandal.

W.A. Labor's essential sin was not simply that of entering into commercial arrangements where governments have no place. Others have done that and escaped with less damage. Nor was it simple incompetence, although there was plenty of that. Their errors were:

- | to misuse public moneys---to bale out Rothwells, Teachers' Credit etc., and to purchases land and shares from friends of the government;
- | to misuse regulatory authority---to grant licences for everything from fish farms to casinos; and
- | to misuse the power to appoint---to provide jobs for the boys and girls.

Labor may protest that others have done these things before the Burke and Dowding Governments did them, and it would be right. But nobody since the Rum Corps has done them on such a scale or so blatantly treated the treasury as a private slush fund. The public has had enough of protestation: Lawrence now has no option but to run the cleanest government imaginable.

The Premier has stated that she will take her government out of business. How far does she intend to go? I am sure she has not contemplated privatising all government enterprises, yet it is through these that she and her Ministers will be led most often into situations where they may be seen to be preferring favoured private interests. The more enterprises that are privatised or corporatised---that is given statutory independence, preferably under a board that has never heard of the Labor Party---the easier it will be to demonstrate that her government is impartial. Because of the cost of WA Inc., the facts that the current budget is \$70 million off track, and the economy is slowing down, she faces an unusually tough budget. The proceeds of privatising the more obvious targets, such as the R & I Bank, will be useful sources of funds.

However, before she can privatise much or even write a realistic budget, she needs to know about, and the public is entitled to know about, the as yet unaccounted costs of WA Inc. For instance, the State Government Insurance Corporation has \$300 million invested in Bell Group which is under a small or large financial cloud depending on Bell's action against the Bond Companies, and SGIC has to say how it is going to fund the building on the Westralia Square site estimated to cost \$184 million. The Government Employees Superannuation Board has to tell us what is happening to the Anchorage Site at North Fremantle and how it intends to find over \$300 million to develop the David Jones site.

Premier Lawrence's first duty is to report to parliament on the state of Western Australian Government finances---to provide what amounts to a rigorous auditors' report. She may need the assistance of the private sector to produce a credible account. She has nothing to lose by doing this. In fact, she will be far better placed in the long run if she takes all of her political costs up front. The facts alone can justify necessary tough measures.

The WA civil service has been subverted by political appointments and demoralised by events. It is in no condition to give her the rigorous advice she needs. I am sure that there are retired civil servants who are old-school professionals who would accept the opportunity briefly to serve the State again. The Premier should call upon one or more of these to help her 'sort out' the upper echelons of the WA civil service. People who have failed to maintain appropriate standards should go, but other political appointments who have justified the trust placed in them should stay. Without a bureaucracy that is dedicated to efficient, impartial administration, she has little chance of undoing past damage or governing well in the future.

Finally she should be much more frank with parliament than were her predecessors. Wherever appropriate, questions should be answered by tabling all of the relevant documentation and letting the cards fall as they will. The new WA Government cannot afford to protect the last. Should it try to do so, it will ultimately face the people with its reputation in tatters. Then Labor will be dealt a political blow from which it will be a long time recovering.

During the inevitable political pain of all this Dr Lawrence might reflect that, if President Nixon had made a clean breast of Watergate, the scandal would have bored the press within a month. And, if Whitlam had told the Parliament of what became known as the Khemlani affair, the Liberal Party would have been denied a lot of fun and an electoral landslide.

In summary: if the new Premier is serious about rebuilding trust and deserving trust, she has no option but to:

- | see that her party members understand the real nature of past indiscretions;
- | publicise an honest and complete accounting of the current state of affairs;
- | restore the professionalism of the civil service; and
- | be frank with Parliament.

None of this is easy and none of it can be avoided.

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