

Legislative Assembly

Thursday, 2 June 2011

ESTIMATES COMMITTEE A

The meeting commenced at 9.00 am.

Bunbury Port Authority —

Mr J.M. Francis, Chairman.

Mr T.R. Buswell, Minister for Transport.

Ms N. Premji, Chairman.

Mr K.L. Schellack, Chief Executive Officer.

Mr J.E. Barratt, Chief Financial Officer.

Ms S.J. McCarrey, Deputy Director General, Policy, Planning and Investment, Department of Transport.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

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[Witnesses introduced.]

The CHAIRMAN: The member for Gosnells.

Mr C.J. TALLENTIRE: I will begin by asking about the required dividend increase from 50 per cent to 65 per cent on the financial operations. What impact will this have on the Bunbury port's operations?

Mr T.R. BUSWELL: None.

Mr C.J. TALLENTIRE: How will this required dividend increase impact on the reinvestment or investment in the port expansion works that are so essential for the port's future?

Mr T.R. BUSWELL: It will not.

Mr C.J. TALLENTIRE: Where will funds for the port's expansion come from?

Mr T.R. BUSWELL: They will come from the retained earnings of the ports, an equity injection from government, borrowings or other external sources.

Mr C.J. TALLENTIRE: Can the minister outline some of the volumes of grain exports that will be going through the port, projected into the future?

Mr T.R. BUSWELL: Zero.

Mr C.J. TALLENTIRE: Can the minister outline some of the other commodities that are going to be exported through the port, and the tonnages involved?

Mr T.R. BUSWELL: Certainly. For that, I might ask the chairperson to make a couple of comments and observations.

Ms N. Premji: We are looking at urea going through the port in 2014–15, and that will be about 2.5 million tonnes. Coal is projected at around 10 million to 15 million tonnes in 2015–16. We still have natural growth woodchips, general cargo and spodumene, which is a natural trade through the port. Alumina constitutes 70 per cent of our exports.

Mr C.J. TALLENTIRE: I am keen to know what additional facilities are going to be required to meet the tonnages of, say, coal exports.

Mr T.R. BUSWELL: Clearly, the potential coal export project, which will involve Lanco Infratech Ltd, will require a significant upgrade at a dedicated berth in Bunbury. It is my anticipation that that would be predominately funded by the proponent. The Bunbury port master plan clearly indicates the position within the port that that dedicated facility would fill.

Mr C.J. TALLENTIRE: I know that there are concerns about coal exports contaminating other exports through the port; how is that situation being resolved?

Mr T.R. BUSWELL: That situation will be resolved in due course through the design of the load-out facility, the storage facilities and the tippler facility, by which the coal is transferred from the train into the portside storage facility. Of course, as with all our ports, there will be stringent controls imposed by certain regulatory bodies. I expect that in this case the port will have to obtain a licence from the Department of Environment and Conservation, and the licence conditions will include dust emissions. I think people can take great comfort from the fact that the operation can be done in a more than appropriate way. We also have to remember that coal is currently being exported from the Kwinana bulk terminal, and I am not aware of any reports of any issues in relation to coal impacting on any of the neighbours of the KBT.

Mr C.J. TALLENTIRE: The tonnages would be significantly different from the 10 to 15 million tonnes we are talking about for Bunbury.

Mr T.R. BUSWELL: It will be a different facility.

Mr C.J. TALLENTIRE: The minister has just admitted that there is no comparison between what is proposed for Bunbury and what happens in Kwinana.

Mr T.R. BUSWELL: Well, it is coal; it is black stuff, so there is a comparison.

Mr C.J. TALLENTIRE: Well, no, because the tonnages are completely different.

Mr T.R. BUSWELL: Kwinana will be 750 000 tonnes; Bunbury will be a lot larger than that. The facility in Bunbury will be a modern, properly designed, built-for-purpose coal export facility, and —

Mr C.J. TALLENTIRE: What tonnages of coal are currently going through Kwinana?

Mr T.R. BUSWELL: At the moment it is on hold, but —

Mr C.J. TALLENTIRE: So there is no comparison between what is being proposed for Bunbury and what currently happens at Kwinana.

Mr T.R. BUSWELL: No.

Mr C.J. TALLENTIRE: So why did the minister make that comparison, saying that —

Mr T.R. BUSWELL: I was merely pointing out that coal goes through Kwinana and does not upset anyone.

Mr C.J. TALLENTIRE: But that is irrelevant —

The CHAIRMAN: Members, there is no big rush—chill pill! Do not speak over the top of each other, please.

Mr C.J. TALLENTIRE: I want to establish the nature of the infrastructure that will be required for coal exports through Bunbury and a dollar value for that infrastructure.

Mr T.R. BUSWELL: We have not received a proposal yet.

Mr J.J.M. BOWLER: When I last visited the Bunbury port, one of the problems with coal and other new exports through the port was the fact that we had two lots of woodchip on both sides of the harbour. There was talk then that it would be nice to rationalise; is that still going to happen?

Mr T.R. BUSWELL: I might ask the chairperson to provide some information on the rationalisation of woodchips.

Ms N. Premji: At this stage, no. Hansol will stay where it is and WA Plantation Resources will stay where it is. We have no inconsistency or incompatibility with both those products being in those particular areas, and coal coming into the berth 14 area. The port users are very happy with the arrangements currently in place, so we are not looking at rationalising.

Dr G.G. JACOBS: On a point of clarification, the minister has spoken about the Koombana Drive screen wall. Obviously, some spend has occurred there. My understanding is that the Koombana Drive screen wall was previously a bund wall. The screen wall project is \$1.5 million, with an estimated total cost of an extra \$1.2 million. What was the reason for the extra cost? It is my understanding that the bund wall was for noise and the screen wall was for woodchips.

[9.10 am]

Mr T.R. BUSWELL: I will get some advice on that from the chief financial officer. It is a very interesting question.

Mr J.E. Barratt: The estimated expenditure was \$1.2 million. That was the actual cost of the project, which has been completed.

Dr G.G. JACOBS: So it came in under budget? You got a good deal.

Mr J.E. Barratt: Yes, we did. The name has changed because the noise management was not gauged, so we changed the name to “screen wall”.

Mrs M.H. ROBERTS: Has the minister given any consideration about how he will achieve the five per cent efficiency dividend, and what is the total amount of savings expected to be?

Mr T.R. BUSWELL: I have not had a chance to discuss that with the port, so I have not given that matter specific consideration as it relates to the Bunbury Port Authority.

Mrs M.H. ROBERTS: Has the authority given it some consideration?

Mr T.R. BUSWELL: I am sure that it has. We will discuss it soon. We will need to report back to Treasury shortly about how that efficiency dividend will be realised.

Mrs M.H. ROBERTS: What is the discretionary spending limit for the authority?

Mr T.R. BUSWELL: I do not know that off the top of my head. Page 288 of the *Economic and Fiscal Outlook* is the wonderful page that details that. The Bunbury Port Authority’s target is \$400 000. I assume that if we multiply that by 20 we will get the figure Treasury uses. I think it is five per cent. I do not have that information to hand.

Mr C.J. TALLENTIRE: I want to know more about the upgrades around the port, particularly the Bunbury–Brunswick Junction railway line. What is the time line for that?

Mr T.R. BUSWELL: By way of clarification, which line item in the budget is that?

Mr C.J. TALLENTIRE: I refer to new works on page 693 of the *Budget Statements*. A series of minor works is listed. It is clear that other works are associated with it. Will the Bunbury–Brunswick Junction railway line be absolutely critical to, and a justification for, those minor works?

Mr T.R. BUSWELL: No. The minor works relate to the nature of the port’s activities. The upgrading of the Bunbury–Brunswick Junction railway line is the responsibility of the Public Transport Authority, not the Bunbury Port Authority, although I accept the member’s argument that ultimately the railway line must be upgraded to enable the port to grow. It is fair to say that the existing rail capacity will be absorbed when Perdaman Industries comes on line and Perdaman’s export of urea reaches two million tonnes per annum. That will present a challenge for the next major user of the port. As the chairperson pointed out, the next major user may well be a coal exporter. We will have to progress the upgrading of that rail link and the provision of port infrastructure as a job lot at that time. There is no doubt that that rail line will reach capacity, or pretty close to capacity, with the allocation to Perdaman of two million tonnes, which I understand has already happened.

Mr C.J. TALLENTIRE: I am interested to hear from the chairperson of the Bunbury Port Authority about when that capacity is projected to be reached, leaving aside the Perdaman proposal.

Mr T.R. BUSWELL: The rail capacity?

Mr C.J. TALLENTIRE: Yes.

Mr T.R. BUSWELL: It is estimated that the rail capacity into Bunbury is about an additional two million tonnes. I understand that Perdaman, at least indicatively, has been allocated that two million tonnes. Any significant project beyond Perdaman will require the railway line to be upgraded.

Mr C.J. TALLENTIRE: Leaving aside Perdaman, how close is the railway line to reaching its capacity?

Mr T.R. BUSWELL: I suspect that it is about two million tonnes per annum off reaching its capacity.

Mr C.J. TALLENTIRE: I touched on grain exports earlier. Is the minister in negotiations regarding exporting grain through the port?

Mr T.R. BUSWELL: No.

Mr C.J. TALLENTIRE: Is there no intention at all to export any grain through the port of Bunbury?

Mr T.R. BUSWELL: No.

Mr J.J.M. BOWLER: Is there any chance of iron ore being exported through the port, given that Fremantle port has been ruled out and we do not have a 10-berth wharf at Cockburn?

Mr T.R. BUSWELL: With the indulgence of the Chair—he is a decent chap—I am happy to canvass the broad issue of the export of iron ore, although this is not specifically in the budget paper. I know that this matter is of some interest to the member for Kalgoorlie. We do face a challenge. We estimate that the Kwinana bulk terminal has a five million tonne capacity. That amount has been allocated and comprises, give or take, about 3.5 million tonnes of iron ore and about 750 000 tonnes of coal. Hopefully coal will eventually be exported from Bunbury. One tonne of coal equates to two tonnes of iron ore, so it will free up another 1.5 million tonnes. That is not nearly enough to satisfy the potential iron ore deposits in Yilgarn, which is an area of interest to the member for Kalgoorlie. There are two solutions to the challenge of exporting iron ore from Yilgarn, the first of which is to export it through Esperance. The Esperance Port Authority will be appearing before us soon. The member is aware of the plans to increase the export capacity of Esperance port by 20 million tonnes. We will talk about that when the Esperance Port Authority is here.

The second part of the member for Kalgoorlie's question related to exporting iron ore from Kwinana. We are doing work to determine the ultimate total tonnage capacity of Kwinana to take the bulk commodity—iron ore. In my view, it will eventually be limited by the railway link that runs through the metropolitan area into Kwinana. There will be two trip points with the railway. The first is its current configuration and the second is that the railway line will require significant upgrades at Nicholson Road, for example. In addition, there are already problems with the rail intersections at Midland. Large iron ore trains running on that line would create even larger problems such as road congestion. Once we have worked out what the total available tonnage is at Kwinana, we will take off the five million tonnes that has already been allocated. One option will be to export the iron ore from the private port proposal and the Kwinana bulk jetty, which is the Fremantle Port Authority's other bulk facility in Kwinana. The Kwinana bulk jetty has environmental approval to export up to three or four million tonnes of bulk commodity. The Fremantle Port Authority will be working on developing a business case for a multiuser facility so that many iron ore companies can use it. We are trying to accelerate that as quickly as we can.

It would be fair to say that the export of bulk iron ore through Bunbury is not on the horizon. The chairperson outlined that the real commodity growth opportunity in Bunbury is the export of coal. We have to do that carefully and properly, but we see that as a good growth profile for the port of Bunbury.

Mr C.J. TALLENTIRE: I am looking at the minor works plan on page 693 of the *Budget Statements* and note the estimated expenditure increase from \$1.5 million to \$2.4 million in the 2014–15 financial year and the retained profits of \$1.9 million up to \$2.3 million. How is that sustainable?

Mr T.R. BUSWELL: Where did the member get the figure for the retained profits from?

Mr C.J. TALLENTIRE: Those figures relate to general information on the ports. Perhaps the minister can help me. What are the intended retained profits for the port of Bunbury?

Mr T.R. BUSWELL: The member must understand that the port of Bunbury has a significant build-up of retained profits on its balance sheet. For the member's information, it is about \$80 million this financial year.

[9.20 am]

Mr C.J. TALLENTIRE: So, is \$80 million sitting in the bank?

Mr T.R. BUSWELL: It would be, I am assuming, invested wisely—hopefully not sitting in the bank. Different port authorities have different balance sheet structures. This is not part of the budget paper per se, Mr Chairman, but I am happy to canvass it. The port has about \$80 million of retained profits. I am not sure what form of asset that is held in but I will get some advice on that. That is currently forecast to grow incrementally at over \$2 million per annum. The figures I am looking at indicate that the funding of those minor works from retained profits, internal funds and balances is easily achievable. In fact, \$2.4 million in the out years is achievable out of retained profits and will not impact on balances; therefore, that would be the normal funding requirement of an enterprise.

Mrs M.H. ROBERTS: In terms of the financial performance of the port, I understand that in the last financial year there was a profit before tax of \$3.73 million, and that that was an improvement on the previous year's performance in a total revenue of \$26.036 million. I understand that was 8.2 per cent below budget with operating costs about one per cent over budget. Have plans been put in place this year to reach a budget, and what are they?

Mr T.R. BUSWELL: Which element of the budget papers is the member referring to?

Mrs M.H. ROBERTS: It is a bit difficult. We are allocated half an hour and we are given one page. If the minister is suggesting that we can ask only about particular line items on that one page, it will not give us a very good picture of the financial operations of the port. I therefore think it is a reasonable thing to ask about the budget estimates for the port.

Mr T.R. BUSWELL: I often reflect, Mr Chairman, on the reluctance of the former government, when we were over on that side, to canvass matters that were not on the page.

Mrs M.H. ROBERTS: That was not the case with me as minister.

Mr T.R. BUSWELL: I know it was not; the member was always very generous with her time. I will see whether we have some data available around the estimated budget.

The CHAIRMAN: It might help members and the minister if I reiterate a paragraph from the Chair's opening statement, as this is an off-budget authority, not a division. Members may raise questions about matters relating to the operations and budget of the off-budget authority. So, it is a broader brush with off-budget authorities than it is for divisions.

Mr T.R. BUSWELL: I can give the member some information.

Mrs M.H. ROBERTS: Can I clarify your ruling, Mr Chair? Are you saying that my questions about the budget and the financial performance of the authority are in order?

The CHAIRMAN: I am happy to accept them as being in order, because it is an off-budget authority, not a particular division, within the budget papers. Having said that, obviously the member has to be circumspect about the amount of information she asks for.

Mr T.R. BUSWELL: The forecast operating profit of the port of Bunbury for 2010–11, the current financial year, is \$5.6 million. The advice I have had from the port—I have met with the port three times—is that it is currently on track to over-achieve that budget by about 50 per cent. My view is that financially the port of Bunbury's operations are sound. Unfortunately, that is not my view of all the port authorities, for a range of reasons. Without going off the issue too much, for example, the port of Port Hedland, the largest by volume port in Australia, makes a loss. It made a loss last year and is forecast to make a loss this year. That is a concern to me and that is why there is currently a team from PricewaterhouseCoopers doing a fair bit of work around Port Hedland. I also have some concerns about the impact of debt levels on the profitability that some ports have had to incur over the years. Some ports are carrying massive debts on their balance sheet that impact on their ability to trade as what I term proper, independent financial entities. The port of Geraldton, for example, has a \$100 million-plus debt, and that massive interest bill has a significant impact on its ability to deliver an acceptable financial performance. We are therefore currently doing some work around the balance sheet positions of the different ports.

Another thing I should point out to the member is that this is an area of some interest. Historically, the way port authorities report to governments is that every six months they provide governments with a report of their financials. Those reports differ significantly in their content. We are moving to a uniform reporting framework, which will require every port to report to me through the Department of Transport on a quarterly basis. That report will focus on profit and loss performance, which is business performance, and also on balance sheet-related issues. It is very important that our ports are run in a business-like manner and I intend to increase the government's focus on that. That six-monthly reporting has been in place, as I understand it, for as long as anyone can remember. What the member will see, therefore, is a stronger level of interest in the performance of the ports, because they are so very important to the economic future of the state.

Mrs M.H. ROBERTS: I have a further question on the same matter. The minister gave me a figure for the expected profit before tax, I believe. Can the minister tell me what the anticipated total revenue for the port will be this year, and to what does the minister attribute the turnaround in the profit situation?

Mr T.R. BUSWELL: I will get the chairperson to provide a retrospective. I do not have the 2009–10 figures in front of me.

Mrs M.H. ROBERTS: The 2009–10 figure for total revenue, I understand, is \$26.036 million.

Mr T.R. BUSWELL: Yes.

Mrs M.H. ROBERTS: I am asking for the anticipated revenue for 2010–11.

Mr T.R. BUSWELL: The anticipated revenue for this year is \$27.597 million. I do not have the data on the constituents of that increase over the previous year, but I am sure the chairperson will have some reflections on that.

Mrs M.H. ROBERTS: Through you, Mr Chairman, the profit figure the minister quoted to me is considerably up on last year by \$3.73 million. I am really wondering about the profit element.

Mr T.R. BUSWELL: I will get the chairperson to provide some advice. My suspicion would be that if profit is growing at a greater rate than the increase in revenue, there are also some expense-related matters that would play into that, but I will let the chairperson provide the information.

The CHAIRMAN: Thank you, Ma'am—through the minister.

Ms N. Premji: The operating profit increase has been due mainly to the number of ships we have been receiving. Our ship movements have increased significantly. That is mainly because a lot of the port users are now using smaller ships, which means we have more increase in revenue in terms of pilotage. Also, we get revenue through the electricity used and all the other facilities they use, which we put a levy on. Also, in the last two years, the port operations have concentrated on introducing efficiencies into the port in terms of the operation, and in doing that we have been able to reduce our costs in some of the areas. Also, we have introduced a policy whereby if some potential user is interested in securing land, they have to start paying up-front in terms of the leasing, and by doing that we get the money, cash, up-front. That is why our revenue is increasing over time.

Mr T.R. BUSWELL: I have just been informed by the deputy director general on my right that there is currently some coal going through Kwinana bulk terminal. I think I informed the Legislative Assembly about that previously. It has happened. I thought it was still happening and I have now been advised that around 500 000 to one million tonnes are currently going through there. So, anyone who goes down there today will see a stockpile of coal. We had mistakenly reached the conclusion that, because of the problems with Griffin, the coal going through there had stopped, but clearly it is still going through.

Mrs M.H. ROBERTS: Who is “we”?

Mr T.R. BUSWELL: Me! Me—under expert advice!

Mrs M.H. ROBERTS: I thought it was the royal “we” or something!

Mr T.R. BUSWELL: We have had a few of those. In fact, we still have the toilet in Busselton, Mr Chairman, that the Queen sat on when she came in the 1950s, and we are hoping she comes back.

Mrs M.H. ROBERTS: The minister is fascinated with seats!

Mr T.R. BUSWELL: Seriously, we have! We saved it out of Mr Killerby’s house.

The CHAIRMAN: We are quickly running out of time. The member for Eyre is next on my list if he has a quick question.

[9.30 am]

Dr G.G. JACOBS: Is the proponent of the improvement in the port infrastructure for coal through the port of Bunbury the same proponent as for the coal going through Kwinana at present?

Mr T.R. BUSWELL: Yes, it is. It was Griffin; it is now Griffin/Lanco. I would expect that, if and when it gets the Bunbury operation up and running, the coal effort will be transferred from Kwinana to Bunbury. I am not aware of the detail around that, but I suspect that is what will happen. In terms of the plan, coal is at Bunbury, and we are trying to activate the bulk capacity at Kwinana as quickly as we can to help free up some of the iron ore prospects in Yilgarn.

The CHAIRMAN: Thank you, minister. That completes the examination of the Bunbury Port Authority.

Port Hedland Port Authority —

Mr J.M. Francis, Chairman.

Mr T.R. Buswell, Minister for Transport.

Mr I.J. Williams, Chairman.

Mr R.B. Holtshausen, General Manager, Strategic Planning and Development.

Mrs D.E. Gollooly, General Manager, Corporate Services.

Ms S.J. McCarrey, Deputy Director General, Policy, Planning and Investment, Department of Transport.

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[Witnesses introduced.]

The CHAIRMAN: Member for Midland.

Mrs M.H. ROBERTS: In the previous estimates hearing the minister expressed some concern about the profitability of the Port Hedland Port Authority. Will the minister outline his concerns?

Mr T.R. BUSWELL: Well, my concerns were predominantly that the port traded at a loss, I think, last year.

Mrs D. E. Gollogly: Correct.

Mr T.R. BUSWELL: That was because of, as I understand it, some issues around some revenue streams not being realised—I will get some further advice for the member in a second—but it is on track to record an operating profit now. That means there has been a good turnaround in the last few months. I will ask for some more advice.

Mrs D. E. Gollogly: Primarily, the loss last year was as a result of some dredging. We had to undertake some high spot dredging that resulted in a loss of draft, so we had to bring forward our maintenance dredging campaign, which had an impact of \$5.1 million on our after-tax profit. We also had expense interest relative to the Utah project, which was not operating at that time. Those two items had a \$7.9 million impact on our profit and took it to a loss. Without those items, we would have had a \$6.5 million profit. Hopefully, we will not have to dredge this year.

Mrs M.H. ROBERTS: Minister, has the capacity for the tonnage that can go through the port increased as a result of the works that were undertaken?

Mr T.R. BUSWELL: Yes, it has.

