

**Division 45: Western Australian Land Information Authority, \$31 773 000—**

Ms S.E. Winton, Chair.

Ms R. Saffioti, Minister for Lands.

Ms J. Cant, Chief Executive.

Mr M. Smith, Chief Finance Officer.

Mr G.J. Dewar, Manager, Financial Operations.

Mr D. McFerran, Principal Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day.

It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item, program or amount in the current division. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall only be examined in relation to their portfolio responsibilities.

The minister may agree to provide supplementary information to the committee rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information she agrees to provide and I will then allocate a reference number.

If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 29 September 2017. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the Member for Moore.

**Mr R.S. LOVE:** I am thinking of questions to ask. I am conscious that we have kept the advisers, so it would be terrible if I had nothing to ask!

I am looking at page 666 in volume 2 of budget paper No 2. The second dot point refers to the subdued property market in Western Australia having impacted Landgate's revenue outlook. What exactly has impacted on Landgate from the current market and what are its expectations for recovery?

**Ms R. SAFFIOTI:** I will make some initial comments and then I might throw to the chief executive to make further comments. A lot of Landgate's revenue is based on property activity. There has been a significant slowdown in the property sector in recent years. This has flowed through across government in a number of other revenue items, such as a writedown in land tax collections this year. As a result of a slowdown in property activity, in particular other sales and activities across the market, there has been some slowdown in Landgate's revenue. The forecasts, I think broadly across the economy, expect some pick-up probably in the next financial year. I will now throw to the chief executive to explain that.

**Ms J. Cant:** That is correct. The property market is very subdued. The number of documents lodged through our system is at levels not seen since the mid-1980s. The agency has responded by very, very strong expenditure management. We have also developed a new land registry system that has largely automated our property registrations. That has meant we have been able to cut costs in both technology and staff, which are our two major costs, in preparation for when the market picks up. We expect that we will be able to maintain a higher market at the same expenditure levels. For example, in the financial year just closed, our profit will be at about \$26 million. To give members some idea, without the measures we have made in the new system we would have been making a loss on that. We have responded well. We cannot influence the market, but we can certainly make sure the agency is prepared and takes appropriate measures.

**Mr R.S. LOVE:** My question relates to what Ms Cant just spoke about: the move to a new information land registry platform et cetera and the subsidiary company that the department now has, Advara. Is that company trading and where would we find its financial results?

**Ms R. SAFFIOTI:** The McGowan government inherited Advara. How it is established is quite an interesting concept. Advara is a partially owned subsidiary of Landgate. It is a vertical integration sourcing strategy for our further information and communications technology needs. I will ask the chief executive to explain Advara's establishment and how it operates.

**Ms J. Cant:** Advara is in operation. Landgate has a single agreement with Advara for it to provide us with IT services. Landgate owns 78 per cent of Advara and the remaining 22 per cent is owned by Adecco, which is a parent company of our IT partner Ajilon. Advara provides services to WA, through Landgate, and it was also part of the successful

consortium that bid for the recent commercialisation of New South Wales' land registry system. The Advara accounts will come into consolidated accounts with the Landgate accounts at the midyear review point. Advara's auditor will be the Office of the Auditor General. That is when the numbers will flow through.

**Mr R.S. LOVE:** Will we not see any results from the trading arm, so to speak, until the midyear review?

**Ms R. SAFFIOTI:** Yes, that is right.

**Mr R.S. LOVE:** The first dot point under the heading "Significant Issues Impacting the Agency" refers to the drafting of the strata titles bill and the community titles bill. Given that work was done on this area under the previous government, is this new work or is this substantially the same body of work that was done before? If it is the same body of work that was done before, the time line seems fairly long. Is there a reason for that?

**Ms R. SAFFIOTI:** Let me at this one! Strata title reform was commenced under the previous government. I acknowledge the work that was done under the previous government. It is very detailed and complex legislation. The area of strata title reform is quite complex. As soon as we won the election, I was briefed very quickly by the agency about strata title reform. The Labor Party supported it in opposition and, upon further briefing, it acted very quickly to support the drafting of the legislation. To be honest, it has been very difficult to get the drafting done just through the processes within the Parliamentary Counsel's Office. That is not a criticism; it is just a matter of resourcing and the complexity of the legislation. We have recently secured more resources to facilitate the drafting, but because the process is so complex and there has been continual consultation with industry, drafts have gone backwards and forwards to make sure that what is being prepared will work well in the community. It has taken longer than hoped, but we hope the bill will be introduced in the middle of next year. It has taken longer than I wanted. If members ask anyone in my office or anyone in Parliament, including the Attorney General, how many times I have talked about the drafting of this bill, they would say it has been the key issue that I have raised with the Attorney General for the past six months. It is just that it is complex. Some work was done, but it was basically just initial drafting instructions, so now it is a process of drafting the actual legislation. It is very complex, and because of the significance of the reform and the fact that there has not been significant reform in this area for 20-plus years, a lot of things have changed. Some work has been done in the eastern states, and we are trying to make sure that we learn from those experiences and that what we prepare will deliver the outcomes we want. I am very keen to get it in as soon as possible. It is a major reform that will facilitate really good outcomes across the state, whether they be the concept of community titles, shared resources, facilitating different types of living environments as we need to be far more sophisticated in housing options for people, and bringing some really good affordability outcomes as well.

[7.10 pm]

**Mr R.S. LOVE:** Is the consultation taking place with industry about the nuances or the minutiae of the drafting, or about some of the more general directions?

**Ms R. SAFFIOTI:** A couple of things. My parliamentary secretary, the member for Perth, who is here tonight, continually consults with people in the community about the issue, in particular in support of the policy of the regulations that support the legislation. In respect of the legislation itself, this will make sure that the terminology and the proposed content is as accurate as possible. Has it gone as fast as I would have liked? Probably not, but we are doing what we can to get it delivered as quickly as possible.

**Mr R.S. LOVE:** I refer to "Services and Key Efficiency Indicators" on page 669 of budget paper No 2. Service 1 is "Land Information". I want to briefly ask about Landgate's satellite remote sensing service. Is the government committed to continuing the provision of that satellite data, as well as the further development of useful products and applications using that data?

**Ms R. SAFFIOTI:** I will refer that to the chief executive.

**Ms J. Cant:** I can confirm that we are committed to using satellite imagery along with high-resolution aerial imagery, along with some of the disruptive imagery services that we see coming through—the likes of companies like NewMac and Spookfish. We are definitely committed to that. In terms of product development, we are committed to making sure that the imagery is a useful product, and whether those products are developed by Landgate or by industry in partnership with us will really depend on who can do it most efficiently and effectively. We are committed to satellite remote sensing as one of our datasets.

**Mr R.S. LOVE:** I notice that that area, as such—we are talking about land information in a general sense—has fewer full-time equivalents. The CEO mentioned partnerships and working with other people to produce the product. Is it intended to devote the authority's own resources into this, or are others expected to help develop the product further and then somehow capitalise on that application?

**Ms J. Cant:** I am really confident that we have the right number of resources attached to this area. As I said previously, if we can develop a product in the most effective way and take it to market, and we are the right people to do it, then we will absolutely do it. In many instances, what works best for us and for government is to work

**Extract from *Hansard***

[ASSEMBLY ESTIMATES COMMITTEE B — Thursday, 21 September 2017]

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Chair; Mr Shane Love; Ms Rita Saffioti

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with industry to get the product out there in a more agile way than government can sometimes work on its own. We are definitely committed to making sure that the government data is there to be used, and working with industry to make sure we get the economic development for the state.

**The appropriation was recommended.**