Mrs M.H. ROBERTS: What has it increased from, and what is the current tonnage capacity? Also, there was a reference to last year's loss and the profit this year: what was last year's loss, and what is the anticipated profit?

Mr T.R. BUSWELL: I will get some more advice on the detail and specifics of last year's loss and this year's anticipated profit. In relation to the works, major works are being undertaken at the port by a number of private users of the port, such as Fortescue Metals Group, BHP and the like, and last year the port also invested significantly in the project for the Utah Point expansion. I will ask the chairman to give an overview of how that work by private port users and the port authority will translate into tonnage.

Mr I.J. Williams: I will take, first of all, the Utah Point berth, which was the berth that was commissioned and built for multiple users of the port by the Port Hedland Port Authority; it was commissioned early in September of last year and it will provide a substantial revenue stream going forward. When fully realised, the capacity of that berth will be somewhere in the vicinity of 21 million tonnes per annum, of which about half to two-thirds will be iron ore, and the rest will be other products. The capacity at the moment is restricted to our number 1 stockpile, with a maximum, we think, of about 14 million tonnes, but with the commissioning of the number 2 stockpile, which is more of an iron ore facility, that will take 15 million tonnes. It will take some of the capacity out of the number 1 berth, so we will end up with 21 million tonnes in total. That is now complete and is already operating at design capacity.

The other facilities that are increasing the capacity include the BHP berths. BHP has just recently completed two berths, and it is completing another two at this point in time. More recently, FMG has completed a third berth and is starting work dredging for a fourth berth. That will take FMG's capacity up to the allocated 120 million tonnes. In addition to that, Roy Hill Infrastructure, out of the Hancock stable, is starting work on its berths, and those two berths will collectively increase the capacity, in, I think, three or four years, by around 55 million tonnes. Then, finally—not yet started, but in the making—two further berths have been allocated to North West Iron Ore Alliance; it will have a total capacity of 50 million tonnes. That will take our total capacity up to 495 million tonnes in the inner harbour.

Mr T.R. BUSWELL: I think the member also asked a question about the profit and/or loss situation. I will get some advice, but it is my understanding that the actual operating loss for last year was about \$2.5 million.

Mrs D. E. Gollogly: We are estimating a pre-tax profit of about \$1.4 million this year for our operating profit. The post-tax loss was almost \$1.5 million last year. That was the total amount.

[9.40 am]

Mr J.J.M. BOWLER: On that matter, I am surprised. Given the massive tonnages the port deals with, how many tonnes went through the port last financial year? How does that compare with, say, five years ago?

Mr T.R. BUSWELL: I ask for some advice on those tonnage numbers.

Mrs D. E. Gollogly: Last year 178 million tonnes went through the port.

Mr J.J.M. BOWLER: Was it about 90 million tonnes five years ago?

Mrs D. E. Gollogly: In 2006, 110 million tonnes went through the port.

Mr T.R. BUSWELL: One of the issues I discussed with the board is that the board took a fairly conservative view on the fees that are charged for access to the port. The board is now reviewing that matter. I think it is fair to say that the fee structure at Port Hedland is competitive, which is probably a polite way to put it.

Mr C.J. TALLENTIRE: It is doing it for nothing.

Mr T.R. BUSWELL: No, it does not do it for nothing, but it is competitive.

Mr C.J. TALLENTIRE: It is subsidising.

Mr T.R. BUSWELL: No, it is not a —

Mr C.J. TALLENTIRE: But it is making a loss.

Mr T.R. BUSWELL: The port made a loss in one year because of some unusual activity to do with dredging. The independent audit team spoke to me about that matter last week. In fact, if the member looks at the anticipated profit and loss position for the port moving forward, it does operate at a profit. Notwithstanding that, the facts are that the gross registered tonnage charge levied to use the channel—effectively, to come in and out of the port—is pretty competitive compared with, for example, Dampier. The review of the charges will assess that matter. Ultimately, the setting of charges is a matter for the board.

Mr J.J.M. BOWLER: Therefore, going forward, the port anticipates profits.

Mr T.R. BUSWELL: Yes.

Mr J.J.M. BOWLER: That is given there is no downturn in world iron ore demand.

Mr T.R. BUSWELL: Given the level of investment in the port, the beauty of the way the port operates is that the vast majority of the risk of that investment is with the private companies. Therefore, yes, a downturn in the anticipated growth would affect port revenues potentially, but the port does not have the massive carrying costs of the capital infrastructure that go with it. It is not how the impact would be if the port as a trade entity owned and operated all the infrastructure as well.

Mr J.J.M. BOWLER: Therefore, the port's biggest asset really is the channel. That is the biggest cost. The port must be getting to the stage that it needs to build a second channel.

Mr T.R. BUSWELL: I will get some more advice from the Chairman of the Port Hedland Port Authority, but it is anticipated that the existing channel will service the ongoing growth of the port through to the 495 million tonne mark, which is in the current master plan for the port. I think that the anticipated tonnage for this year is about 200 million tonnes, give or take. Therefore, the existing channel with the appropriate turning pockets, which I think are two in the main area and another in South West Creek—it is a sight to behold the big ships turn around in there; they spin on a 20c piece—theoretically will provide the capacity for the port. Beyond that, the member will have seen public announcements by BHP Billiton committing to the development of the outer port. The port authority is working very closely with BHP on that. The development of the outer port, as I understand it, will be a 200 million tonne expansion in the first instance. Expansions of these ports are generally done in 50 million tonne increments; 50 million tonnes is about a tippler, a double-sided loader effectively working both sides of a finger wharf, one railway line and a pretty big hole in the ground. That is sort of the unit of measure that a port expands by. That will in theory take the port's capacity to nearly 700 million tonnes, which is massive.

Mr J.J.M. BOWLER: Which is double what the whole world sea trade was, I think, three years ago.

Mr T.R. BUSWELL: In answer to the member's question, that will be a separate channel. I ask the chairman whether he has anything more to add to that, because it is a pretty exciting period of growth for the port.

Mr I.J. Williams: The first development will be by BHP Billiton, which is committed to building what will be up to eight berths on this new facility. We are trying to assist other players to build a parallel facility, perhaps a multi-user facility, with the likes of Fortescue Metals Group, Roy Hill Infrastructure and perhaps some of the

smaller players utilising capacity on the second pier and utilising the common channel and turning bays that BHP anticipates it will develop in the first instance.

Mr C.J. TALLENTIRE: Accepting that the \$1.4 million loss was something of an aberration, what sort of cash reserves does the Port Hedland Port Authority have?

Mr T.R. BUSWELL: That is a good question. The document that I am looking at is the forecast balance sheet from the strategic development plan for the port, which I assume is a publicly available document. The port's cash reserves, listed as current assets, are forecast at \$29 million in 2011–12 and by the end of a four-year period, in 2015–16, will be about \$57 million. Therefore, the port's cash position is strong and over that time the balance sheet position of the port's total assets, less total liabilities, will increase significantly. That, in part, is a reflection on the improved profit performance of the port, if we measure that by net profit after tax, which is forecast to grow quite significantly across the out years. Therefore, the port's cash position is strong and the port's financial position moving forward is also strong. As I said, I was interested in the reported loss last year, but I think we all now understand why that happened. Clearly, the sheer growth in tonnage and the capacity of the port to manage that growth means that we have a very profitable business.

The other thing to note from a government point of view is the port's asset base. A lot of that increase in tonnage is generated by private sector investment in stockpiling and loading capacity, so the return on assets for the state will grow significantly. That is another matter we need to look at as we reflect on the operating performance of our ports. The state sets a target of around a five to eight per cent return on assets. We are working with data from the port authorities to understand what that means. Some port authorities see that target as a cap and others see it as a minimum, so people have different views on it. It is slightly complicated at Port Hedland by the fact that the channel, under advice from the Auditor General, as I have been told, is not on the balance sheet. We need to look at that because I cannot imagine that the channel is not the most important asset of the port. For some reason that we need to get to the bottom of, the port authority was effectively directed to remove the channel from its balance sheet, which means that the taxpayer, in my view, is not getting a true reflection of the rate of return on the port. Interestingly, the channel is probably what the port spends most money on, through dredging and maintenance of the navigational aids that enable ships to pass safely up and down the channel.

Mr C.J. TALLENTIRE: I have a further question. Am I right in saying that the Port Hedland port by tonnage would be the largest port in the state?

Mr T.R. BUSWELL: It is the largest port in Australia.

Mr C.J. TALLENTIRE: In Australia, so it is ahead of the Queensland coal —

Mr T.R. BUSWELL: It is the largest export port in the world.

Mr C.J. TALLENTIRE: I thank the minister for the clarification.

Mr T.R. BUSWELL: Possibly the universe!

Mr C.J. TALLENTIRE: The port had 178 million tonnes go through last year, but it has cash reserves of only \$29 million. Something is going wrong, surely; this should be a massive profit maker for the state, given the amazing tonnages and the unprecedented wealth of activity that goes through the port. Why is it that we are barely managing to make it a profitable enterprise? In fact, we could not do so last year. I compare it with the very humble and small Bunbury port which has cash reserves of \$80 million. It is clear that this operation is not functioning; it is not making the profit for Western Australian taxpayers that it should be making.

[9.50 am]

Mr T.R. BUSWELL: One of the issues is that often the port's pricing structure is related to this overarching requirement to deliver a return on asset because it needs to generate a certain profit to do that. There has been no pressure on the port's pricing structure. As I said, the port is competitively priced.

Mr C.J. TALLENTIRE: Competitive to what; to Dampier? BHP will not put stuff through Dampier.

Mr T.R. BUSWELL: I am not understanding the point.

Mr C.J. TALLENTIRE: The minister was talking about competition. Where is the competition?

Mr T.R. BUSWELL: The point I am trying to make is that relative to like ports—the light port is Dampier port—the port of Port Hedland's charge rate is based on a gross-registered tonnage for the tonnage of every ship that goes up and down the channel. The port also makes revenue, I should add, from the operation of its own wharves and from rents and charges for the use of its land. There are three main areas —

Mrs M.H. ROBERTS: There is tonnage and berthage, is there not?

Mr T.R. BUSWELL: Yes. There is a channel or tonnage fee, a berthage fee for the port's own operations and the port receives some revenues for the use of its land by some of its users. The tonnage fee at Port Hedland did

not shift for a significant period. One of the reasons it did not shift was, I assume, that the port was generating what was deemed to be, by the six per cent figure, a reasonable rate of return to the state. As I said before, this has been going on for a long, long time. We are now having a look at the balance sheet positions of a number of our ports. I have indicated that I am interested in the fact that the most significant asset of the port is not on the balance sheet. That is a matter we have to explore further. I understand that was done on directions from the Auditor General.

Mr J.J.M. BOWLER: That being the channel?

Mr T.R. BUSWELL: Yes. If the channel was on the balance sheet, I have no idea what value would be put on it.

Mrs D. E. Gollogly: Two billion dollars.

Mr T.R. BUSWELL: A couple of billion.

Mr C.J. TALLENTIRE: The rate of return, therefore, would go down.

Mr T.R. BUSWELL: Of course, but that was not the port's decision. That is why we are getting some external advice around the balance sheet position for not only Port Hedland port, but also the other ports.

Mr I.J. Williams: Historically, of course, BHP dredged the channel, provided it and gifted it back to the state. Some of the issues we are facing now are as a result of that gifting, which I think led to the Auditor General saying that the thing should be held at nil value. It also had an impact on the charges, because, historically, BHP has said, "Well, we've built the channel; we shouldn't have to pay double." That is how it had an influence coming forward, which I think the minister said, quite rightly, we need to address.

Mr T.R. BUSWELL: I indicated to the board that I would be very supportive of its reviewing the rates it charges.

Mr C.J. TALLENTIRE: I have a further question.

The CHAIRMAN: I will come back to you, member for Gosnells. I missed the member for Eyre some 15 minutes ago.

Dr G.G. JACOBS: I refer to the line item "Utah Point Berth—Multi User Panamax Berth" which shows an estimated total of around \$300 million. Is the principal of that \$300 million on the port authority books a loan, which the authority will amortise over time? Presumably the minister can see the income of the port authorities we talked about, which are, principally, tonnage fees, berthage fees, levies, rent or whatever. If we could see those incomes, we would be able to assess the ability of the port to redeem that expenditure over a period and assess what period that would be. I know there is some commercial-in-confidence stuff about product levies and whatever, but this is essentially a \$300 million loan on the books that has to be redeemed. What is the ability to do that and what tools can be used to assess that?

Mr T.R. BUSWELL: I will get more advice from the authority. The funding arrangements around the Utah Point expansion are interesting. The state made a significant equity contribution to Utah Point. No doubt we could argue that money was borrowed by the state, but was effectively an equity contribution from the state to the port. Some other funding arrangements were put in place in relation to what was, effectively, the gifting of some money by BHP and others. I will get the chairman to run us through the detail of that.

Mr I.J. Williams: There was a gifting by BHP towards Utah Point, and there was other support. Other proponents using the port, such as Atlas Iron, have contributed capital as an advance payment on charges.

Mrs D. E. Gollogly: BHP contributed \$70 million on which we had to pay tax of roughly \$21 million. We were given dividend relief by the state and the tax was given back to us as an equity injection, which is the \$21 million. The other funding was via borrowings from WA Treasury Corporation and prepaid charges by the proponents, which funding we will retire as they ship.

Mr I.J. Williams: How much were they?

Mrs D. E. Gollogly: Originally it was \$35 million and it will probably end up as \$45 million in prepaid charges.

Dr G.G. JACOBS: Over what time does the authority believe it can redeem that, if we like?

Mrs D. E. Gollogly: We expect to retire the prepaid charges within three years or less. Some of them are possibly going to retire this year just because of the volume of traffic going through the port. We have scheduled the loan to be repaid within 10 years. That was always our intention and we are on track to do that.

Mr T.R. BUSWELL: The balance sheet forecasts for the port show the loan size reduces by around \$20 million a year from a high of about \$200 million. That explains the port's component. There is state equity injection; port borrowings; gifting of money by BHP, effectively, which was related to some other arrangements around opening up some additional berths; and, on top of that, some prepayments.

Mr C.J. TALLENTIRE: How much does Hancock Prospecting and FMG pay per tonne of iron ore in port handling fees, or all fees?

Mr T.R. BUSWELL: The fee the member is looking for is the tonnage fee. I had that figure but I do not have it off the top of my head. My understanding is there is a standard tonnage fee to move ships in and out of the channel. It is the gross registered tonnage multiplied by —

Mrs D. E. Gollogly: On the basis of the GRT, it is around 20c a tonne. Hancock is not paying anything at the moment because it is not shipping.

Mr C.J. TALLENTIRE: Is that the rate it would expect to pay?

Mrs D. E. Gollogly: It applies to Hancock, BHP and others that have, historically, constructed their own berths and are charged only tonnage; on top of that a cape-size surcharge, which is around 7c a tonne, which is primarily to address the cost of dredging the channel, because only the larger ships require a deeper draught, and pilotage.

Mr T.R. BUSWELL: The channel fee or the tonnage fee and the cape-size surcharge bring it up to about 20c a tonne. That is a long-term thing. By way of comparison, in Dampier—this is not an exact figure—from my recollection, it is about 24c or 25c a tonne. Given companies ship hundreds of millions of tonnes, that helps to explain some of the points of difference. The other interesting point is that Dampier is paid more, effectively, for the channel. This is a legacy, it is not a criticism; it is just the way it is. In Dampier the maintenance of the channels is done, effectively, by Rio and Woodside. The maintenance of the Port Hedland channel is done by the Port Hedland Port Authority. There is a business scenario in which, for a range of legacy reasons, Port Hedland charges less than Dampier, the port up the road, but one of the biggest costs is to maintain the channel, which the port of Dampier does not incur. There are some anomalies in the way the ports operate. As I said, they are historic legacies that have occurred over years of operating in that way. That is one of the things we are attempting to look at.

The CHAIRMAN: I am sorry, Member for Gosnells; that concludes consideration of the Port Hedland Port Authority.

[10.00 am]

Geraldton Port Authority —

Mr P.B. Watson, Chairman.

Mr T.R. Buswell, Minister for Transport.

Mr I. King, Chairman.

Mr P. Klein, Chief Executive Officer.

Ms S.J. McCarrey, Deputy Director General, Policy, Planning and Investment, Department of Transport.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

Members may raise questions about matters relating to the operations and budget of the off-budget authority. Off-budget authority officers are recognised as ministerial advisers.

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 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 he 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 committee clerk by Friday, 10 June 2011, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers and, accordingly, I ask the minister to cooperate with those requirements. 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 with the Clerk's office. Only supplementary information that the minister agrees to provide will be sought by Friday, 10 June 2011.

[Witnesses introduced.]

Mr T.R. BUSWELL: I thank my advisers for coming down from Geraldton.

The CHAIRMAN: I give the call to the member for Midland.

Mrs M.H. ROBERTS: I expect that the minister will be aware that there has been some discussion in other parliamentary committees about the profitability of Geraldton port. Treasury is using different figures. We heard from Mr Marney yesterday in the estimates hearing. There was also an upper house committee hearing with Hon Simon O'Brien. It appears that Treasury anticipates a much higher profit than the Geraldton Port Authority anticipates. The figures vary so markedly that, over the period of the forward estimates, there is nearly a \$100 million difference between what the Geraldton Port Authority is saying and what Treasury is saying. I wonder whether the minister can explain why Treasury is using one set of figures and the Geraldton Port Authority is using another, and whether he can reconcile those figures.

Mr T.R. BUSWELL: I can have a go at it. I have information that was provided to me yesterday by Treasury, so I will read it with a moderate degree of interest as I work through it. It basically states that the dividends paid by public corporations to government in each year are based on the projected profit of the preceding year. The Geraldton Port Authority's estimated dividend of \$17.6 million for 2010–11, as published in the 2011–12 budget papers, is not consistent with the 2009–10 actual operating profit after tax published in its annual report, which would have equated to a dividend of about \$6.5 million. I think that is what the member has just said. Treasury's view of this is that, following completion of its reporting obligations for 2009–10, the Geraldton Port Authority submitted adjustments to the Treasury information management system—TIMS—to reflect the 2009–10 actual financial outcomes for the year. For some reason, which Treasury has not explained to me, at that time no adjustment was made for the impact of the 2009–10 actual result on the 2010–11 dividend. I have not had a chance to follow up with Treasury on why that did not happen.

Mrs M.H. ROBERTS: Treasury is standing by its figures. It is really, I suppose, challenging the minister and the port authority.

Mr T.R. BUSWELL: What I am saying is that the advice I have is that the 2009–10 actual results of the port authority were submitted by way of adjustment to TIMS. However, at that time, for some reason that I am yet to dig down into and understand, no adjustments were made for the impact of the change in the 2009–10 actual result on the 2010–11 dividend estimate. As I understand it, the GPA included a revised dividend payment to Treasury as part of the 2011–12 budget process, which also updated its operating projections from 2010–11 until 2014–15. As I understand it, that information was provided from the GPA to Treasury as part of the budget process for this year's budget. Again, this is my advice. Those adjustments were not picked up, as I understand it, and TIMS was not adjusted. As a result, the data in TIMS is the data that was published in the budget papers. Treasury goes on to point out that, across the forward estimates from 2011–12 to 2013–14, dividend revenues from the port authorities of \$202.4 million is 0.19 per cent of total general government revenue over the same period. Clearly, there has been an error in that the revised figures supplied to the budget process on the operating position of the Geraldton Port Authority have not been picked up by TIMS and, subsequently, have not been represented in the budget papers. I do not have any other information that I can provide the member on that matter, except to say that the port authority would be of the view that it has presented the information as required in the time required and in a suitable format.

Mrs M.H. ROBERTS: The figures provided in the Geraldton Port Authority's statement of corporate intent for 2010–11 bear no relation to the budget papers and Treasury's position. How could this have happened? The minister has said that clearly a mistake has been made. Who has made the mistake?

[10.10 am]

Mr T.R. BUSWELL: I have not had a chance to have a discussion with Treasury about that. Of course, I would be reluctant to point the finger of blame at Treasury or anybody.

Mrs M.H. ROBERTS: Treasury has told me that it is right. Mr Marney presented it.

Mr T.R. BUSWELL: That is often its view of life.

Mrs M.H. ROBERTS: What is the Geraldton Port Authority's response?

Mr T.R. BUSWELL: The port authority's response is as I outlined earlier: the port authority provided the adjustment to the Treasury information management system at the time that its actual 2009–10 operating profit was reported. It also provided, as part of the 2010–11 budget process, an adjustment that included the revised dividend payments. Those adjustments were not recorded in TIMS, and subsequently were not reported in the budget papers.

Mrs M.H. ROBERTS: If the port authority is right, there is a significant hole in the budget.

Mr T.R. BUSWELL: I imagine that if there is a matter that needs to be clarified, it will be done well ahead of the midyear review and will be brought to account. I can assure the member of one thing: there has been an error. There was no intent. There is clearly a process issue here that needs to be better understood by all involved.

Mrs M.H. ROBERTS: How does the minister intend to resolve it and when?

Mr T.R. BUSWELL: I will be getting some additional advice from the port authority and Treasury to understand how it was that the information the port authority is firmly of the view it provided to the process was not reflected in TIMS.

Mrs M.H. ROBERTS: When does the minister anticipate that being resolved? The midyear review is a long way away.

Mr T.R. BUSWELL: The next time the government financials are presented in a consolidated form is at the time of the midyear review. I would expect that this adjustment will be made at the time of the midyear review. To be fair —

Mrs M.H. ROBERTS: Assuming that there is a need for an adjustment, because Treasury does not believe there is a need.

Mr T.R. BUSWELL: Well, there was definitely a disparity between the reported dividends from the Geraldton Port Authority as they appear in the *Economic and Fiscal Outlook* and the anticipated dividend payments of the Geraldton Port Authority as they appear in the Geraldton Port Authority's documents. The member has pointed out that those disparities are not insignificant. They will have to be picked up at the time of the midyear review. I acknowledge the point —

Mrs M.H. ROBERTS: The minister cannot wait that long, surely.

Mr T.R. BUSWELL: That is the next time the government's financial position will be published. At the time of the midyear review, there will also be adjustments in a range of other variables. I suspect that some other government corporations may report back at the time of the midyear review that there have been changes in their anticipated dividends; there may have been changes in the exchange rate. One never knows; the exchange rate forecast in the budget may not be that which is picked up. I do not know!

Mrs M.H. ROBERTS: I was saying that yesterday!

Mr T.R. BUSWELL: That is why I reflected on that particular variable, and I think the member was right to highlight that it is a set of assumptions at a point in time. This is a matter that I need to follow up on with Treasury. Clearly, it is the port authority's very strong view that it complied with all its requirements as part of its reporting into the budget process. The revised dividend forecasts were not picked up by an adjustment to TIMS. That is not an acceptable outcome, and we will have to understand why it happened and put in place processes to make sure it does not happen again.

Mr C.J. TALLENTIRE: Following on from that, when will the port authority make the sorts of profits that have been projected?

Mr T.R. BUSWELL: Dividend payments are a reflection of profit and are reflected in the forward estimates in the *Economic and Fiscal Outlook*; they are not the dividend payments that are forecast in the longer term planning of the Geraldton Port Authority. There is a significant point of difference. I have the figures in front of me. The port's forecast dividend for 2011–12 is \$6.7 million; the amount that appears in the budget is \$17.49 million, so there is a disparity there.

Mr C.J. TALLENTIRE: Of \$10 million.

Mr T.R. BUSWELL: Yes, that is next year. The forecast dividend for 2012–13 is \$18.96 million in the budget papers and the port authority's expected dividend is \$11.05 million. For 2013–14, the forecast dividend is again \$18.96 million and the anticipated dividend to the port authority is \$17.1 million and \$17.4 million. The disparity shrinks in the out years, but in the earlier years is in the quantum I outlined earlier.

Mr C.J. TALLENTIRE: There is currently a serious difference of \$10 million, and in the next financial year it is about \$7 million.

Mr T.R. BUSWELL: Well, there is a difference; whether it can be called serious is a matter of conjecture. To put this into perspective, the port is currently running ahead of its budget for this year by a quantum of about \$5 million, so some of that will flow through as well.

Mrs M.H. ROBERTS: Does the minister think Treasury might be right?

Mr T.R. BUSWELL: There has definitely been a process error here; make no mistake about that. We need to fix it up, and it will be brought to account at the time of the midyear review. I am sure the member will make sure it is, as will we.

Dr G.G. JACOBS: I refer to miscellaneous new works for 2011–12. What will be the nature of the new works, and were any of the works previously done in relation to any remedial work on the port in response to the lead issues in Geraldton? With regard to the lead issue in Geraldton, what were the results of the investigation into lead levels in the community?

Mr T.R. BUSWELL: That is a really important issue. Late last year there was a shipment of lead in a form known as high precious metal by a company called MMG. That shipment of some 5 388 tonnes left Geraldton on 22 October 2010; it was loaded onto a ship, the name of which escapes me. At that time the port's recently installed high-volume air monitors detected a high level of lead reading relative to the approved limit. The approved limit for a lead reading over a 24-hour period is 0.5 micrograms per cubic metre. At that time, one of the high-volume monitors located on the north west corner of the port, near the boat harbour, recorded a level of 4.2 micrograms per cubic metre, which is eight times the limit. That was of concern to the port, to the government and, I have to say, to the operator, MMG. The behaviour of both the port and the mining company has been fantastic in relation to this issue. In the short term, the authority has suspended shipments of this high precious metal through Geraldton while we resolve these issues.

The other thing we did was ask the Department of Health to lead an investigation of residual lead levels in and around the port. That is very important given what happened in the member for Eyre's home town of Esperance. I should also point out that following the incident at Esperance, there had been a very thorough examination of lead build-up in and around Geraldton port, and none was found. Water tanks, gutters, soil and houses were checked. That was done on the back of what happened in Esperance and no lead was found, despite the fact that high precious metal copper concentrates and other materials had been shipped through Geraldton for just about as long as the port has been operating. Lead from the old Geraldine lead mine had been shipped through Geraldton; it has been going on for a long time. We conducted another investigation and the findings were good. There were a couple of high lead readings but they were not related to the lead being exported from the port; they related to other factors. There was not a public health issue, which was a good outcome. What have we done subsequently? The port has been working with the Minerals and Metals Group, the Department of Health and the Department of Environment and Conservation to look at the levels to determine whether the lead level at Geraldton is appropriate. Those organisations are also looking at the types of procedures that can be employed to reduce the creation of dust when the ships are loaded. MMG loads other products through Port Hedland, including copper concentrate and zinc concentrate. MMG has been able to monitor the dust movements from those loadings with existing monitoring equipment and the new monitoring equipment that it put in place and it has made changes, in cooperation with the port, that have reduced the amount of dust created through those operations. This is a work in progress.

I anticipate that MMG will be exporting lead through Geraldton again in the not-too-distant future, but a number of matters need to be resolved with the Department of Health and the Department of Environment and Conservation to make sure that the operation does not lead to the limit being exceeded. I should also point out that one of the reasons the limit was detected in the first place is that post-Esperance, the Geraldton Port Authority put in place a best-practice process for public safety, including the introduction of high-volume monitors. If the port did not have those high-volume monitors, we probably would not have picked up the exceedence. I stress that the exceedence had no impact on public health. Because this is an important issue I will ask the chairman whether he has any other comments to make.

[10.20 am]

Mr I. King: We have added one more dimension to our improvement process, which is to cover the berth 4 conveyer system. The provision of capital has been approved for that. That will be a temporary measure while we look at the need to upgrade the whole berth 4 system. It was built in 1966 and is clearly outdated and not fit for the purpose, in our view. We can patch it up and stop the dust by putting in place all the other controls, but it continues to be an unmitigated risk. The only way to ensure that it does not pose a risk is to replace the entire berth 4 conveyer system. That may well take place when the amount of iron ore exported from the port diminishes in a few years time with the advent of the Oakajee port. There may well be spare, more modern equipment that we can use, or we might have to bring forward the plan to replace the conveyor and help out with the heavy precious minerals before then. Other than that, the minister has covered it pretty well.

The CHAIRMAN: I have told every minister to keep their answers concise. This is not an opportunity for a press release; it is an examination of the budget papers. Member for Eyre.

Dr G.G. JACOBS: I thank the minister for his comprehensive run-down of this very important issue. Will the remedial works on some of the loading and conveyor infrastructure be covered by the \$2.5 million allocations over the next few years?

Mr T.R. BUSWELL: The initial temporary coverings are covered by that amount. The port has also tested the addition of foam. We have been looking at introducing alternate procedures and making minor modifications to the loading equipment to make sure that these products can be loaded within the limits that have been set. In addition, the port has its own operational procedures on high wind days and the like. Members know that Geraldton gets the odd blowy day.

I thank the Chairman for his guidance. I am sure that his colleagues opposite will concur that my answers have not been overly verbose, but this is an important issue.

Mr C.J. TALLENTIRE: I refer to income tax expenses on page 290 of the *Economic and Fiscal Outlook*. The income tax expenses for the Geraldton Port Authority are projected to be \$9.1 million in each of the financial years 2011–12 to 2014–15. That is very different from the statement of corporate intent in which we see income tax expenses for the financial year ending June 2010 of \$1.5 million and for the 2011–12 financial year it is expected to be \$3.3 million. There are some serious inconsistencies.

Mr T.R. BUSWELL: I am looking at the statement of corporate intent to June 2015 for income tax and page 290 of the *Economic and Fiscal Outlook*. I can see a couple of years in which the income tax expense is under the amount in the statement of corporate intent —

Mr C.J. TALLENTIRE: That is an understatement!

Mr T.R. BUSWELL: And it is over that amount in a couple of years.

Mr C.J. TALLENTIRE: Can we check that we are talking about the same thing? In 2010–11 the statement of corporate intent records \$3.3 million —

Mr T.R. BUSWELL: I am not sure what document the member is looking at. It is hard for me to reference it because it is not in the budget papers. I am looking at the Geraldton Port Authority's five-year strategic plan for 2010. That document shows that the authority's income tax is \$5.5 million for the 2010–11 financial year and will be \$4.4 million for the 2011–12 financial year, \$7.2 million for the 2012–13 financial year, \$11.3 million for the 2013–14 financial year and \$11.5 million in the last financial year of the forward estimates. As I said, some are over —

Mr C.J. TALLENTIRE: They are hugely different.

Mr I. King: We might have a second version.

Mr T.R. BUSWELL: I will get more advice on this. It is difficult when members refer to documents that are not part of the budget papers. Is it the right one?

Mr I. King: It is, except I am looking at the same page of two bound documents that read differently, but only for the first year.

Mr C.J. TALLENTIRE: The document I am quoting from is a publicly available document, of course.

Mr T.R. BUSWELL: I know. The other document referred to shows that the income tax that is paid in 2010–11 is about \$3 million, which is under.

Mr C.J. TALLENTIRE: That is right. It is \$3 million in that document, as opposed to \$9 million in the budget paper.

Mr T.R. BUSWELL: I will make sure both these documents are consistent, which they are. In 2014–15, it is \$11.5 million versus \$9.1 million; in the year before that it is effectively \$11.3 million versus \$9.1 million; and in the year before that it is \$7.3 million. There are some unders and overs. As to why Treasury put in a forecast of a flat amount, the member would have to ask Treasury.

Mr C.J. TALLENTIRE: I will focus on the 2011 financial year. Surely a \$6 million difference needs more explanation than a claim by the minister that there are some unders and overs.

[10.30 am]

Mr T.R. BUSWELL: That is related to the Treasury information management system issue I talked about earlier. The TIMS update flows through into dividends and income tax. The TIMS issue arose when the port authority provided information into the budget process as well as provided an update of its actual 2009–10 financial performance, which has not been picked up in TIMS. The income tax issue is an extension of the dividend issue, because they are both driven by the profit estimate.

The CHAIRMAN: Members, I will have to finish there; we have run out of time. That completes examination of the Geraldton Port Authority.

Esperance Port Authority —

Mr P.B. Watson, Chairman.

Mr T.R. Buswell, Minister for Transport.

Mr M. Frydrych, Chief Executive Officer.

Mr K. Fernance, Chief Financial Officer.

Ms S.J. McCarrey, Deputy Director General, Policy, Planning and Investment, Department of Transport.

[Witnesses introduced.]

The CHAIRMAN: I call the member for Midland.

Mrs M.H. ROBERTS: I again refer the minister to budget paper No 3. Can the minister advise whether he is confident that the revenues listed there are accurate?

Mr T.R. BUSWELL: It might just take me a minute or two.

Mrs M.H. ROBERTS: If they are not, what is the difference between the port authority's view and what is in the published Treasury papers?

Mr T.R. BUSWELL: I will get some of that detail. What page were we on?

Mr C.J. TALLENTIRE: Page 290.

Mr T.R. BUSWELL: I have relocated it. I am pretty sure I have got that and I can now compare it, which will be interesting. In 2010–11, the dividend that is anticipated to be paid is nil. The document I am quoting from is the Treasury development plan of the port. When this was developed, the dividend and tax payment from the port for the 2010–11 year was expected to be nil. Without an exemption, on a \$1.5 million profit, the dividend would be about \$800 000. There will be a flow by dividends in 2010–11 of about \$800 000, which is higher than the forecast of \$96 000 in budget paper No 3, although the composition is a tad different. I will just refer to the 2011–12 year for the purposes of comparison. I have to work through this fairly carefully because it is on a fairly detailed spreadsheet.

Mrs M.H. ROBERTS: Further to that, the dividend for 2011–12 in budget paper No 3 is \$429 000, which seems very different from the \$96 000 that is listed in all the forward years and the previous year.

Mr T.R. BUSWELL: This is the problem when we go off the budget papers. I ask the member to listen and I will explain again. The anticipated dividend for 2010–11, which in the budget papers is \$96 000, will now, on the balance of probabilities, potentially be up to \$800 000.

Mrs M.H. ROBERTS: I understand the minister was just advised that an exemption was being sought.

Mr T.R. BUSWELL: Port authorities seek exemptions from dividends all the time. Whether the government grants them is a subsequent matter for government decision. I can assure the member that at the time the budget was handed down, no exemption had been granted to any port authority for a non-payment of dividends for the last financial year. I might have to check that, but that is my understanding.

Mrs M.H. ROBERTS: Can I just clarify through you, Mr Chairman?

Mr T.R. BUSWELL: I just want to work through this. Just so the member is clear about this, the anticipated Esperance Port Authority profit position in 2010–11, which is the current financial year, is about \$1.5 million. The anticipated dividend on that is around 65 per cent, so that is actually about \$900 000. That is for this financial year. I will work through the others to explain what is in the development plan versus what is reported in the estimates on page 290 of budget paper No 3, in answer to the member's question. I am not being verbose, Mr Chairman; I am just trying to get the information on the table. It is hard, because the Treasury document is a quite complicated spreadsheet. Anticipated income tax in 2011–12 for the Esperance Port Authority is \$350 000. The anticipated dividend is \$531 000. That compares with figures of nil and \$429 000 in budget paper No 3. The port's estimate is above the budget estimate. In the following year, which is 2012–13, the anticipated income tax expense for the port is \$545 000, and the budget figure is \$96 000. The anticipated dividend is \$826 000, and the budget figure is \$96 000.

Mrs M.H. ROBERTS: That is a huge difference.

Mr T.R. BUSWELL: Let me finish them first. I have got my finger on the line here and I do not want to deviate, because it would take me ages to find it again. In 2013–14 the anticipated income tax expense is \$485 000 versus \$785 000, and the anticipated dividend is \$735 000 versus \$96 000. In the last year, which is 2014–15, the anticipated income tax expense is \$791 000 versus \$785 000, and the anticipated dividend is \$1.2 million versus \$96 000. I just want to make some adjustments. In 2011–12, the anticipated income tax expense is \$350 000 versus nil, and the dividend is \$531 000 versus \$429 000. This year, the expected dividend is \$900 000 versus \$96 000. That, by way of process, is a comparison of the strategic development plan, which I believe was updated in December 2010, with the data that appears line by line in budget paper No 3 for the Esperance Port Authority for income tax and dividends. There is some disparity in some of them. Fortunately, for the greater good of the state's finances, Treasury seems to have adopted a conservative underestimate of the capacity of the port to generate profits, which then drives the dividend payment and the income tax.

[10.40 am]

Mrs M.H. ROBERTS: Further on that, can the minister provide me with any explanation for why Treasury's figures and the port's figures differ so markedly? Whether the figures are in the port's favour or in the government's favour is of no consequence; two sets of published figures vary quite markedly.

Mr T.R. BUSWELL: No.

Mrs M.H. ROBERTS: Can the minister explain why? The second part of my question is about the income tax expense; it goes up markedly, according to Treasury figures, to \$785 000 in those out years of 2013–14 and 2014–15 from a much lower base.

Mr T.R. BUSWELL: Yes.

Mrs M.H. ROBERTS: Can the minister provide any explanation for that?

Mr T.R. BUSWELL: I can. The reason income tax expense goes up is that profit goes up, which is the reason the port is paying more in income tax.

Mrs M.H. ROBERTS: That is obvious. Why will that profit go up significantly?

Mr T.R. BUSWELL: Profit rises significantly at the port, in particular as we transition to 2013–14 and 2014–15, mainly driven by some shifts in income relative to the rate of growth of expenditure. Obviously there is an anticipation that income will increase. If we look across the board, the line item generally referred to as cargo handling revenue is the main driver of the growth in income. I might ask the CEO, Mr Frydrych, whether he wants to make any comment about that.

Mr M. Frydrych: The member's question is basically how we are achieving the better profits and what they are based on. If we look at the shifting of cargo from environmentally non-friendly and high-cost handling to containerised cargo, just for that alone in one year we pay \$500 000 for cleaning and \$700 000 for environmental conditions. So, those are really the big-ticket items in operational costs. We are also looking to review the carrying-cost structure and we are ready to approach the clients that have been using the port at a certain rate for a number of years.

Mrs M.H. ROBERTS: Through the minister, is that a type of code for putting up the rates?

Mr T.R. BUSWELL: It is. As I said in relation to Port Hedland—I am happy for the CEO to make a couple of comments—I expect the ports to make a fair rate of return for Western Australian taxpayers based on their assets. Esperance port, by way of example, has a very significant piece of infrastructure that cost the state something like \$23 million, for which Esperance port had to borrow and now carries on its books. It had to borrow that because of the woeful handling of the lead situation at Esperance prior to us coming to government, and that has had a big impact on the profitability of that port. It is an asset. It is not generating return because of a range of factors, and there are a lot of legacy challenges—I think that is the term we are using—at Esperance.

Mr M. Frydrych: Correct.

Mr T.R. BUSWELL: I do not think I need to go into those; perhaps Mr Frydrych wants to make some other comments.

Mr M. Frydrych: Through the minister—100 per cent. We have sort of been in the chair for 11 months. We have reviewed the situation and all the cost structure. Some of the costs have not been updated for up to 10 years, specifically shipping costs and everything. So, it is not like we are looking for a cheap way to cover our losses, but we are looking further across the business and trying to be competitive in the market.

Mr T.R. BUSWELL: Further to that, the port authority has done a fairly large job of work in understanding where its cost centres sit in and around the port. It is not just going to lob up to its customers and say, "Here's your new price." It is going to conduct a proper analysis of the cost structures to justify any decision it makes. But, again, I have been pretty blunt in my conversations with the port authorities. We need to help them address some of these balance-sheet issues, and Esperance again is another case in point.

Mrs M.H. ROBERTS: Mr Chairman, I am satisfied with my answer. I defer to my colleagues as I know we have limited time.

Mr T.R. BUSWELL: I was just warming up there!

The CHAIRMAN: I think you just got cold water poured over you, minister!

Dr G.G. JACOBS: I thank Michal and Kevin for coming to Perth from Esperance. In reference to the nickel concentrate circuit upgrade, which is the big-ticket item of \$23.829 million —

Mr J.J.M. BOWLER: It is a waste of money!

Dr G.G. JACOBS: — could the minister very quickly basically say what was delivered with that money for the new upgrade of the infrastructure? Did it actually deliver reduced dust emissions and reduced monitored nickel levels? Can the upgraded loading infrastructure be used for other products; that is, is it a multi-user facility? Would it be possible, for instance, to use the upgraded circuit for spodumene? Is there any other product that this circuit potentially could be used for, thereby amortising some of this cost over time?

Mr T.R. BUSWELL: I will lead in and then get the CEO to make a couple of comments. The new \$23 million nickel concentrate facility is the cause of some concern to us from a purely financial point of view. It is a good

piece of infrastructure. The CEO will talk in more detail about it. It will certainly address a lot of the issues that have arisen historically around the quality of that infrastructure as a loading mechanism, but it is a very valuable asset which at the moment has a very low level of use. The fact is that the port is having to carry the debt payment and the depreciation payments on that asset. I understand that the maintenance costs are significant because of the corrosive nature of the product. It is, therefore, an asset that is very costly to maintain. It has a significant interest bill that the port is nowhere near covering with the returns, given the current tonnages; and, looking into the future, may be nowhere near covering with the anticipated revenues from anticipated tonnages. It is therefore an issue to which we are currently giving some thought. I will get the CEO to provide some more advice.

Mr J.J.M. BOWLER: As I said, minister, it is a waste of money!

Mr T.R. BUSWELL: I will get the CEO to provide some more advice around the prospect of it being multi-user and some other comments about how it has impacted on environmental conditions at the port.

Mr M. Frydrych: Through the minister, I think I will answer Dr Jacobs' last question first, if he does not mind. Whether the circuit can be used for other products, I think, has been a question that has been around for a number of months. At the moment the other products have never been defined and their tonnages do not justify the high-cost usage of the circuit. There is a high cost of cleaning the circuits between nickel and spodumene, or any other product, that none of the exporters would be willing to pick up, and we would once again be in a losing situation. There is a certain section of the circuit, the ship-loader and so on, that could be used for certain products. But the whole system, as such, is designed for containerised cargo, first of all. So, the cargo has to come in containers to be actually discharged into the system; unless spodumene comes in containers into the port, as the member said, which means we could happily take about 120 000 tonnes a year. We have suggested to those companies a number of times that if they put it into bags or containers all the way, it would be an efficient and good thing for everybody concerned.

Mr T.R. BUSWELL: I just add that the nickel concentrate loader is better than the one it replaced, obviously.

Mr M. Frydrych: No doubt. There is no doubt that the function of it regarding the dust—I believe that was the question—is much better, hence some of our savings on that \$500 000 figure mentioned before.

[10.50 am]

Mr W.J. JOHNSTON: I am interested in the expansion of the port. I read the Australian Stock Exchange announcement about Golden West Resources having an agreement to put three million tonnes per annum through the port. Could the minister explain that in the context of the answer provided by the minister representing the Minister for Transport on 18 May, that there was not an agreement?

Mr T.R. BUSWELL: The situation is that the port authority is currently working through a process to expand capacity; it is currently at about 10 million tonnes per annum, or a bit under.

Mr M. Frydrych: The first stage.

Mr T.R. BUSWELL: The expansion will be in two stages, each of 10 million tonnes, so the port will go to about 30 million tonnes. The port is currently in discussions with a variety of potential users about how that capacity will be utilised and how it will be funded. Those conversations are ongoing. The port has entered into what it is calling a memorandum of understanding with a variety of operators. The memorandum of understanding, as I have been advised, does not specifically guarantee access to tonnage in each of those two stages. It is a framework within which discussions are occurring, but there is no guarantee of the capacity that will result from those conversations because those discussions are many parted and a variety of different factors will come into play. My advice is that the port is not yet in the position to be able to guarantee the tonnage; the MOU is about establishing a framework for those discussions. Some of the people involved have formed a view that their participation in the MOU process is an absolute guarantee of tonnage; that is not the case. That is still very much a live matter. Quite literally, discussions are underway as we speak.

Mr W.J. JOHNSTON: When does the authority expect that MOU will move to some more formal arrangements? What is the prospective time line for us to know what is going to happen?

Mr T.R. BUSWELL: I will ask the chief executive officer for some further advice. The project schedule has a line item called "mutually binding agreement"; I am assuming that is what the member is referring to. The time line I have, which we are now working on with the port—which is the method by which the port reports back us to on the project—has mutually binding agreements being completed by the end of 2011. The estimated time line for the start-up of the project is mid-2013. It would be fair to say that some people have indicated that they may get access to additional tonnage through Esperance before mid-2013; that is just not going to happen. They are not going to get access through the port prior to mid-2013, because that is how long the project will take to pull together. There is also a related job of work being done that is partially funded by both the commonwealth and the state in relation to road and rail access to the ports. As I understand it, to get to another 20 million tonnes that

job of work has to happen. Quite simply, Esperance as a town will effectively cease to be able to operate without it. The situation at the moment is untenable; there is a significant upgrade program in place for the road and rail linkages into the port so that we can try to separate the rail from the road with overs and unders and the like.

Mr W.J. JOHNSTON: The minister likes those words.

Mr T.R. BUSWELL: Sorry?

Mr W.J. JOHNSTON: They are the minister's favourite words.

Mr T.R. BUSWELL: I thought my favourite word was—what was the other one I used to use—de-cashflowed or re-cashflowed? Anyway, it does not matter. I think the speculation that the expansion of Exmouth will enable access to the Yilgarn iron ore project through Esperance before mid-2013 is not realistic or reflective of the position the port is currently in.

Dr G.G. JACOBS: Minister, there is a time line that has to be followed before Esperance will be ready to be used by the Yilgarn iron ore producers. Is there any possibility of some access for the smaller juniors in iron ore in the Yilgarn, such as Cazaly Resources, out of the Western Australian ports?

Mr T.R. BUSWELL: Yes, there is. As I outlined earlier, I have now instructed Fremantle Port Authority to move as quickly—it was probably doing it anyway. I did not instruct it; we had a conversation and that was the outcome. Maybe that is what it wanted me to say! I have to be careful.

Mr W.J. JOHNSTON: The minister is going to get himself in trouble again!

Mr T.R. BUSWELL: The port wanted to do this. There is the capacity to move more bulk iron ore through Kwinana. As I outlined earlier, the limit to that capacity will be reached in two stages. It can be accommodated with the current rail regime through the metropolitan area, because that railway line runs out through Canning Vale and then up into the hills, but there is a stage at which capacity will be reached. To access additional capacity, we will need to upgrade the railway line. The Department of Transport is currently finalising some modelling around that rail capacity. At the moment about five million tonnes of that capacity is absorbed; I suspect we can add additional capacity through Kwinana without having to upgrade the railway line, but I do not think it will be too much. It is a very important question.

The CHAIRMAN: Yes, minister, but we are doing budget estimates, and this is just a dorothy dixer for the member for Eyre.

Dr G.G. JACOBS: It is not a dorothy dixer at all; it is a very important issue!

The CHAIRMAN: We have five minutes left and we are talking about budgets here, and I have given you a bit of leeway, member for Eyre. Minister, could you just finish the answer?

Mr T.R. BUSWELL: There will be capacity in the port of Fremantle through Kwinana. There are two options: the Kwinana bulk jetty, which is a Fremantle Port Authority facility which already has some environmental approvals for low tonnages; or, potentially, the private James Point bulk facility. I think that facility is a lot further off getting access to capacity than Fremantle Port Authority because Fremantle Port Authority is already up and running.

Mr C.J. TALLENTIRE: Is the port negotiating with any third parties for the stage 1 or stage 2 expansions?

Mr T.R. BUSWELL: The port is negotiating with a range of third parties, and the member for Cannington outlined some of them. As I have been advised, Esperance port has this memorandum of understanding—this framework document—that includes, but may not be limited to, Cashmere Iron, Golden West Resources, Macarthur Minerals, and Cazaly Resources. I am not sure whether it includes any more, but I will ask the chief executive officer to add to that list if that is the case. I am sure the port is talking to other people as well.

Mr M. Frydrych: We have about nine proponents, if members like, of usage. They are all in a different stage of repair, or disrepair, at the moment—sorry, I will rephrase: they are at a different stage of readiness, I think is a better way of putting it. At the moment we are going through discussions with them to actually provide us with proper justified claims that they are basing their future tonnages on. We broke it into stage 1 and stage 2, with stage 1 being 10 million tonnes and stage 2 being 22 million tonnes, depending on the guaranteed tonnages throughput. Once they provide us with that, we will be able to ascertain what it means for us in the future.

Mr C.J. TALLENTIRE: Who is actually going to fund these expansions?

Mr T.R. BUSWELL: At the moment the port is talking with the different private potential private users in and around a funding model. But it is anticipated that funding would be provided either by potential future users, or by funding entities associated with potential future users, to help fund the upgrades. The anticipation is that the funding would be by a private sector mechanism, which happens in ports right up and down the state, as opposed to a public sector mechanism.

Mrs M.H. ROBERTS: What is the status of woodchip exports by Elders Forestry? I understand there are building works associated with it and that land was earmarked for a woodchip receival facility and so forth. How many hundreds of thousands of tonnes of woodchips will be exported?

The CHAIRMAN: We have to cease it there. That completes the examination of the Esperance Port Authority.

Meeting suspended from 11.00 to 11.10 am

Division 55: Transport, \$142 265 000 —

Ms A.R. Mitchell, Chairman.

Mr T.R. Buswell, Minister for Transport.

Mr R.A. Waldock, Director General.

Ms S.J. McCarrey, Deputy Director General, Policy, Planning and Investment.

Mrs N. Lyhne, Managing Director, Transport Services.

Mr P.J. King, Acting Executive Director, Finance.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

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. This is the prime focus of the committee. Although there is scope for members to examine many matters, questions need to be clearly related to a page number, item, program, or amount within the volumes. For example, members are free to pursue performance indicators that are included in the *Budget Statements* while there remains a clear link between the questions and the estimates.

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 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 he 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 committee clerk by Friday, 10 June 2011, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers, and accordingly I ask the minister to cooperate with those requirements. 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 with the Clerk's office. Only supplementary information that the minister agrees to provide will be sought by Friday, 10 June 2011.

It will greatly assist Hansard if, when referring to the program statements volumes or the consolidated account estimates, members give the page number, items, program and amount in preface to their question.

[Witnesses introduced.]

The CHAIRMAN: Member for Rockingham.

Mr M. McGOWAN: Considering that there will be hearings on a range of departments and authorities between now and 3.30 pm, I want to have a quick general discussion about the order and how long we might want to spend on each division. Obviously, from the opposition's point of view, the areas of transport and housing would take up the bulk of the time, with particular attention to the Commissioner of Main Roads, the Public Transport Authority and the Housing Authority divisions.

Mr T.R. BUSWELL: Does the member want to put a rough time on that? I am happy to do that.

Mr M. McGOWAN: We have only one or two questions for Transport, but we have a number of questions about Main Roads, the Public Transport Authority and Housing. We do not have many questions for the other two divisions. We are pretty keen to get Transport done relatively quickly.

Mr T.R. BUSWELL: What does the member reckon—11.30 am?

Mr M. McGOWAN: That sounds good.

Mr T.R. BUSWELL: When will Main Roads be? I ask that so that I can make sure I have people available.

Mr M. McGOWAN: Main Roads can be from, say, 11.30 am until 12.15 pm or something like that. The Public Transport Authority can be from 12.15 to 1.00 pm. Housing can be from, say, 2.00 to 3.00 pm, and the other two divisions can be dealt with in the last half-hour.

[11.15 am]

Mr T.R. BUSWELL: We will do transport until 11.30 am; spend 45 minutes on Main Roads, from 11.30 am to 12.15 pm; 45 minutes on the PTA, through to 1.00 pm; one hour for the Housing Authority at 2.00 pm; and 30 minutes for the balance.

Mr M. McGOWAN: That sounds about right—roughly.

Mr T.R. BUSWELL: Give or take, depending on my unruly colleagues!

Mr M. McGOWAN: I realise the minister has just finished the session on ports, but I refer to the third dot point on page 651 of budget paper No 2 relating to ports. I note the Anketell port proposal, which is a major proposal for a private-sector builder and operator of the Anketell port. Is that planned to be privately built and operated? How will that port be constructed and operated?

Mr T.R. BUSWELL: The member is right; there is a strong desire to access private capital to build the facility. The overarching control and overall operation of the port, and I suspect overall responsibility for management of the channel, which, aside from the land-based infrastructure, is the most important part—I think we heard before that the Port Hedland Port Authority valued its channel at about \$2 billion—would sit with the Dampier Port Authority. The private sector would build and operate the bits it intends to use.

Mr M. McGOWAN: How does that fit with the Premier's statement that ports should always be constructed by the public? That was the basis on which he intervened in the Oakajee proposal. It sounds as though the arrangement for the Anketell port is similar to what the Oakajee port arrangement was going to be. How does that line up with the Premier's oft-repeated statements in that regard?

Mr T.R. BUSWELL: This is not similar to Oakajee; the arrangements are somewhat different. I think the member for Rockingham will find the Premier's comments were regarding "the control" of ports, not the construction of them. It is a fact that right around Western Australia a large number of privately constructed components of ports are controlled by the state. No-one would argue that the Dampier Port Authority is anything other than a public authority. The Dampier Port Authority, effectively, has three main components—maybe a few more, but let us say three. There is the Woodside facility, which was privately built and operated by Woodside. Woodside also provides the maintenance of the channel that leads into Woodside. There are the Rio facilities. There are two at Dampier, again, funded and operated by Rio, but controlled at an overarching level by the Dampier Port Authority. The Dampier Port Authority also has its own general carriage wharf operations at Dampier, and work is still going on around that. I suspect that the Anketell port will not be too different, although I do not have detail on the level to which the Dampier Port Authority will be anticipating general cargo facilities at Anketell. I am not aware that is in that plan at this stage.

Mr M. McGOWAN: Page 649 indicates that the total appropriations for transport have declined. Can the minister explain that reduction?

The CHAIRMAN: Is this another question?

Mr M. McGOWAN: It is, yes.

The CHAIRMAN: I am sorry; there is another call before you.

Mrs M.H. ROBERTS: On page 649 under "Major Spending Changes", one of the items I want to inquire about is the enhanced speed enforcement program. Can the minister explain what has gone on there? I am also interested in the major spending change for "Perth Parking Fund Central Area Transit (CAT) Services". As part of that answer, can the minister explain whether the government has any plans to spend the money Perth parking fund has in reserve?

[11.20 am]

Mr T.R. BUSWELL: In relation to enhanced speed enforcement, the major spending additions are around \$2 million per annum. My understanding is that that is for approval for an increase of six full-time equivalents and for additional collection costs through Australia Post to assist the Department of Transport to collect the revenues that will be generated by the Western Australian police department's enhanced speed enforcement program. I presume that has something to do with cameras. It is for the costs that the department will incur in managing the anticipated increase in infringements that the new cameras at intersections and other places around the state will generate.

Mrs M.H. ROBERTS: Can I just clarify that? How many more people will need to be employed because a greater number of cameras are being put in place by police? Where will the revenue go? The Department of Transport is incurring more costs. What is happening by way of revenue?

Mr T.R. BUSWELL: The revenues are just part of the administered funds that pass back through the department to government. The extra six staff will basically be required to administer and process the

requirements of the transport executive and licensing information system, which manages speeding infringements. I know that police anticipate a significant increase in speeding fines, which I will be paying particular reference to because I do not want to be one of the people keeping these six people busy! To put some quantum on it, the anticipated revenues for speed and red-light camera fines are expected to be \$77 million in 2011–12; \$85 million in 2012–13; \$92.6 million in 2013–14; and plateauing out at \$92.6 million. The estimate in 2010–11 is \$51.5 million. Over a three-year period, that is a \$41 million increase off a \$51 million base in speed and red-light camera fines, which is a fairly large increase.

Mrs M.H. ROBERTS: The second part of my question was about the Perth parking fund.

Mr T.R. BUSWELL: The additional funding in the budget for CAT bus services, which starts at \$1.17 million next year and runs up to \$2 million in the out years, is basically to provide increased frequency and extended service times for CAT bus services. I have some details of what that would entail in the frequency of the different coloured CAT buses, if the member would like me to go through that.

Mrs M.H. ROBERTS: I would rather hear how much is currently in the parking reserve and what the minister will do with that money and when?

Mr T.R. BUSWELL: The value of the Perth parking levy fund is estimated to be \$36 million at 30 June 2011. Based on current spending patterns, it is anticipated to grow by about \$15 million from \$36 million in 2010–11 to \$51 million in 2011–12; by about \$18 million to \$71 million in 2012–13; and by just over \$18 million to \$89 million in 2013–14. But there will be some announcements in the not-too-distant future about the spending of that money.

Mrs M.H. ROBERTS: Is the minister planning to amend the act to allow the money to be spent on purposes other than those it is currently allowed to be spent on?

Mr T.R. BUSWELL: No. We are planning to spend the money within the framework of the act.

Mr M. McGOWAN: The first dot point on page 651 relates to policy initiatives surrounding congestion, the need for enhanced public transport and so forth. My question is about the planning by the department and whether the money that has been allocated in this year's budget is at all directed towards planning for a new stadium and whether the minister has examined what options are out there and how much the additional transport infrastructure and additional public infrastructure at a stadium at Burswood would cost as opposed to the other alternatives of Subiaco or East Perth. What planning has been done and what is the additional cost, if any, above and beyond the other options?

Mr T.R. BUSWELL: The Department of Transport and the Public Transport Authority have done what I think has been a good job of work on assessing transport options for the different stadium options that are being considered by government. I am sure that the costs of those different options will be made public at the appropriate time by the person who will make that announcement—that is probably the person who normally sits in this seat. I will not reflect on those, but I will say that we have done a significant amount of work on looking at transport options for a variety of sites, and we have provided that advice to those involved in the decision-making process.

Mr M. McGOWAN: Bearing in mind that this is an estimates hearing and we are examining money that will be spent in the coming financial year and in the following years, would it be fair to say that Burswood is a more expensive option because of the requirement for transport infrastructure and public transport than the other options? Is it fair to say that the reasoning behind the Burswood option might be outweighed by the additional cost involved in the requirement for those transport options?

Mr T.R. BUSWELL: I do not have the specific detail of that. The Burswood option that is being considered, along with others, provides some excellent public transport opportunities. Very good rail linkages into the metropolitan rail network could be provided at the Burswood site. I think the last time there was a big crowd in that area was when the Pope went to Belmont Park and people took the train. There was a bit of a crowd because there was only one train line there. At the end of a match, for example, four trains could effectively be lined up at Burswood station, which would be the stadium station. Those trains could pretty much work directly down most of the major Perth rail lines, with the exception of the Mandurah line, so people would need to transfer at Perth station. In addition, a number of trains could be held in the Carlisle area or further down the line, and those trains could move up quite quickly to move people away. We have done similar modelling at the other sites. The other part of the public transport solution for the stadium, wherever it might be located, will be buses. The stadium really needs to be emptied in about an hour. The stadium will not be emptied with trains alone; bus infrastructure will be needed. The existing bus infrastructure at Subiaco Oval, for example, requires Roberts Road to be blocked off, which makes it a bit of a “run for your life” scenario. That will not suffice with a bigger, better, improved stadium. People expect better. I think Suncorp Stadium in Brisbane has a purpose-built bus interchange adjacent to it to enable a proper, appropriate, safe and dry transition of people onto buses. Whatever the solution is, it will predominantly be around trains and supplemented by buses for the movement of the vast

majority of people. A relatively minor number of people will drive and/or walk to the stadium. That applies across all sites.

[11.30 am]

Mr A. KRSTICEVIC: In terms of transport policy, the minister talked about the urban infill programs and the growing population, and managing the transport system to cope with those issues. As part of that, is the minister doing any work with local government? I know that he has no responsibility for local government roads, but most of them were constructed 40 or 50 years ago. I am wondering whether there has been any work done on that front, because there are a lot of issues in my electorate with local roads and people being able to access the main arterial routes.

Mr T.R. BUSWELL: That is an interesting expansion of the topic, which I will answer briefly! In relation to buses, we have done planning at different sites, and we have looked at where the members generally live. For example, the mighty high-flying West Coast Eagles members live in certain areas, so when a stadium is announced, the bus network that is servicing the stadium for Eagles games will have a high concentration of services into areas where Eagles supporters live.

Mr J.E. McGRATH: The western suburbs!

Mr T.R. BUSWELL: And vice versa for the other Western Australian team!

In relation to the broader transport planning, which that line item definitely refers to, a range of major planning works is being undertaken by the department. There is a major public transport plan, which will be released publicly at the appropriate time. That reflects a lot on the planning work done in Directions 2031. We are also working on a state regional freight strategy, which looks at ports and roads in regional Western Australia, and a Perth transport plan, which relates to cars, trucks and other non-public transport use in Perth. That is important; it really relates to our road networks and how they all fit together to service freight and passengers. On top of that, some of the planning money that the Department of Transport and the Public Transport Authority received this year is for advancing a number of key projects; I think they are discussed in budget paper No 3. Those key projects include the rapid bus transitway to Ellenbrook; the extension of the Perth heavy rail network to Yanchep; and exploration of light rail options, which will probably run into the central northern suburbs. There is also money there for looking at what else we can do for planning in and around busways and the like. There is a lot of effort going in to make sure that we have a well-planned public transport and broader transport response.

Mr W.J. JOHNSTON: My further question actually relates to the question asked by the member for Rockingham. I refer to planning for the Burswood precinct. Is the minister saying that two new stations will need to be built in the Burswood precinct? There is currently a station near the Burswood Entertainment Complex that is very old. The surrounding area is being rezoned as residential by the Town of Victoria Park; it is currently commercial. There will be six or seven new residential towers. We will need a new station for that development and the other towers that are going up in the Burswood precinct. The minister is saying that we will need a second station for the stadium, so we are going to have to have two new stations in the area.

Mr T.R. BUSWELL: Member, let us break that into two bits. I do not have any advice on the provision of a station specifically for the towers in Burswood. We certainly are not doing any planning around that at the moment. The next stations we are looking at are probably on the north-south line. I do not have any information around that that I can provide to the member.

Irrespective of where the stadium goes, we will need a decent railway station and a decent bus station. If the stadium stays at Subiaco, the existing station at West Leederville will have to be completely rebuilt because it will not cater for the number of people we anticipate having to move in and out. If the stadium is at East Perth, we will need a station there, and if it goes to Burswood, we will need to upgrade that station.

Mr W.J. JOHNSTON: As I understand it, the costing for the station in Subiaco was part of the original Kitchener Park development costing. If we redevelop at Burswood, there will have to be a special events station or whatever for the oval, which means that there will still be a standard station for the residents of Burswood, which is a growing area. The station that is there is very inferior.

Mr T.R. BUSWELL: I anticipate that the cost of upgrading stations would be incorporated into the total cost of the project when those deliberations are made. I again stress that, irrespective of where the stadium goes, we will need better rail infrastructure than we currently have to get the number of people we are talking about away from the stadium in an acceptable period of time. One could argue that those costs could be more problematic at Subiaco because there is a quite limited reserve in which to operate around the railway line, but I do not have that detail. Similarly, if we are going to do it properly, we need to look at a decent bus interchange. The existing bus interchange in Subiaco, on Roberts Road, is not a “hail and ride”, it is a “hail and hope”. We have to improve that. There will be some variations, but I would imagine that those costs would be relatively consistent wherever the stadium ends up.

The member also raised the issue of how we service the residents of Burswood. That is a matter for a separate conversation.

Mr M. McGOWAN: The minister indicated earlier that he anticipated that clearing people away from Burswood would take roughly an hour or so under the new arrangements. Is it not currently the case at Subiaco that crowds are generally dispersed within a half an hour? Does the minister anticipate a doubling of the time it takes to disperse crowds?

Mr T.R. BUSWELL: The advice I have is that one hour is the international standard that is applied to moving people out of a major sporting stadium. It often takes people a lot longer than one hour to exit the Subiaco area after a football match, depending on their mode of transport. If we were to have a 50 000 or 60 000-seat stadium at Subiaco, and it filled up because the Eagles were having a good season, one would anticipate that those delays would be longer. That is the standard that governs the planning for getting people out of sporting precincts. How are they going to move? The vast majority will be by rail. Irrespective of where the stadium goes, there will be other people who drive and/or walk. They might drive to somewhere around Subiaco and walk; they might drive to somewhere around East Perth and walk; or they might drive to Burswood and walk.

Mr M. McGOWAN: Is the minister saying that the current dispersal time is not half an hour?

Mr T.R. BUSWELL: I do not know what the current dispersal time is. It is probably 30 to 40 minutes.

The appropriation was recommended.

[11.40 am]

Division 56: Commissioner of Main Roads (except Service 7, Office of Road Safety), \$972 641 000 —

Ms A.R. Mitchell, Chairman.

Mr T.R. Buswell, Minister for Transport.

Mr M. Henneveld, Managing Director.

Mr D. Snook, Executive Director, Road Network Services.

Mr P. Woronzow, Executive Director, Finance and Commercial Services.

Mr M. Cosson, Acting Director, Budget and Financial Planning.

Mr R.A. Waldock, Director General, Department of Transport.

[Witnesses introduced.]

The CHAIRMAN: The member for Midland.

Mrs M.H. ROBERTS: I refer to the road trauma trust fund under “Major Spending Changes” on page 662. The estimated actual is expected to be reduced from \$16 million in 2010–11 to \$12 million in 2011–12, \$9 million in 2012–13 and \$7 million in 2013–14 and 2014–15. Footnote (a) at the very bottom of the page states —

Expenditure from the Road Trauma Trust Fund has been reduced due to revising down estimated speed and red light camera infringement revenue over the forward estimates.

Can the minister provide an explanation for that?

Mr T.R. BUSWELL: For the revising down?

Mrs M.H. ROBERTS: Yes. The minister just told us in the previous division that revenue would increase.

Mr T.R. BUSWELL: Yes; however, I did not point out earlier, because I was looking at the forward estimates, that the estimated actual for 2010–11 is significantly lower than was anticipated in 2010–11 by a large sum of money.

Mrs M.H. ROBERTS: I am aware of that. That has been reported in the media and elsewhere. It appears to continue in the out years, which is what surprised me.

Mr T.R. BUSWELL: That is because WA Police had anticipated receiving a certain amount in 2010–11, but it has not achieved that amount. I cannot recall the quantum. The revenue base for the forward estimates has decreased because WA Police did not achieve the quantum increase it had expected to achieve in 2010–11. I think I told the member for Midland that revenue would increase from \$51 million to \$91 million across three years before plateauing.

Mrs M.H. ROBERTS: The minister said something of that order.

Mr T.R. BUSWELL: We are working off a base of \$51 million, whereas the police’s previous estimate, which would be the basis of the forward estimates that the member referred to, would have been higher. That is why the funding cops a hit in the out years.

Mrs M.H. ROBERTS: The second dot point on page 664 states —

A boost to road safety funding will occur with increased revenue flows into the Road Trauma Trust Fund (RTTF) in addition to existing Black Spot funding.

Can the minister outline the revenue raised from the road trauma trust fund, including the black spot funding and anything else, and how much the government anticipates getting this financial year and in future years?

Mr T.R. BUSWELL: Is the member asking how much Main Roads will get to spend from the road trauma trust fund under the current regime and under the regime when it changes and additional funding flows through into the fund?

Mrs M.H. ROBERTS: That is right.

Mr P. Woronzow: With regard to the extra amount Main Roads will get out of the changed regime, government and cabinet decided that any revenue in excess of the existing funding in the order of \$211 million would be subject to a business case going to cabinet. The budget papers show that the \$211 million is restricted cash and is subject to a business case being presented to cabinet on a case-by-case basis.

Mrs M.H. ROBERTS: Where in the budget does it show there is \$211 million in restricted cash?

Mr P. Woronzow: The \$211 million in restricted cash can be found on the second line of page 675 of the *Budget Statements*. That is Treasury and WA Police's estimate of the proceeds from red-light cameras and speed cameras that will go to the road trauma trust fund.

Mr T.R. BUSWELL: As was explained, the flow of funds out of that back into Main Roads' budget will be done on a case-by-case basis.

Mrs M.H. ROBERTS: Currently, the Road Safety Council recommends the allocations. Is what is being proposed a different process whereby it will go to cabinet? Currently the council makes a recommendation to the minister and the minister signs off on that without any reference to cabinet. Is what is being proposed a new process?

Mr T.R. BUSWELL: My understanding is that some changes to the process will involve amending legislation to support that. The member will have to ask the Minister for Road Safety about the detail of that. In the forward estimates there is predicted to be \$211 million of restricted cash. Effectively, that is unallocated and, at this stage, unspent moneys that will be available in total to the road trauma trust fund to be spent as part of that process.

Mrs M.H. ROBERTS: I am still waiting for the other part of my original question.

Mr T.R. BUSWELL: What was that?

Mrs M.H. ROBERTS: The current year's funding relating to the black spot program and any other funding from the road trauma trust fund.

Mr D. Snook: I do not have the exact figures for the amount of money that Main Roads gets. However, Main Roads submits projects to the Road Safety Council and generally gets a few hundred thousand dollars each year from the road trauma trust fund for projects that support road safety, such as an annual measurement of vehicle speeds around the metropolitan area and various other types of projects.

Mrs M.H. ROBERTS: Including rumble strips on the side of roads and so forth?

Mr D. Snook: This year we have not got any money for roadwork projects; it is for technical projects.

Mrs M.H. ROBERTS: I still want to know whether there is a specific figure for black spot funding.

Mr T.R. BUSWELL: The government has allocated \$10 million for black spot funding this year for 19 projects on state roads and \$10 million for 134 projects on local roads.

Mr D. Snook: Further to that answer: no money from the road trauma trust fund goes to the black spot program.

Mr M. McGOWAN: I refer to "New Works" on page 672. There is an allocation of \$15 million over the next three years for the South Street and Murdoch Drive intersection upgrade. I assume this is to cater for the new Fiona Stanley Hospital that is being constructed there. Does the minister anticipate that there will be traffic difficulties as a consequence of the new hospital and all the additional traffic flow and so forth? I think there are some upgrades occurring to the private hospital as well. If there will be traffic difficulties, does the minister anticipate that \$15 million will be enough to cater for those problems? If not, what additional money will need to be allocated, and what sort of traffic problems might occur as a consequence of the additional construction there?

[11.50 am]

Mr T.R. BUSWELL: That is a very good question, member for Rockingham. If we do nothing, there is the potential for major traffic issues at that intersection. That area will turn into a major health precinct with the construction of the 600-plus bed Fiona Stanley Hospital, the expansion of St John of God Health Care and the

addition of the rehabilitation hospital. The advice we have is that the \$15 million at-grade upgrade to the intersection of South Street and Murdoch Drive will suffice in the short to medium term. I cannot give specific answers on what short to medium term is, because it really depends on other factors influencing the growth of traffic. It may well be that this intersection will ultimately need a grade separated outcome, similar to what we have delivered at the intersection of Alexander Drive and Reid Highway and which we are now doing at the intersection of Mirrabooka Avenue and Reid Highway. The advice is that in the short to medium term, the at-grade upgrade will suffice. The at-grade upgrade will include lengthened left turn pockets on South Street, double right turn pockets on South Street, triple right turn pockets on Murdoch Drive, and some other works to assist with pedestrians moving through the intersection. I should also point out that we are doing some work as part of the widening of the Kwinana Freeway, which is a project from Leach Highway south to Roe Highway, to look at ways of putting in an exit from the freeway to Farrington Road for traffic travelling north along the Kwinana Freeway. For example, if someone from the member for Rockingham's electorate was in a rush to get to hospital, they would obviously travel along the freeway, get off the off ramp at Farrington Road and then travel north up Murdoch Drive and to the hospital.

Mr M. McGOWAN: But that is not in this budget.

Mr T.R. BUSWELL: That is being dealt with as part of the current contract for the widening of the freeway. There is some funding in the hospital budget from the Department of Health for roadworks. That may well be used to fund that, but it is not part of this funding. This is specifically a \$15 million upgrade to the South Street–Murdoch Drive intersection. We are aware of the issues that will be generated. The opportunity has arisen, because of the widening of the freeway, to look at an off ramp on Farrington Road to service northbound traffic. That is something we are looking at. I might get Mr Henneveld to add anything else that he considers appropriate.

Mr M. Henneveld: There is also design work being done on the South Street off take from the freeway. This is not just an individual project; it is a network view of what will happen when Fiona Stanley Hospital opens. All the projects we are designing at the moment will cater for the requirements and beyond for the opening of the hospital in the second quarter of 2014. As well as the Farrington Road off take the minister referred to, there is the work at the intersection of South Street and Murdoch Drive, and the off take from South Street. There are a lot of public transport requirements, which will involve bus lanes and so on at that intersection. That work can be done as provisional works for the third-lane project.

Mr M. McGOWAN: I have two further questions. I am still unclear as to whether the Farrington Road exit will be concluded in conjunction with these works to ensure that the option for people heading north along Kwinana Freeway will be available in time for the opening of the hospital. Secondly, is the minister confident that these measures will prevent traffic chaos in the vicinity of the hospital? If not, what other options are available?

Mr T.R. BUSWELL: Yes, I am confident that they will deal with the traffic issues at the hospital in the short to medium term. The northbound Farrington Road off ramp will be completed in time for the opening of the hospital. It will not be dealt with as part of this contract, which is specifically for the South Street–Murdoch Drive intersection; it will be done as a variation, as I understand it, to the contract that was just awarded for the widening of the Kwinana Freeway to three lanes from Leach Highway south to Roe Highway, which is logical.

Mr M. McGOWAN: I drive north most mornings. Unlike most people I do not use the freeway, because it is far slower than using back roads. I never use the freeway. I use it of an evening, coming home. It is okay late at night, but in the morning I never, ever use the freeway. Providing that advice to people will probably mean that I will now be stuck in traffic on the back roads as well!

Mr T.R. BUSWELL: Either that or the member will have a very clear run!

Mr M. McGOWAN: I am not that bad a driver! I do not drive that fast. I have lost my question.

Mr J.E. McGRATH: How does the member for Rockingham get over the river? How does he get to Parliament House?

The CHAIRMAN: Member for South Perth, we might just let the member concentrate on his question so that we can move on.

Mr M. McGOWAN: It is very secret. If I tell everyone, well! What was my question? I did not quite catch what the options are for Murdoch Drive. Murdoch Drive abuts residential areas at both its northern and southern ends. What will the options be for people who live immediately to the north west and to the south of Murdoch Drive? Is the minister saying that there will be additional traffic measures in those areas as part of this?

Mr T.R. BUSWELL: Murdoch Drive runs adjacent to Fiona Stanley Hospital. The northern intersection is with South Street and the southern intersection is with Farrington Road, which I understand is currently serviced by a roundabout.

Mr M. McGOWAN: That is right.

Mr T.R. BUSWELL: That is obviously part of the way people will come in. The member is familiar with that area. We will get to the bottom of this by the end of estimates! At this stage there is no plan to upgrade the southern entrance to Murdoch Drive, which is the roundabout off Farrington Road. My understanding is that this is a two-lane roundabout. It seems to work pretty well when I have had the opportunity to travel through it. Work will be done at the northern end of Murdoch Drive where it intersects with South Street—that is the \$15 million at-grade upgrade. Of course, Murdoch Drive then travels across South Street and terminates at Leach Highway. That is a snapshot of those works.

Mr W.J. JOHNSTON: I refer to the line item “Roe Highway Extension — Project Development” on page 671 of the *Budget Statements*. I have a couple of questions. Can the minister confirm that the \$3.659 million that is proposed to be spent for 2011–12 is in fact for consultants to continue their public relations and consultation work, and that it is not for design work? I understand that the designs are now complete; I have seen them advertised in the local media. Second, is it true that the estimated cost of the project is now between \$700 million and \$750 million? Third, could I get an explanation of why the government has cancelled the construction of the project?

[12.00 noon]

Mr T.R. BUSWELL: I will start with the third part of the question and work back. We have not cancelled the construction of the project.

Mr W.J. JOHNSTON: It has previously been in the budget papers and it is not in there any more.

Mr T.R. BUSWELL: I think the member will find that for as long as we have been in government, the amount in the budget papers for Roe Highway stage 8, as it is euphemistically termed, is \$20 million.

Mr W.J. JOHNSTON: No; it has been shown as a \$550 million project.

[Ms L.L. Baker took the chair.]

Mr T.R. BUSWELL: Be that as it may, there is \$20 million in the forward estimates for Roe stage 8. We have spent about \$16 million and a bit—that is my reading of those figures. We have about \$3.659 million to go, as the member pointed out. I am pretty sure that project has been submitted to the environmental authorities to work through the proper process. My understanding is that that will be a public environmental review—PER—so it is the highest level of environmental assessment. Clearly, there are environmental challenges with Roe 8 and the wetland. There are also some challenges around some Aboriginal heritage sensitivities. They will be teased out as part of the environmental assessment process, which I understand will be completed in December this year. So, that is where we are at. The \$3 million—plus that is left is basically to help fund the remainder of that community engagement program. I am not sure whether any of that community engagement program will flow out of the environmental process, although I suspect that it will. It is all sort of linked in together.

In relation to cost, I think it would be premature of me to speculate on cost at this stage, for the simple reason that the environmental approvals process may impose other conditions on the Roe project that we have not picked up in the design phase—I would like to think that we have done a good job with the design phase, but it may—and they may have an impact on the final cost. So, once the environmental process is complete and we can cost the conditions associated with the road going ahead, we will be in a position to accurately determine the cost.

Mr W.J. JOHNSTON: I have a further question. On page 431 of last year’s budget papers, the Roe Highway extension was costed at \$551 388 000. That figure was included in the budget papers last year and the year before. In the past two budgets there was a specific cost, and now the minister is saying that he is not prepared to speculate.

Mr T.R. BUSWELL: Correct.

Mr W.J. JOHNSTON: What happened?

Mr T.R. BUSWELL: I am very cautious!

Mr W.J. JOHNSTON: What decision was made so that the minister no longer knows how much the Roe project will cost? He has spent \$16 million, apparently, on public relations and engineering works, but, after spending \$16 million, he is less informed than he was two years ago.

Mr T.R. BUSWELL: I did not say that I had no idea of what it may cost. I said that I am not going to speculate on what that is.

Mr W.J. JOHNSTON: I am not asking the minister to speculate.

Mr T.R. BUSWELL: A number of factors may still impact on the final cost that will flow out of the approvals process, and I am not going to speculate on a cost until I know what the final cost is. I understand the point the member is making, but I am not going to speculate on that cost.

Mr W.J. JOHNSTON: It will be even higher!

Mr T.R. BUSWELL: I believe that there is a probability that some of the conditions that may be imposed on the project as a result of the environmental approvals process will impact on the cost. That is a legitimate statement. When that is known, we will go forward to government and seek funding for that project, and no doubt at that time the costing will be known.

Mr W.J. JOHNSTON: I have one final question. In respect of that \$16 million—plus that the minister has spent on the project, is the minister saying that there is no cost estimate falling out of that \$16 million?

Mr T.R. BUSWELL: No. We have been provided with some preliminary cost estimates. I am not going to speculate on what the final cost will be until the cost impacts of any of the approval conditions are known, because they could be quite dramatic, and I do not think that would be in the best interests of good governance.

Mr I.C. BLAYNEY: On page 670 of the budget papers under “Works in Progress” there is a line item for the Coalfields highway. Can the minister provide an outline of the work that has been done and will be done on this important route, please?

Mr T.R. BUSWELL: I most certainly can. Very pleasingly, the extra \$10 million that is allocated to the Coalfields highway in 2012–13 means that the government will have met its election commitment of—I think it was—\$25 million to the Collie Coalfields highway. So far, stage 1A is underway. Stage 1A is a \$7 million investment in the widening of Collie Coalfields highway from Allanson through to Collie, which is about 7.4 kilometres. Stage 1B, which is another \$7 million, is the two kilometres to the west of Allanson. That is as far as we could get with the \$14 million that we had. The next \$11 million, which will take us up to the \$25 million, will upgrade the 2.5 kilometre Hamilton River section and a 2.7 kilometre section west of Wellington Dam turn-off, which will be collectively known as stage 1C. I need to point out for the information of the member for Collie–Preston, who is not present in the chamber—but I know that he reads *Hansard* diligently, provided we use small words—that that is subject to state forest and national park acquisition. A number of road projects in the South West—Collie Coalfields highway, Bussell Highway through the Bramley state forest in my electorate, and some work on South Western Highway—will require various excisions of roads from state forests and national parks. Ironically, getting a road reserve out of a state forest is harder than getting it out of a national park. However, we will work through that. In addition, there is another \$1 million—plus in the Safer Roads component of the state budget this year, which will be spent on the western end of the Collie Coalfields highway at Roelands Hill. That road will receive a significant and much-needed upgrade. Of course, there are other roads in the state, including some in the member for Geraldton’s electorate, that we need to talk about soon as well.

Mr M. McGOWAN: My question relates to the Gateway WA road project. I refer to page 664 and all the infrastructure work being undertaken by Main Roads. What is the expected total cost of the Gateway road project? Does the minister have a figure on that? If so, has the minister requested sufficient funding from the commonwealth to cover the cost of the Gateway project?

Mr T.R. BUSWELL: We have requested funding from the commonwealth. I might just step back on Gateway. Gateway is an important and exciting road project. I have asked Main Roads to do some additional work around Gateway so that we can look at how we move motorists from the city to the airport. That is called an addendum to Gateway. That is happening as well, so there has been a slight change in the scope of the project. In terms of funding, there are currently two funding sources in the forward estimates under Gateway. There is \$168.9 million, loosely termed the Tonkin Highway upgrade package, and a \$16 million Abernethy Road on-ramp package. The Abernethy Road on-ramp is part of the Gateway master plan. We have taken that out and we are moving that forward as an independent project, simply because it is a much-needed piece of road infrastructure. The total current forward estimate approval for Gateway is effectively \$177 million. If we add up \$168.9 million and \$16.3 million, it comes to more than \$177 million; it is about \$185 million. Also, way out in 2014–15 there is an allocation of \$8 million that the state has made to Gateway. That is effectively the start of our contribution to the second funding tranche of Gateway.

The first funding tranche of the Gateway project—the \$177 million I referred to earlier, of which \$16 million has now been taken out to do the Abernethy Road on-ramp—is funded pretty much 50–50 commonwealth–state; \$88 million from the commonwealth and \$89 million from the state. We currently have \$8 million in our forward estimates for the second tranche, and it is my understanding that the commonwealth is showing \$179 million for it in its forward estimates. So far we have \$177 million, and on top of that we have \$187 million, of which \$8 million is state and \$179 million is commonwealth. We need more than that to finish Gateway. The advice from the commonwealth is that the balance of the commonwealth’s contribution to that second tranche will materialise subject to the passage of one of these new taxes through the commonwealth—the minerals resource rent tax. The current status is that the forward estimates show \$171 million, which really rolled out of NB1—tranche A—for Gateway, and there is \$187 million for the initial start-up of tranche 2, comprising \$8 million

from the state in 2014–15, and \$179 million as shown in the commonwealth's budget. Subsequent funding is subject to the resource rent tax.

[12.10 pm]

Mr M. McGOWAN: Has there been advice from Treasury that the cost is far more than the minister has just stated, and that it might be in the vicinity of \$950 million to complete this project?

Mr T.R. BUSWELL: The cost is still being finalised. As I outlined earlier, I have asked Main Roads Western Australia to re-scope the project to include the necessary road improvements to assist the citizens of Perth to get from the city to the airport. That is still being finalised, and that will effectively be rolled in as a component of the Gateway project.

Mr M. McGOWAN: Is the minister denying that Treasury has said that the cost might be in the vicinity of \$950 million?

Mr T.R. BUSWELL: I do not know what Treasury has said. I know that the cost is more than is currently in the forward estimates. Until we have finalised the nature of that link between the city and the airport for the residents of Perth and the associated cost, that will impact on the total cost of the project. We are still working through those options.

Mr W.J. JOHNSTON: I have a further question on this issue. Is there a cost estimate for the Tonkin Highway–Leach Highway interchange? I attended a presentation by Main Roads, and Westralia Airports Corporation says it is critical to its development that there are separate access routes into the airport for passengers and freight. As I understand, both Westralia Airports Corporation and Main Roads say that Horrie Miller Drive should become a freight entrance to the airport precinct, and Leach Highway should become the passenger entrance. As I understand, it cannot be done by way of a flyover; there will have to be a “flyunder”, as it was described by Main Roads. Is there a cost estimate for that very complex interchange?

Mr T.R. BUSWELL: The member is exactly right. I wish the member had not raised that, because Main Roads gets very excited about the prospect of that interchange! The only interchange that excites them more is the potential interchange between Roe Highway and the freeway, which will be quite possibly the biggest road interchange outside of Los Angeles.

Mr W.J. JOHNSTON: I am glad it is never going to be built then!

Mr T.R. BUSWELL: Do not tell Main Roads that. That is the member's view, not mine.

In relation to Leach and Tonkin Highways, an engineering consultancy has been awarded to GHD out of this project worth around \$8 million, and it is working that up. The member is right; it is a complicated engineering solution because it is in close proximity to the end of the runway. But if we were to rank the priority of roads that will make up the Gateway project, that has to be the first one, although we have taken Abernethy on. The Leach–Tonkin interchange needs to be done at grade so that we can get into the airport. It is important for the long-term growth of the airport and it is important for traffic movement. It is entirely consistent with what I said earlier about re-scoping it to help the good citizens of Perth get from the city to the airport a lot quicker. Ultimately, if we acknowledge that Tonkin–Leach will be the main entry point, Orrong–Leach would have to be the route from the city to the airport.

Mr W.J. JOHNSTON: Indeed, minister, it would be very important for the residents of Queens Park and Cannington and East Cannington to get to the northern suburbs, which is why I am particularly interested. The minister might be interested for other reasons.

Mr T.R. BUSWELL: No, no. That upgrade will service not only the airport, but also a whole lot of people who want to move around. I want to pick that up because it is a very interesting point: a lot of people underestimate the significance of Tonkin Highway as a major arterial route for Perth residents to get to the north. One of the reasons we are now putting the money into Reid Highway is so that Tonkin Highway and Reid Highway can be used a lot more easily than they currently can. That inner route of Orrong–Graham Farmer Freeway–freeway occasionally experiences traffic issues!

Mr W.J. JOHNSTON: Orrong Road does not work.

Mr T.R. BUSWELL: No, it is hopeless.

Mr W.J. JOHNSTON: Yet the government's plan for Riverside Drive is to push all the traffic onto Orrong Road, which currently does not work.

Mr T.R. BUSWELL: My friend, we are working on some options for Orrong Road that will form part of Gateway. One of the reasons I am not going to speak on that is that I have not got the final total cost.

Mr J.E. McGRATH: Just for clarification, minister, and as a former resident of Belmont, the minister talked about how people get to the airport —

Mr T.R. BUSWELL: I have seen the member at Belmont quite a bit.

Mr J.E. McGRATH: That is the racetrack!

The member has talked about how Perth people will get to the airport in future years and has indicated that it might be up Leach Highway. Where does the minister see the future for Great Eastern Highway—the upgrading work of which has already begun—if the airport is redesigned and we have this new entrance, with the domestic terminal possibly being moved to another site? Where do the minister’s advisers see the future for Great Eastern Highway, which has traditionally been the major link into the city?

Mr T.R. BUSWELL: The member is right; Great Eastern Highway is being significantly upgraded at the moment between Kooyong Road—which is the first set of lights off Graham Farmer Freeway, heading to the airport—through to Tonkin Highway. That is a massive project that will cost \$320 million; it is our single biggest road project at the moment. In the long run, that will not service the airport. It may provide some ancillary service to the airport; I think that is yet to be worked through. Notwithstanding that, it still needs to be upgraded because it is no good and it still plays a major role in moving people around Perth.

In terms of the airport, my view is that the major road linkage into the airport will be Orrong Road and Leach Highway. The engineering challenge for Main Roads is how to get off the end of Graham Farmer Freeway and into the airport with no traffic lights. That is the engineering challenge I have set for Main Roads. We will be going out soon to have a look at what that means on the ground, and that will provide an outcome for the people of Perth in that they will be able to get in or out via Orrong Road without intersections. I think there are currently four or six intersections down Orrong Road that are T-junctions and all sorts of things.

Mr J.E. McGRATH: Overpasses or underpasses are needed on Orrong Road.

Mr T.R. BUSWELL: It is not a suitable road for the volume of traffic that it currently carries, and it will grow in significance so we have to do something. I have asked Main Roads to look at options for travelling from the city to the airport without traffic lights. That is causing Main Roads some challenges.

Mr W.J. JOHNSTON: The Premier announced that.

Mr T.R. BUSWELL: I know he did, and then I instructed Main Roads.

Mr W.J. JOHNSTON: So is it going to happen?

Mr T.R. BUSWELL: It will happen all right! On Orrong Road we can either go out, up or down, as I read, so that is what we will be looking at.

Mr A. KRSTICEVIC: I refer to page 674 of the *Budget Statements* and the increase in 2011–12 in the total cost of services of \$280 million on the previous year’s budget. Can the minister please explain to the committee the situation for capital investment in roads for 2011–12?

[12.20 pm]

Mr T.R. BUSWELL: Looking at the composition of that, the biggest contributing area is the line item “Supplies and services”, which goes from \$637 million to \$919 million. I will get more advice about what that line item refers to. The information I have is that it is all recurrent and capital expenditure for roads, bridges and road furniture. The term “road furniture” is somewhat new to me; it is guide posts, railings and the like. Therefore, this is really a reflection of increased expenditure on all the things that we expect Main Roads to do. In the next financial year we will have a bigger program than we had last year, which is good news. That is reflective of a whole range of projects that we have already discussed.

Mrs M.H. ROBERTS: I will ask some questions about minor works and black spots. Towards the bottom of page 671 is the minor works line item, which includes black spot and urgent minor works, of \$76.706 million. Can the minister provide a breakdown of how much of those minor works are for black spots? Under “New Works” on page 672 is another line item for minor works that again includes black spot and urgent minor works. The amount for minor works in 2011–12 is \$67.667 million, which is about \$10 million less. I want an explanation for that. I also want a breakdown of how much of that figure is for black spot works. I note that in the out years, which are listed in the table, it drops to \$45.598 million, then \$39.686 million and so forth. Basically, it looks as though expenditure on minor works will be cut further. What is the explanation for that?

Mr T.R. BUSWELL: I feel compelled to ask Mr Snook to provide a more detailed breakdown of that.

Mr D. Snook: The minor works for 2010–11 on page 671 include the state black spot program for state roads. The way the state black spot program works is that there is \$10 million for state roads and \$10 million for local roads—a total of \$20 million. Therefore, the \$76.706 million figure on page 671 includes \$10 million for the state black spot program for state roads. Similarly, on page 672, the minor works for 2011–12 represent the state roads component of the state black spot program, so that \$67.667 million figure includes that \$10 million. The balance of the funds in that line item covers many of the smaller types of works that we do—for example,

intersection improvements and some signage work. The way we have worked our future funding estimates is that we continue to predict that the state black spot program for state roads will be \$10 million in each of the out years.

Mrs M.H. ROBERTS: My question is not fully answered. The amount of money spent on minor works is clearly down \$10 million this year and will be down by \$20 million and \$30 million in future years. Why is that?

Mr T.R. BUSWELL: As I give this information, I might ask for some more advice. Minor works basically comprise six major programs—namely, road system management, road efficiency improvements, infrastructure for community access, road safety, road network maintenance and infrastructure for state development. The 2010–11 actual was some \$9.5 million more than we had budgeted for at the start of 2010–11. I will get some more advice about why that was the case. It may well have been that there were some carry forwards or that some extra funding was made available. Most of that increase was in the areas of road network maintenance and road safety. The figure in the budget for 2011–12 at \$67.6 million is actually similar to the amount that was budgeted for in 2010–11—that is, \$67.2 million. Obviously, there are some changes to that composition in the out years. I do not have that level of breakdown with me, although, perhaps for the first time today, I will give an undertaking to obtain and provide that to the member as supplementary information.

Mrs M.H. ROBERTS: Just a quick point of clarification. That figure of \$76.706 million is repeated three times on page 671, so I do not know why the minister says that it is \$10 million more than what he thought it would be.

Mr T.R. BUSWELL: I am running off the data from the department that I have before me. I am assuming that the estimated total cost for the budget was the estimated total cost either at the time of last year's budget or at the time of the midyear review, but I am not sure, so I will have to check that. However, let us see how Mr Snook goes at explaining those compositional changes. If the member is not happy with his explanation, I am happy to provide a detailed breakdown by each of those categories across the out years.

Mr D. Snook: I can say that there were carryovers from 2010–11 to 2011–12, which certainly represent part of the increase. I really do not have any other details.

Mrs M.H. ROBERTS: I ask that the details be provided by way of supplementary information.

Mr T.R. BUSWELL: I am happy to provide that supplementary information. To make that clear, Madam Chair, because we have to do that, this supplementary information will give the breakdown of minor works funding by program for the 2010–11 budget, the 2010–11 estimated actual, the 2011–12 budget, the 2012–13 budget, the 2013–14 budget and the 2014–15 budget. That will give the member the minor works broken into those six categories.

[*Supplementary Information No A41.*]

The appropriation was recommended.

[12.30 pm]

Division 57: Public Transport Authority, \$1 028 034 000 —

Ms L.L. Baker, Chairman.

Mr T.R. Buswell, Minister for Transport.

Mr M. Burgess, Managing Director.

Mr K. Kirk, Executive Director, Finance and Contracts.

Mr R.A. Waldock, Director General, Department of Transport.

[Witnesses introduced.]

The CHAIRMAN: The member for Rockingham.

Mr M. McGOWAN: My questions relate to the bus and train infrastructure programs on page 685 of the *Budget Statements*. I do not mind if this is provided by supplementary information. Has the number of graffiti offences on buses or trains increased this year compared with the number last year, and, if yes, by how much; what is the estimated cost to the Public Transport Authority to clean up or replace items damaged by graffiti this year; how does that compare with the costs last year; and what is currently allocated for graffiti clean-up costs in this budget for 2011–12?

Mr T.R. BUSWELL: Those matters are probably best sought through a question on notice.

Mr M. McGOWAN: I am asking them here at estimates. Surely the answers can be provided by way of supplementary information. It is pretty simple.

Mr T.R. BUSWELL: As I am sure the member will be aware, whilst we have quite a large volume of information, I do not have that information. It has not come up subsequent to our discussing the matter in the budget papers, as was the case with the question asked by the member for Midland, which I was happy to answer as supplementary information. It is a simple matter of a question on notice that the member can submit at any time and we will answer it.

Mrs M.H. ROBERTS: I refer to “Metropolitan and Regional Passenger Services” on page 679 of the *Budget Statements*. Is there any provision for regional closed-circuit television; and, if so, what are the details please?

Mr T.R. BUSWELL: At this stage there is no provision for regional CCTV. Our view is that it is not warranted in our regional operations. I will ask Mr Burgess if he has any comments.

Mr M. Burgess: We are looking at installing CCTV at the Bunbury bus station, out of all our facilities. We do not typically have a lot of bus stations in the regional areas, but one of the places where we have a proper bus station is Bunbury. There was a report by the operator and concern expressed by the council about some issues there. We are therefore certainly investigating the ability to have CCTV installed, which would be monitored by our central facility with communication lines to Perth, but with the ability to respond. I will get up-to-date information about whether that can progress. We were looking at it rather than doing it.

Mrs M.H. ROBERTS: I understand there is no specific money in the budget for it. Is there a line item it can utilise money from should the department want to proceed with it this financial year or will it require additional money?

Mr T.R. BUSWELL: No; the advice I have is that it can be accommodated from within moneys appropriated. I am talking about Bunbury.

Mrs M.H. ROBERTS: Is the minister talking about moneys appropriated for CCTV provision generally, or will it be borrowed from somewhere else within the broader PTA budget?

Mr T.R. BUSWELL: As I look through the forward estimates, I imagine it may come out of the bus infrastructure program under “Works in Progress”, but to be accurate I will get some advice from Mr Kirk.

Mr K. Kirk: It would depend on the final cost. If it is determined to be capital, we can get it out of our capital program. If it is a relatively low cost, which I suspect it will be, we can get it out of the operating budget.

Mr T.R. BUSWELL: To summarise, generally speaking, in country areas, there is no plan to introduce CCTV. As Mr Burgess pointed out—he is right—there have been some changes to some of the local bus routes in Bunbury. Some issues have been drawn to our attention around the old train station, now the bus station. The advice I have received is that it appears that it may be relatively easy to provide the CCTV coverage and link that to the central monitoring system. There is funding in the budget to do that should that appear to be the right way to proceed.

Mr J.E. McGRATH: My question relates to the Perth City Link project on page 684 of budget paper No 2. We all know that is a great project that we have been waiting on for a long time. In particular, can we have some idea of the expected completion time of the rail and bus components of that project, and when the people of Perth will be able to avail themselves of those facilities?

Mr T.R. BUSWELL: The member for South Perth is right; it is an important project. There are two components, firstly, a rail component. Work has started on that. Our approach to the contract was this: as it is quite a complicated contract, the government undertook to engage in a forward works package to try to reduce some of the risk and unknowns in the contract and help get a more competitive price. That forward works program is under way. My recollection is that it is about \$31 million. That is happening now. The contract has been awarded and came within our budget parameters. Our expectation is that the rail component will be in the vicinity of \$360 million and the bus component, which is the sinking of the bus station, will be in the vicinity of \$249 million, which will bring it up to about \$610 million. Contributions for that will come from the commonwealth at about \$236 million; the City of Perth, \$38.5 million—we have our cheque from the Lord Mayor for that—and about \$235 million from the state. Rail works are on schedule to be completed in 2014. I understand the bus station will start in 2013, with completion in 2016.

Mr J.E. McGRATH: Will the buses take a different route to reach this station, or will it be very similar to the existing route?

Mr T.R. BUSWELL: It will be similar. One of the reasons we are keen to maintain that is that it will service a large number of buses approaching the city from the north. The member for South Perth may have noticed the buses travelling over a new bridge that was constructed over Roe Street and the railway line, which then runs down the side of the railway line into the bus station. That enables those busses to stay out of Roe Street to avoid that Roe–Fitzgerald Street intersection. They then travel into Fitzgerald Street on a purpose-built bus way from James Street. That improvement has made a huge impact on the intersection at the bottom of Fitzgerald Street, where it runs into Roe Street. That was a dog’s breakfast. We do not want to waste that infrastructure.

Mr M. McGOWAN: The minister just said the total cost of the Northbridge Link project—I am not sure whether he was incorporating the arrangements surrounding the bus port there—total \$610 million, including the bus port. Is that correct?

Mr T.R. BUSWELL: Yes.

Mr M. McGOWAN: The government is receiving a contribution from the commonwealth of \$235 million and \$38 million from the City of Perth. According to my rudimentary maths, the state's contribution is in the vicinity of \$337 million.

Mr T.R. BUSWELL: It is \$335 million.

Mr M. McGOWAN: What was the initial estimate of the cost?

Mr T.R. BUSWELL: The same.

Mr M. McGOWAN: The initial estimated cost was \$335 million. I am not including scope creep or any of those things. If I search around, I would find that the minister said originally that it would cost \$335 million.

Mr T.R. BUSWELL: It will cost \$609 million.

Mr M. McGOWAN: No; the state's contribution. I was always of the understanding that it would be half commonwealth and half state funding, which it obviously is not, although the government is getting a good deal from the commonwealth relative to what has happened historically. The minister has said that the original cost from the state would be \$335 million.

Mr T.R. BUSWELL: That is the contribution to the project from the state. The cost of the project is \$609 million.

Mr M. McGOWAN: That is not the cost to the state.

Mr T.R. BUSWELL: The contribution the state will make to the total project cost is estimated to be about \$336 million.

[12.40 pm]

Mr M. McGOWAN: To finally nail it down, the minister is saying that there has been no scope creep and no blow-out in costs over what was originally anticipated for the Northbridge Link.

Mr T.R. BUSWELL: The advice I have is that this is the same as the previous budget.

Mr W.J. JOHNSTON: Can I seek clarification? I understood from the Treasurer yesterday that the cost of this project was about \$770 million.

Mr T.R. BUSWELL: In the Perth City Link project, we have responsibility for the undergrounding of the rail infrastructure and some changes to the train station and for the bus station. Other costs will be incurred by other agencies for the realisation of the land above it. I assume that will be the East Perth Redevelopment Authority and perhaps the Department of Planning. I do not have that detail. The bits that we will look after, which are the bits that I am interested in monitoring —

Mr W.J. JOHNSTON: I do not want to interrupt the minister, but when he says that it is \$600 million or whatever, that is for his department's part; it is not the total cost.

Mr T.R. BUSWELL: Correct. I do not know what the above-ground component will be for preparing the land.

Mr W.J. JOHNSTON: Is it true that at the new bus station no-one will know which stop their bus will leave from? What arrangements are being made for elderly passengers and people with disabilities? At the moment, people go to bus stop 3 to get the bus to Cannington, but when this bus station opens, I understand that people will not have a clue which bus stop any bus will stop at until it gets there. What provisions are being made for the elderly and people with disabilities to get on buses?

Mr T.R. BUSWELL: The member is talking about a wonderful new technology called dynamic stand allocation. To describe how fully wonderful it is, I understand that it is currently used in Auckland, New Zealand, so it must be okay. I think it is an important question. I will get Mr Burgess to spend a bit of time explaining dynamic stand allocation, especially as it relates to the issue that the member has raised.

Mr M. Burgess: As the minister says, the concept is dynamic stand allocation. It is used in a number of places in the world. It is like an airport, where a plane can pull up to any number of gates. The concept has several rationales. One is that, because the bus station will be underground, the more sensible the footprint can be made, the more sensible the price that can be achieved. The at-grade facility at the surface level, as it is now, was built when land costs were perhaps not so great, so it is spread over a larger area with quite a number of bus stands. There are some significant costs associated with going underground, so we will look at making the most sensible bus station we can. Also, people stand in not the most hospitable environment in the current facility. Even

though there is a roof, they are exposed to a bit of weather on a cold, windy day and even on a hot day. The idea of this concept is that there will be a central passenger waiting lounge, with extreme comfort for passengers and with greater security facilities because the passenger lounge will be contained. The idea is that buses will have zones; they will not always go from the extreme ends of the facility. They could come to any one of three or four stands. There will be both video and audio announcement capability so that people can check which gate they need to go to. Staff will be on hand for people with disabilities so that passengers can be managed much better in what will be a really nice passenger environment. There is some technology around that. Obviously, we will need to know which buses are coming in next and they will need to be communicated with to know which stand they will need to go to at the time. All that is within the project. Indeed, works are proceeding on the new technology that will be needed to detect the buses so that we know when they are coming and can tell them which stand to go to.

Mr W.J. JOHNSTON: If the bus station were not going underground, it would be a cheaper option. I have been to lots of bus stations around the world that are on the first floor of a building, but I have not been to any that are underground. I cannot remember the words that the minister used, but he said that it would have been a more cost-effective project if it had been done above ground.

Mr T.R. BUSWELL: That needs to be taken in the context of the totality of the project. Obviously, if a developer wants to buy some land from the government and can build unencumbered on a site in the city, which may happen to be above an underground bus station, the developer would be prepared to pay more than would be the case if the developer had to build the building and put a bus station on the first floor. I do not know exactly how those maths added up, but I assume that, in the context of the totality of the project, the extra capital cost of building underground would be offset either in full or in part by the extra return from the greater amenity of the land above. The general consensus of the team that looked at delivering the best urban outcome for that area was that the bus station should be underground.

Mr W.J. JOHNSTON: I refer to the total allocation to the Public Transport Authority for item 89 in the delivery of services on page 678. Has the PTA received a report titled “Mixed-methods review of metropolitan railcar driver workload and fatigue, stage 1: driver-identified factors contributing to workload and fatigue”? If yes, when did it receive the report? Did the report identify that three per cent of drivers reported frequently falling asleep while driving, 18 per cent rarely fell asleep and 15 per cent infrequently fell asleep?

The CHAIRMAN: Member, we might just consult with the minister to see whether he has a yes or no answer to the first question, and then the member can ask him the other two questions.

Mr T.R. BUSWELL: I will get some more advice from Mr Burgess, but, by way of background, my understanding is that that would be part of the ongoing fatigue management processes that the PTA has in place to make sure that it has best practice for fatigue management. This issue was brought to light a little while ago. Mr Burgess will answer more specifically. I do not have specific details on the name of the reports that comprise the work that has been done by the academic, other than to say that it is an ongoing process that I do not think is complete yet, but I will get more advice on that.

Perth has a safe train system. We have invested in the automatic train protection system to make it one of the safest train networks in the world. That has not just been an investment of this government; it has been an investment of successive governments. I am aware that some drivers have raised issues around fatigue, and I will get Mr Burgess to respond to that. This whole issue reached a crescendo when some comments were made by a driver who was allegedly, according to the opposition’s spokesperson, forced against his wishes by the train controllers to drive a train that had suffered a brake issue. According to the opposition’s spokesperson, that driver had specifically requested that the controller have the train taken off the track. I listened to the log of that driver’s conversation with the controller. In fact, representatives from the train drivers’ union were here last week and this issue was raised with them. I pointed out to them that we are happy to engage in discussions and negotiations, but people cannot make unsubstantiated claims. When I listened to the log, the driver never made the request that the opposition’s spokesperson claimed he did; in fact, the union agreed that that was the case. Yet a member of Parliament is running around Perth saying that we had a driver of a train with no brakes, which was not true, there was an issue with the brake but —

[12.50 pm]

Mrs M.H. ROBERTS: Point of order, Chair.

Mr T.R. BUSWELL: I am dealing with the issue of driver fatigue, because it is all related.

The CHAIRMAN: Will the member please repeat his question, and then can we have a short response?

Mr W.J. JOHNSTON: I am very happy to. The question was in three parts. Has the Public Transport Authority received a report titled “Mixed-methods review of metropolitan railcar driver workload and fatigue, stage 1: driver-identified factors contributing to workload and fatigue”? If yes, when did the minister receive the report?

Did the report identify that three per cent of drivers reported frequently falling asleep while driving, while 18 per cent rarely fell asleep, and 15 per cent infrequently fell asleep?

Mr T.R. BUSWELL: I will ask Mr Burgess to provide that level of detail, without any of the histrionics that have shrouded the comments made by the opposition spokesperson!

Mr M. Burgess: I cannot actually confirm the lengthy title of the report, but I assume it is the correct title. We have received the stage 1 report; it is a multistage project with Professor Drew Dawson from the University of South Australia—he is an acknowledged expert on fatigue. The agency would have thought that it was inappropriate to talk about stage 1 of the report because it was on a self-reporting basis, without any thorough analysis by experts. It was really just self-reporting, and I think it is acknowledged that, typically, if people are asked to self-report on a range of things, their views and attitudes might not necessarily always be substantiated. It is a self-reporting exercise. The percentages mentioned by the member ring true; I cannot remember the exact percentages off the top of my head, and I cannot remember the exact date on which we received the report. As I say, the next stages are to go through it with Professor Dawson and his team, do an analysis, and try to work out what those people are saying. Typically, when experts look at our shift arrangements—obviously, train drivers are shift workers—they find that the breaks between shifts are quite substantial. In other words, the period between someone finishing a driving shift and starting a new one is very substantial, so that is not the issue in terms of fatigue. For anyone who works shift hours, it could be an issue of irregularity of shift hours, which is something that we want always to be best practice. We do not want to have strange or unusual shift patterns, and we focus very much on not having them, but it is certainly not the gap between shifts. We work a lot with our drivers and all our shift workers on the lifestyle factors around any issues of fatigue. One of the issues that has perhaps not yet been confirmed through the exercise, but is known through previous work we have done on fatigue, is that the nature of the job is such that it can create an element of mental fatigue, because it is not the most engaging job; there is no engagement with other people and so on. That is something that we also look at.

Mr W.J. JOHNSTON: Is there a stage 2 project? If there is, when will it start? What are the costs of the stage 1 and stage 2 research projects?

Mr T.R. BUSWELL: I do not know the costs; I do not think we can provide that advice at the moment, but I can provide it by way of supplementary information to the extent that I can. Certainly, if stage 1 is finished, we can provide that. We may not be able to for stage 2, but we will provide what we can.

Mr W.J. JOHNSTON: There are three parts to that question. The cost is obviously important, and I am pleased that the minister is prepared to provide that information, but is there a stage 2?

Mr T.R. BUSWELL: Yes, and it has started. I should point out for the public record that this is part of the Public Transport Authority's commitment to best practice in terms of fatigue management. Are some drivers occasionally fatigued? Undoubtedly. The issue is how to minimise and manage that in a safe way. That is a process that the PTA is undertaking; I am not sure whether one would find many other people involved in the transportation industry who would have such a proactive level of engagement in fatigue management. It is an important issue.

[Supplementary Information No A42.]

Mrs M.H. ROBERTS: I refer to the reference on page 678 to additional services for the Commonwealth Heads of Government Meeting 2011 and an amount of \$235 000. I would like to know exactly what that amount is for, and over what period of time it will be spent. I am also interested to know why accommodation expenses went up between 2009–10 and 2010–11; that is on page 687.

Mr T.R. BUSWELL: I will deal with CHOGM first then look at accommodation.

It is \$233 000 for CHOGM this year.

Mrs M.H. ROBERTS: It says \$235 000 in the budget papers.

Mr T.R. BUSWELL: What page?

Mrs M.H. ROBERTS: The front page, page 678, six lines from the bottom.

Mr T.R. BUSWELL: Does it say \$235 000?

Mrs M.H. ROBERTS: Yes, it does.

Mr T.R. BUSWELL: I just want to make sure we have the same figure. The member is saying that it is 235, which would be a two, a three and a five, numeric?

Mrs M.H. ROBERTS: That is right!

Mr T.R. BUSWELL: We have a problem, Madam Chair, because my copy of the budget papers does not say that. I feel we need to clarify this matter.

Mrs M.H. ROBERTS: Page 678.

Mr T.R. BUSWELL: We are onto something here—we have just discovered 2 000 stray dollars! Call in the Treasury!

Obviously CHOGM will impact on public transport services, and that will have an impact on the cost of the PTA. Funding is available for the provision of additional train services to bolster the 28 October 2011 public holiday beyond normal public holiday services, in order to cater for the expected crowds who will flock to the city centre for the CHOGM opening and the visit of Her Royal Majesty, Queen Elizabeth II!

Mrs M.H. ROBERTS: Is free transport being provided that day?

Mr T.R. BUSWELL: We are opening the doors of the trains at a cost of \$228 000 and some other costs to provide free public transport. We consider it to be a significant event, which is good! What else do we provide free public transport for? Anzac Day.

Mr M. McGOWAN: As a foreign citizen, does the Queen have to pay?

Mr T.R. BUSWELL: I am reliably informed that we did it for the opening of the Mandurah railway, if anyone could have got on the train! We have additional funding for public holiday capacity for people who want to flock to the city to see the Queen. There is additional funding for the provision of security officers on buses and trains across the weekend, in case people become unruly if they do not get to see the Queen! They might be distressed about having come in all the way from the northern suburbs or even Maylands, Madam Chair! They could have queued up for hours and all they might see is the plumage on top of her hat.

Mrs M.H. ROBERTS: If the minister keeps joking about, I will think he does not want to tell me why his accommodation costs went up.

Mr T.R. BUSWELL: I will get to that, we still have a couple of minutes!

There is also the cost of relocating Transperth bus services from the bus port to the Wellington Street bus station and a few other minor things. There is free transport to make sure those royalists do not become unruly!

In relation to accommodation, perhaps Mr Kirk can provide us with some advice.

Mr K. Kirk: Like the rest of Perth, we have had increases in our accommodation costs, given that our main building is a Public Transport Authority-owned building. We have other sub-offices, but I will need to do more research.

Mrs M.H. ROBERTS: There is a 50 per cent increase in accommodation costs. I would like an explanation by way of supplementary information.

Mr T.R. BUSWELL: I think we can easily supply that supplementary information. I would like to know that as well. Additional information will be supplied explaining the increase in PTA accommodation costs between 2009–10 and 2010–11.

[*Supplementary Information No A43.*]

Meeting suspended from 1.00 to 2.00 pm

The appropriation was recommended.

Division 58: Housing Authority, \$272 652 000 —

Mr P.B. Watson, Chairman.

Mr T.R. Buswell, Minister for Housing.

Mr G.J. Searle, Director General.

Mr P. Whyte, General Manager, Commercial and Business Operations.

Mr S. Parry, General Manager, Service Delivery.

Ms L.M. Brooks, Executive Director, Business Operations.

Dr J. Butterworth, Acting Executive Director, Aboriginal Housing.

[Witnesses introduced.]

The CHAIRMAN: I will give the call to the member for Rockingham.

Mr M. McGOWAN: I have a large number of questions, so I will try to be efficient and hopefully I will receive efficient responses. My first question refers to page 701. Just so we work out the ballpark figures of what we are dealing with here, the overall total appropriation has declined by \$120 million or so from last year's budget. Can the minister detail what that decline comprises? Is it predominantly commonwealth money? What else is mixed in with the decline in appropriation for the Housing Authority?

Mr T.R. BUSWELL: Pretty much the most substantive impact sitting beyond that reduction in appropriation has been the expiry of the commonwealth stimulus money, which flowed through the 2009–10 financial year and the 2010–11 financial year.

Mr M. McGOWAN: Can the minister provide detail of what the decline comprises overall? I refer to the decline in the budget of last year, which I know is identical to the estimated actual, of \$120 million. Can the minister give a complete list of what it is? I do not mind if it is by way of supplementary information.

Mr T.R. BUSWELL: I will get Mr Whyte to work through some of the details of that reduction specifically in commonwealth appropriations.

Mr P. Whyte: I will go through the original budget, the reduction in appropriation, item by item. The first item is remote area Aboriginal housing, which reduced from \$9.754 million to \$3.754 million.

Mr M. McGOWAN: So that is state government contribution, through the minister.

Mr T.R. BUSWELL: It is, although there is an offset to that, with an additional \$20 million of state funding this year. I will ask Mr Whyte if he could perhaps focus particularly on the major one, the commonwealth stimulus package capital funding. By my reading of note 2, the capital appropriation has gone from \$241 million in 2010–11 down to \$20 million in 2011–12. Is that correct?

Mr P. Whyte: That is correct.

Mr T.R. BUSWELL: Can you outline what that particular commonwealth stimulus package capital funding is for?

Mr P. Whyte: The capital funding from the commonwealth stimulus package is for projects that are to be delivered by June 2012. There is still \$20 million worth of projects to be delivered by the due date of June 2012.

Mr M. McGOWAN: Stimulus money was always meant to be stimulus money and for a set period and so forth. I am still unclear about the breakdown of the \$120 million decline in appropriations for the Department of Housing. The minister is saying that the commonwealth has cut its effort by \$200 million or so—that is obviously not in that, because that is more than a \$120 million decline. What is the decline listed on page 701 in total appropriations?

Mr T.R. BUSWELL: To provide some clarity around that issue, I might ask the director general to make some comments.

Mr G.J. Searle: The \$220 million is a reduction in the commonwealth stimulus money. There is also a reduction from \$35 million to \$5 million in commonwealth money for the East Kimberley development program. However, there are a range of increases and new funding that offset it, which is why it is greater than the \$120 million reduction. There is \$43.5 million for Disability Services Commission housing. There is \$46.5 million for Mental Health Commission housing. There is \$12.8 million for intermediate care units at Joondalup and Rockingham for the Mental Health Commission. There is \$8.5 million for the Drug and Alcohol Office, and there is \$33 million for staff accommodation at Derby for the Department of Corrective Services for the new prison. They are the balancing items that bring it back to that difference.

Mr M. McGOWAN: They are funded via the state; mental health facilities and so forth are funded under the housing budget and not under their own.

Mr T.R. BUSWELL: That is correct. That is a state appropriation. Government took the decision that a significant investment in new dwellings this year would be tagged specifically for the Disability Services Commission, which is a total package of around 169 dwellings; and for the Mental Health Commission, around 100 dwellings. There is some additional money for the Mental Health Commission for the intermediate care units at Joondalup and Rockingham; the Drug and Alcohol Office; and additional money that is effectively for government officer housing, but it is still part of the capital appropriation, to accommodate the workforce that will be employed at Derby prison. What the director general has outlined are some of the ups and downs, if I can put it that way, of the capital budget. There are also some ups and downs in the other component, which is the appropriations, non-capital items, including additional remote area essential services program funding, which was discussed. I am looking down the list here to try to identify the major ones. There was some town reserve regularisation program funding, some additional recurrent funds for stock growth funds and the like.

In the first line that the member is referring to, “Net Amount Appropriated to Deliver Services”, it went from 16 to 103. That is picked up by a number of items that I have just outlined, which are pretty much all money from the state. The town reserve regularisation is included in that.

[2.10 pm]

Mr M. McGOWAN: My next question relates to page 703—I refer to the bottom of the page—and the waiting times for people eligible for Homeswest accommodation. The budget target is 108 weeks. The minister was

suggesting that the actual time frame was 98 weeks for housing people who were on the Homeswest waiting list. I presume that is what it is. I asked a range of questions of the minister about those, and the minister gave me roughly similar answers. In reply to the question I asked on 15 March, the minister indicated that the median time was 78 weeks, which is a bit different from what the budget says. My question is this: in light of what the budget says about the wait time to be housed, why are people advised that the wait time is six or seven years? The minister says in the budget that the wait time for the last financial year was 96 weeks, a bit less than two years, while people in the metropolitan area are almost always advised that it takes five, six, seven years to get access to public housing. How do those two figures reconcile?

Mr T.R. BUSWELL: The two figures reconcile because the figure reported here is the average and the average includes people on the priority waiting list, who are housed as quickly as possible, depending on level of priority —

Mr W.J. JOHNSTON: That cannot be right.

Mr T.R. BUSWELL: Sorry?

Mr W.J. JOHNSTON: I did not mean to interrupt the minister. We are advised that the expected wait in the Cannington region for priority housing is 78 weeks.

Mr T.R. BUSWELL: People on the priority 1 list are housed as quickly as possible based on that priority. That is how it has always been. The advice I am given is that the wait time reported in the budget is the average wait time. I would imagine that the methodologies for calculating that average have remained unchanged for some time. I imagine that that average figure has increased a little in recent years to reflect the step up in the waiting list that occurred.

Simply because someone is on the waiting list, it does not necessarily flow on that that person is in extreme housing stress. I mean a lot of people on the list are in extreme housing stress, but a lot of people are not. Going into social housing is an attractive option for some people, because the rents are relatively cheap compared with what someone would pay in the market. There will always be people who hop on to the waiting list not because they are in extreme housing stress, but because, ultimately, it is a reasonable option for them to pursue. Those people are entitled to pursue that option and go on the waiting list if they meet the criteria; there is not a problem with that. Simply because someone is on the waiting list, it does not always follow that that person is in extreme housing stress.

The number of applicants on the waiting list, which by extension relates to the average wait time, peaked late last year at about 24 735. That number has now declined by about 1 000. The number of applicants on the waiting list at the end of April was 23 761. I am hopeful that the investment that we made in large part with the commonwealth will help address some of those waiting list pressures.

Mr M. McGOWAN: With all due respect, I find it hard to believe that that is the wait time even when we roll in the priority list. I will tell the minister why. There are two reasons. Priority list applicants are generally about a fifth or a quarter of the number of people on the wait list. If we roll priority list applicants in with the total amount, even if someone on the priority list is housed within a week or two weeks, the total number of people on the wait list is large. The number of people outside the priority list is much larger than the number of people inside the priority list. People who come to see me in my electorate office in Rockingham bring me letters such as this one from housing services in the Department of Housing. This letter is dated 2010. The Department of Housing advised that —

The Department of Housing in Kwinana is currently housing applicants that applied in March 2004.

Mr T.R. BUSWELL: Good.

Mr M. McGOWAN: Good? Okay.

Mr T.R. BUSWELL: I am glad that those people are being housed.

Mr M. McGOWAN: That essentially means that people in the south metropolitan area are waiting six years to be housed. If the minister is saying that the wait time is less than two years, why are these letters being sent to people?

Mr T.R. BUSWELL: I would imagine that that figure would vary from region to region. The advice I have is that the wait time for accommodation applicants housed, which appears on page 703 of the *Budget Statements*, is an average wait time consistent with an average wait time measure that has been used for some time. In addition, the director general just informed me that the target ratio between priority and non-priority is about 50–50. The department endeavours to spread the available housing across the waiting list.

Mr M. McGOWAN: What is the average wait time for people on the priority list?

Mr T.R. BUSWELL: The average wait time for people on the priority list as at 30 April 2011 was 51 weeks. The average wait time for all people was 103 weeks, which I think we are referring to here. The median

wait time was 83 weeks. The average wait time varied from region to region. I will go through that with the member.

Mr M. McGOWAN: How many people are on the priority list?

Mr T.R. BUSWELL: There were 3 331 applicants on the priority waiting list. The wait times by regions vary. As at April 2011, some of those variances are as follows, bearing in mind that this is on an average of, I am assuming, 103 weeks: north metropolitan, 106 weeks; south metropolitan, 111 weeks; south east metropolitan, 118 weeks; Great Southern, 75 weeks; Goldfields 83 weeks; Pilbara, 97 weeks; Wheatbelt, 69.7 weeks; and so on. It is also fair to say that those average wait times have increased over the past year. That would be picked up in the budget paper by the average wait time increase from 93 weeks to 103 weeks.

Mr M. McGOWAN: To finalise this particular point, once again I do not think the minister's maths adds up. The minister said that the priority list is roughly half the number of people on the wait list. The minister said that the total number of applicants on the wait list is 23 700 —

Mr T.R. BUSWELL: I did not say the wait list was half. I said that half the houses are going to people on the priority list and half the houses are going to people not on the priority list.

Mr M. McGOWAN: There are 3 000 priority applicants, who are getting housed within 51 weeks. The minister is then saying the average is —

Mr T.R. BUSWELL: Fifty-seven weeks.

Mr M. McGOWAN: I wrote down what the minister said. Okay, 57 weeks. The minister then said that the average is 103 weeks overall. Why are these people getting these letters saying that they must wait six years?

Mr T.R. BUSWELL: I do not have the letter. I ask Mr Parry whether he wants to add anything.

Mrs M.H. ROBERTS: People in Midland get the same letters.

Mr S. Parry: There are different geographical zones and different dwelling and property types. Therefore, it depends where someone wants to go and what type of house they want. If someone is after a four, five or six-bedroom property, which we have fewer of, in a high demand area, it takes a lot longer for that person to be housed. Our base housing is three-bedroom houses. Therefore, if someone is after a three-bedroom house in an area where we have a lot of stock, the turnover is really quick.

[2.20 pm]

Mr T.R. BUSWELL: Thanks, Mr Parry, for clarifying that. That may well explain, depending on individual circumstances, why the letter would be different for applicants in the same area who are seeking a different type of property. That perhaps brings some clarity as to why the letter may say seven years.

Mr M. McGOWAN: Six years.

Mr T.R. BUSWELL: I am not privy to the detail of what that person has asked for.

Mr M. McGOWAN: I can give the minister a copy of the letter if he likes. It is not secret, but it is common. I am telling the minister it is common. That is why I find the minister's answer difficult to believe.

Mr T.R. BUSWELL: Let me clarify —

Mr M. McGOWAN: I represent Rockingham, Kwinana and so forth, and I am the shadow Minister for Housing, so I get lots of these letters. I have to tell people they have to wait six years. If the minister tells me I can now tell people they have to wait two years, that is good news.

Mr T.R. BUSWELL: No. As Mr Parry just pointed out, the methodology for determining the waiting time, as I understand it, has been the methodology used for many, many years. There has been no change to that. It is a calculation of the average. The composition of that average is many and varied. As Mr Parry pointed out, in some circumstances people request to live in a certain area in a certain type of accommodation. It may well be that there is a shortage of that type of accommodation in that area. If that is the case, the Department of Housing, appropriately, points out the realistic wait time for that individual in those circumstances at that time in that area. Therein lies what I think is a very clear explanation as to why we have movements in and around the average, when the average has been built on the back of a long-term practice of determining average wait times.

Mr W.J. JOHNSTON: Is the minister saying that this is the actual average wait time, or is this the average of the average? If the Wheatbelt has a short wait time but there is comparatively small demand, whereas, say, the Cannington region has a very long wait time but there is a large demand, if we average the average, we would not get a real picture. If we average the actual wait times —

Mr T.R. BUSWELL: My understanding is that this is the average of the actual. It is not an average of the average. I will point out another little interesting statistic, which is an empirical observation: the median wait

time is 83 weeks; the average wait time is 103 weeks. Glancing back historically, the median wait time has always been well under the average. Median is where most people are; average is higher than median. Therefore, the distribution must have a number of people at the extreme. The number of people at the extreme adjusts the average up from the median. If it was the other way around, it would be the other way; and if it was perfectly normal distribution, it would probably be the same. It is an interesting observation.

Mr I.M. BRITZA: Is this waiting list of six years a recent anomaly or is it something that goes back a few years?

Mr T.R. BUSWELL: Member, that probably was not a question we wrote for you! I am only joking; it is a good question.

The waitlist has gotten longer and, by extension, the waiting time has gotten higher in recent years. There is no getting away from that. I will perhaps highlight it by looking at the shift in the waitlist from 2007, when there were 15 400 applicants on the waiting list, to 2010, when 24 000 applicants were on the waiting list. That is a significant shift—9 000 people added to a waiting list of 15 000. That is about a 60 per cent increase in the size of the waitlist. At the same time, the average waiting time has also increased. The average waiting time has gone from, say, 83 weeks to 103 weeks, which is about a 25 per cent increase. Why did that happen? As we came out of the 2004 to 2006 property bubble, a whole lot of things happened that impacted on social housing demand—housing prices went up followed by an increase in rents. We had a historic underinvestment in social dwellings and a massive surge in demand. We are slowly starting to address that now through investment in social housing. Again, I acknowledge the role played by the commonwealth in that—I always do; I am happy to take the money —

Mr W.J. JOHNSTON: Except in question time!

Mr T.R. BUSWELL: I am very generous to the commonwealth. We have a very good relationship with the federal housing minister, Jenny Macklin, and, previously, Tanya Plibersek. I look forward to meeting the new housing ministers. I take some comfort in the fact the waiting list peaked last year and is now 1 000 lower. That means we found properties for 1 000 people. It is a long-term issue. It did not creep up on the government. One risk Western Australia has at the moment, from a broader housing perspective, is that we are not investing in enough dwellings. The state's population is still growing quite strongly, so inevitably there will be other pressure points in the property market. Those pressure points are generally house price inflation—that is, a price bubble, which happened in 2004 to 2006—and rents pushing up. There is a significant demand for rental properties —

The CHAIRMAN: I am sure the minister is going to get to the end of this question in a moment!

Mr T.R. BUSWELL: I am, Mr Chairman, but I want to make the point that housing is complicated.

The CHAIRMAN: Yes, I know, member.

Mr T.R. BUSWELL: The statistics are important but it is also a part of the broader narrative.

The CHAIRMAN: The member for Morley had better ask a written question this time!

Mr I.M. BRITZA: Under the heading “Asset Investment Program” on page 707 of the *Budget Statements*, \$12 million has been allocated for Indigenous visitor hostels. What exactly is the purpose of these hostels?

Mr T.R. BUSWELL: Was that page 706, member?

Mr I.M. BRITZA: It is halfway down page 707. It is for the years 2011–12 and 2012–13.

Mr T.R. BUSWELL: My apologies. These are an important development. The amount of \$12 million is to assist us in the construction of Indigenous visitor hostels in Kalgoorlie and Broome. I will explain what they are. The South Australian government has two of these—one in Ceduna and one in Port Augusta. They are very, very good. Kalgoorlie is a classic case in point. Groups of people living on the traditional lands come into town. In Kalgoorlie, people either come in from the lands up around Warburton—which is pretty much catered for—or from the desert, effectively along the railway line heading to the border. These are commonly referred to as the Spinifex people. The Spinifex people who currently come into Kalgoorlie stay in the most woeful of conditions. The place where they stay is effectively a park—it is not even a park; it is a bit of bush near the Super Pit. There are a couple of old dunnies there and some old bits of pipe. Big tyres full of sand have been put around the joint to stop the local yahoos driving through at high speed trying to give people a fright at night. It was a bit of sport for a while; it is really bad. The member for Kalgoorlie and I visited that area; it is terrible. We are keen to embrace the model used in Ceduna, which also accommodates people who live on traditional lands who need to come into town for a range of services. The accommodation is tents and some more substantive park home-type accommodation. There is a range to suit different people. Also at Ceduna is a block for seniors who come into town for dialysis and other things. These places require communal facilities, including a dining room, and also an opportunity for service providers to cater for Aboriginal people who come to stay. It is a really good model. There is no grog; it is all fenced off. It works really well. It basically stops people camping in an itinerant way around town.

In Kalgoorlie, we located a site across the road from the prison in Boulder. Despite the mayor's excitement for the project when we first met him—when the public found out, the mayor became less excited!—we have moved. That was a good process. We have now purchased the old Boulder golf course from the City of Kalgoorlie-Boulder.

Mr W.J. JOHNSTON: Oh!

Mr T.R. BUSWELL: I am sorry, member, but this is an important project.

Mr W.J. JOHNSTON: I am sure it is. A ministerial statement would be much easier than doing it here.

Mr T.R. BUSWELL: I was asked a question about it.

Mr W.J. JOHNSTON: I know, because the minister arranged it!

The CHAIRMAN: Come on, members, please!

[2.30 pm]

Mr T.R. BUSWELL: I do not have any notes about it, so I do not know if I did arrange it; but it is a very good question, whoever arranged it.

The process has been a bit slow, because of the community consultation, and because we needed to be responsive. But we are now moving forward with the plans at the old Boulder golf course, and that will be great.

To wrap up, in Broome it is far more problematic, unfortunately, to try to find a footprint that is suitable to stakeholders—that is probably the most polite way of putting it—but I will be going to Broome next week to try to bring this forward. This sort of innovation, and the things we are doing around employment-based accommodation in Halls Creek and through the Kimberley, are really exciting innovations, and they are heavily supported, if not financially at least in spirit, by the commonwealth, in particular Jenny Macklin.

Mr M. McGOWAN: I refer to page 702 of the *Budget Statements*, the second last dot point under “Significant Issues Impacting the Agency”, the state affordable housing strategy. Obviously that strategy is fairly comprehensive and relates to the issue of affordable housing and homelessness. Homelessness has been brought into focus recently with some of the rallies that have been conducted at the front of Parliament House by some homeless people who took offence at the comments of the Minister for Police about people who are homeless, and CHOGM. Those rallies have been partly organised by a fellow called Corey Wilkinson, who came to Parliament House the other day. As the minister would know, he is keen to catch up with the minister and express to the minister the way he has to live. I met with him and a bunch of other people, and I also saw in the paper the place in which they are living—an alleyway in East Perth.

I have a couple of questions for the minister. Firstly, does the minister have the latest figures on the number of people in Western Australia who are known to be homeless; and, if the minister does have those figures, how do they compare with the figures for past years? Secondly, as the minister knows, Mr Wilkinson has been keen to say hello to the minister and express to the minister what is going on in his life. Will the minister provide Mr Wilkinson with five minutes of his time to say hello and hear what he is going through? I think that is all he is asking for.

Mr T.R. BUSWELL: At some stage we will meet with him, I am sure. He is not the first person. Homelessness is a major issue. I had a homeless lady camp outside my electorate office for nearly two weeks. She was homeless because of a range of other challenges that she had. That was very unfortunate. That lady ended up having to be taken to a mental health facility, and she is now being treated. Homelessness is a great blight on our society.

The figures that I have are from a homelessness report in 2009. In 2009, there were 13 391 homeless people in Western Australia; and that comprised 2 392, to quote the term, “rough sleepers”.

I want to talk about the state housing strategy, which the member has raised, and homelessness. One of the things highlighted by the work that led up to the state affordable housing strategy was that we need to change our approach to dealing with homeless people. There is a really good example of that in your electorate of Albany, Mr Chairman, at Prospect House. One of the things we have learnt is that if we take a homeless person and provide that person with, for example, a property, without any other support or resilience building or capacity building, the sad reality is that the person will probably be homeless again in a very short period—whether it is mental illness, drug and alcohol dependency, or any one of a range of other factors that may lead to homelessness. Therefore, we have had to change our strategy and our approach. Prospect House is a very, very good example at a micro level. I occasionally make fun of the member for Albany about some comments that he has raised with me about the concerns of local residents about Prospect House, but it is entirely appropriate that he has raised them. Prospect House is in a general area of Albany. I think five or six people are living there—men; it is a men's refuge. The services at Prospect House are provided by Vincent Care. I have met with the men there. We had lunch with them. They have to work through a very intensive program in Vincent Care to build

their skills and their resilience, so that when they leave the homeless shelter, for want of a better term, or facility, and they move into transitional housing, and hopefully one day become tenants, they will do that with some confidence that they will be able to transition through the housing spectrum. That was a really important lesson, and we are doing that, member.

It is interesting that the member for Rockingham talked about East Perth. I would encourage the member to call Lynne Evans at St Bartholomew's House and look at that facility, which we have funded at a cost of \$20 million plus, in Lime Street in East Perth. It is a great initiative.

Mrs M.H. ROBERTS: It was an initiative of our government.

Mr T.R. BUSWELL: I said it is a great St Bart's initiative. Okay? All we did is give them \$20 million.

Mrs M.H. ROBERTS: I just suggest that the minister is taking credit for it. That is all.

Mr T.R. BUSWELL: I am not taking credit, member. I am always prepared to acknowledge when other people do good work—normally compared with me, that is a lot of people. It is a great initiative. It is over \$20 million. The one thing St Bart's and Ian Carter taught me—Ian Carter is at Anglicare, of course—is that a facility like Lime Street's does not have just a front door; it also has a back door. That means that when people who are homeless go into that facility—this is a very important issue that the member for Rockingham has raised—they come out with the capacity to be independent tenants. St Bart's, which is a much bigger version of Prospect House, is a traditional homeless facility. But the people at that facility can then move through various stages of independent living, to the point at which there is permanent independent living, and also the capacity to then leave St Bart's and move into supported accommodation, and hopefully one day into an individual tenancy with Homeswest. We have learnt a lot from that. We are doing a lot of work now with the Salvation Army. I think we have signed a heads of agreement with the Salvation Army to do the same thing. These are innovative approaches to dealing with homelessness.

Our approach to homelessness is about new approaches and new solutions. That is one of the strategies under the affordable housing strategy.

Mr M. McGOWAN: The minister said in 2009 there were 13 300 people in Western Australia who were categorised as homeless. Does that include spouses and children; and, if not, how many children in Western Australia are homeless?

Mr T.R. BUSWELL: I do not think I have access to that breakdown.

Mr M. McGOWAN: Because often the figures are only for the primary person who is seeking accommodation.

Mr T.R. BUSWELL: My understanding is that that is the total number, on advice from the director general.

Mr M. McGOWAN: So, in 2009 there were 13 300 homeless people. Does the minister have the 2010 figures?

Mr T.R. BUSWELL: No. Those figures were collated as part of the Department for Child Protection homelessness state plan. I assume that is an available document and it would have that data in it.

Mr M. McGOWAN: My second question goes back to my original question. I asked the minister about Mr Wilkinson. The minister obviously met with the woman who had camped outside his electorate office. Will the minister provide Mr Wilkinson with five minutes of his time to hear about his case?

Mr T.R. BUSWELL: We will consider that.

Dr M.D. NAHAN: They were not very flash appearance-wise, but there used to be quite a few hostels and hotels for, particularly, men, on a low income, with no other accommodation, and often with a drug addiction. Do they still exist in the private sector?

Mr T.R. BUSWELL: Yes, they do. They were euphemistically termed flop houses.

Mr W.J. JOHNSTON: There is one at the end of my street, Franciscan House.

Mr T.R. BUSWELL: Some of them are operated by traditional church-based groups. St Bart's started basically with mattresses on the floor at St Bart's church in East Perth. There are places in Fremantle, and all over the place, that provide that sort of service. The point I am trying to make is that that is okay for treating the symptom, but we really need to treat the cause. Often people are in that situation for a range of complicated social factors. That does highlight the point that we raised earlier about where the money is going this year. We made a conscious decision to invest in houses for people with mental health challenges, and to invest in houses for people with drug and alcohol challenges. I have to tell the member that one of the most difficult outcomes of our disruptive behaviour management strategy that I have seen was the notes on a person in the northern suburbs who we evicted under the DBMS. That person was a schizophrenic, and in certain states that person would cause absolute mayhem to the people who lived in the block of units in which he was living.

Under our strategy, we had to evict him. I said this in this place, but it is a grey area and people will say, “Gee, that shouldn’t have happened.” That may have been one such case but, under our strategy, he had to go.

Providing these 100 dwellings for the Mental Health Commission is, I think, a fantastic initiative. They will be places where we can wrap the appropriate services around these people. I have just been informed that the department owns approximately 13 lodging houses run by non-government organisations. I would be interested to know whether that includes Esther house in Lesmurdie, which we bought to replace three or four terribly old and run-down joints on South Terrace. The Esther Foundation is fantastic. Again that work is supported by the department in a role that not many people understand the department plays. Again, it is a good outcome.

[2.40 pm]

Dr M.D. NAHAN: I refer to the sixth dot point on page 703 about the allocation of housing stock. As I understand, in the past there has been a peppercorn policy whereby the Department of Housing sprinkles houses across areas.

Mrs M.H. ROBERTS: Salt and pepper, not peppercorn.

Mr T.R. BUSWELL: It might be rock salt and peppercorn!

Dr M.D. NAHAN: Excuse me—correction accepted.

I heard the member for Willagee state in the house that approximately 30 per cent of his constituents live in Homeswest housing. Does the policy of sprinkling houses across communities still exist; and, if not, how does the department allocate houses for both new housing stock and the remodelling of old housing stock?

Mr T.R. BUSWELL: I think it would be a fair thing to say that it is always a delicate balance. In some suburbs, it is the view that the densities are too high—mainly older suburbs. In newer subdivisions, we have aimed for, I think, a one-in-10-type arrangement. Historically, it has been different in some suburbs. I recently met with people from the Town of Victoria Park, where in some streets public housing densities are too high. We can go into those areas and do one of two things: we can sell some of the properties, but perhaps a more innovative solution is to look to redevelop the built form to come up with a better outcome. Some of that redeveloped built form might be retained for social housing. Often the reason for social housing in an area is that it is a good spot to live because it is close to public transport, services and the like. We will look to redevelop that area by way of built form development. We will sell some of that built form redevelopment to automatically break up the mix of home ownership. Some of those sales will be via our shared equity scheme, and some properties will be put straight onto the market. Some of the properties will be transferred to the community housing sector for its operation, and some may be kept by the department. It really is horses for courses. Under the high-value property strategy, when high-value properties come onto the market—I am pretty certain that our definition of a high-value property is that it is approximately twice the median house price—we will look to sell the property, because generally we can sell the property and reinvest the money into other areas.

It has been interesting to look at where the properties are that have been sold. When we brought in that policy, people said that it was all about selling properties in the western suburbs. We have sold some properties in the western suburbs, predominantly in Mt Claremont, which has a lot of big lots with very old houses. I visited a couple of these properties and the houses were quite old. There have also been a number of sales under that policy in Manning, Karrinyup, Doubleview and a range of other suburbs. The advice I have is that to date we have generated about \$20 million in revenue from the sale of 18 properties, and that \$20 million has been reinvested in the spot purchasing of some 25 dwellings, and also in the construction of a number of units. I do not have the exact number on this piece of paper. However, that has worked well and it really was a combined effort. Areas of high-density state housing are found in different suburbs, and the impact on those suburbs varies. Certainly, at the meeting I had with the Town of Victoria Park, one or two streets had been impacted, and we gave an undertaking to have a look at what we could do there. Similarly, in Bunbury—in Littlefair Street, Withers, where some of the behaviour of public housing tenants has been atrocious and the treatment of residents terrible—we are going to sell some of the public housing stock because it is my guess that people have put up with too much for too long.

Mr M. McGOWAN: I refer to page 707 and to the item “Construction and Purchase of Regional Officers Housing” that is listed halfway down that page. I know that Government Regional Officers’ Housing—GROH—is scattered throughout Western Australia. By way of supplementary information, I would like to know: how many people—that is, public servants—have been evicted from GRO housing in the past year; how much money had to be recouped from damage to those properties; and which agencies were involved?

Mr T.R. BUSWELL: I do not have the information about damage, nor do I have the information about which agencies were involved. I am not aware of any evictions, but that is not to say there have not been any. It would be interesting to see how an eviction from a GROH property would work. However, sometimes, we provide GROH properties in difficult environments. I was in Roebourne recently, and there have been some behavioural issues in and around some of the GROH properties at Roebourne.

Mr M. McGOWAN: I am interested in that specific information. Is the minister saying that that is not collated anywhere in government?

Mr T.R. BUSWELL: I am saying that if the member asks us the question, we will be able to get him that information.

Mr M. McGOWAN: Can I ask for it by way of supplementary information? Which agencies are involved; how many people have been evicted; what was the cost of the damage; and what costs were recouped? That is four questions.

Mr T.R. BUSWELL: By way of supplementary information, I can provide that information to the best of our capacity to collate that information.

Mr M. McGOWAN: Okay; that is good.

The CHAIRMAN: Could the minister let us know what he will provide?

Mr T.R. BUSWELL: Basically, we will provide the information around GROH properties. That information will detail evictions, if any, from GROH properties; it will detail damage caused to and evictions from GROH properties, department by department, if possible; and it will provide information on the recouping of costs to pay for damage.

Mr M. McGOWAN: That sounds good.

[*Supplementary Information No A44.*]

Mr T.R. BUSWELL: By way of additional information, as at 30 April, I understand that we had some 5 611 GROH properties. From the government's point of view, at this stage GROH still excludes Western Australian health department properties. We are currently working with the health department to move its properties across into the GROH portfolio. It makes a lot of sense to me. Currently, the Department of Health has its own little property management section, which strikes me as being very odd, but it is proving to be a little hard to wrinkle out information on those properties from the department. A nurse or doctor in a country town does not live in a GROH property, but in a Department of Health property. However, we soldier on. Of the 5 611 properties, the composition is as follows: 131 one-bedroom properties; 805 two-bedroom properties; 2 775 three-bedroom properties; and 1 900 four or more bedroom properties. I have to say that one of the challenges is that some agencies insist on providing three and four-bedroom properties for a single occupant. That is a bit of an issue. However, the agencies argue that they need to offer that style of housing to attract people to some of the more remote areas—that is more of an observation—and some of those GROH properties now include the housing supplied, at your insistence, Mr Chairman, to police officers in Albany.

[2.50 pm]

Mr M. McGOWAN: I refer to the service summary related to land, which I assume is land provided by the Housing Authority, on page 702 of the *Budget Statements*. I have a question about the land located between Mirrabooka Avenue and Milldale Way, Mirrabooka. I have had a look at that land; I think there are 16 hectares of prime development land there. When will that land be developed for housing? Are there any plans for it? If the minister cannot answer today, can the answer be provided by way of supplementary information?

Mr T.R. BUSWELL: I will ask the relevant officers to provide some more information. That is a parcel of land near what we call the Mirrabooka town centre.

Mr M. McGOWAN: It is nearby.

Mr T.R. BUSWELL: It is to the west of it, on the corner loosely bound by Mirrabooka Avenue and Reid Highway.

Mr M. McGOWAN: Reid Highway might be to the north; I think it is Milldale Avenue.

Mr T.R. BUSWELL: I will ask the agency officer to give a more detailed answer if he can; if not, I am happy to provide one on notice. This has been a bit of an ongoing saga. For some time there was some not inconsiderable discussion in government about the split of some of that land. Some of that land is earmarked for a future health facility, not a hospital. The member for Midland was probably involved in this debate!

Mrs M.H. ROBERTS: I remember it well!

Mr T.R. BUSWELL: The debate went on for years!

Mrs M.H. ROBERTS: I never had any money in a budget to do anything with it.

Mr T.R. BUSWELL: The health facility could either go on the west side or the east side of the land, and the Department of Health wanted to put the health facility on the east side and housing was to be put on the west side. That would have meant housing being up against Mirrabooka Avenue and Reid Highway. The Department

of Housing wanted to put housing on the east side, because at the end of the day, the health facility will not be an inpatient facility, but some other sort of health facility.

Mrs M.H. ROBERTS: The City of Stirling will be interested in that land, too.

Mr T.R. BUSWELL: We eventually resolved that matter with the Department of Health, although now we may not have. We have invested a lot in that Mirrabooka town centre upgrade with the bus station, and there have been other seedings of property across the City of Stirling to help with that. We also invested a significant amount of money through the federal stimulus package. We were there with Senator Pratt when we launched that development a couple of years ago; it was another good development in that area. I do not have the detail on the specific area of land that the member asked about, perhaps Mr Whyte does. If he does not, I will get a summary for the member of what is planned there.

Mr P. Whyte: I prefer to provide the member with a detailed explanation of the plans for the whole site, and the options we have, as we are looking at a number of options for that site.

Mr M. McGOWAN: Will that be by way of supplementary information?

Mr T.R. BUSWELL: It can either be supplied by way of supplementary information or by way of a briefing. It might be better for the member to have a sit down briefing with the department. I am not trying to be smart, but there are a number of machinations in relation to that site that probably cannot be adequately explained in a briefing note. If the member has an interest in it, I am very happy —

Mr M. McGOWAN: I would prefer a briefing note for the simple reason that the local member representing the area has more of an interest in the matter.

Mr T.R. BUSWELL: The local MP can come to the briefing.

Mr M. McGOWAN: I would prefer a briefing note; I ask the minister whether I can get a briefing note.

Mr T.R. BUSWELL: We can provide a briefing note subsequent to the member's briefing. I think that a departmental briefing for the local member, who is the member for Nollamara, and other interested members from that area would be a better outcome. I am not trying to dance around the issue because, as I understand it, there are a variety of options for that land, and a briefing at which the members could look at a map of the area and see how those options could be delivered and arranged would be best. It is an important program for the City of Stirling, for the local member and for local residents. It is just a much better outcome.

Mr M. McGOWAN: If local MPs and I could have a briefing, it would be great.

Mr T.R. BUSWELL: And any other members.

Mrs M.H. ROBERTS: The member for Balcatta would be interested.

Mr T.R. BUSWELL: As would upper house MPs.

Mr W.J. JOHNSTON: Can the minister clarify whether that is the land that the Department of Housing says is related to a land swap with Department of Health land on Cecil Avenue, Cannington, adjacent to Department of Housing land on the corner of Cecil Avenue and Sevenoaks Street?

Mr T.R. BUSWELL: The member is right; there has been a historic trail of land swaps that the Departments of Housing and Health entered into going back aeons. I think we have just about scrubbed those. The swaps were to do with the delivery of something that most people have forgotten about and just became an argument that was going nowhere. The Minister for Health might have decided that we needed to just get on and do what we had to do. The short answer is no.

Mr W.J. JOHNSTON: Tangential to this issue, does the Department of Housing still intend to acquire the Department of Health land on Cecil Avenue, Cannington?

Mr T.R. BUSWELL: Strewth, I have no idea.

Mr W.J. JOHNSTON: That is fine.

Mr M. McGOWAN: I refer to minor works on page 708 of the *Budget Statements*. I will take minor works to mean repairs on social housing. I have an answer to a question on notice dated 6 April 2011 that refers to the key performance indicators for repairs to public housing undertaken by the three private contractors that the department organised back in 2009 to undertake this repair work. The answer indicates in relation to priority work and emergency work, that compliance with key performance indicators is between 36 and 78 per cent. I would be interested in the minister's view about whether that is acceptable; I would not have thought that it was. Is that range of compliance acceptable? Does the minister expect it to improve? Can the minister provide a breakdown on the various regions that Homeswest is responsible for—south west, south east, Perth north and so forth—and on the times for compliance for each of those areas on that priority and emergency work?

Mr T.R. BUSWELL: I have the figures until the end of April. I do not think those figures are acceptable. It means that the contractors involved miss out on their bonus payments or rather their contractual payments for delivering within the KPIs—bonus payment is not an appropriate term. Very few existing contractors have got to a point on the KPIs at which they will receive full payment; I think that that is around \$2.5 million out of \$100 million spent that the contractors will not get access to. One challenge is that because we never reported against KPIs under the old model, when things were centrally managed, it is difficult, using the KPIs, to understand whether the outcomes are better, worse or the same. It is a little bit of an issue, but there is not much we can do about that, because we cannot travel back in time and report on that. I suppose we can monitor the percentage of complaints that come through the department's direct line. In the middle of the back half of last year the number of those calls was too high; that number is now back towards historic levels. I will talk about that in a second. In relation to KPIs, first, it is hard to compare current outcomes with what has happened before because the KPIs did not exist and no-one reported against them. Second, non-compliance with KPIs is not contractually acceptable and contractors will be penalised, and at this stage of the year the penalty is \$2.5 million.

Mr M. McGOWAN: It is not really a penalty; it is non-payment of a bonus. Is that what the minister is saying?

Mr T.R. BUSWELL: No, it is a penalty. If contractors comply to KPIs, they get a payment; if they do not, they get \$2.5 million less than that payment. That is the penalty.

Mr M. McGOWAN: I think it depends how we look at it. They receive ordinary contractual payment, but do not receive additional payment if they do not comply with the KPIs.

Mr T.R. BUSWELL: No, they get their ordinary contractual payments if they deliver within the KPIs, but get less than the contractual payment if they do not deliver to the KPIs. It is the same argument from a different perspective; it sometimes happens in this place!

Mr M. McGOWAN: It is a glass half full argument.

[3.00 pm]

Mr T.R. BUSWELL: Always chirpy!

The requirement for KPI 1, emergency after normal hours, is three hours. They are on the job within three hours. I will work through these figures, which are for April. They are as follows: Goldfields, 50 per cent; Kimberley, 58 per cent; metro Fremantle, 66 per cent; metro north, 59 per cent; metro south east, 61 per cent; Mid West, 62 per cent; Pilbara, 38 per cent; southern, 59 per cent; South West, 78 per cent; and Wheatbelt, 64 per cent. They range from 38 per cent in the Pilbara, which is very low, through to 78 per cent, none of which are therefore compliant. The minimum compliance is set at 95 per cent.

Another interesting aspect of the head contract and maintenance model is the number of properties that are vacant awaiting maintenance. Late last year and early this year that number got up to about 530 properties, which is a very high level. The figures I have are a little old. I get these figures every week because I have a strong interest in this. The latest figure from 27 May is 263. I am comfortable that that is a reasonable level of properties vacant awaiting maintenance when we consider that we have well over 40 000 properties and the nature of our tenancies is such that when people leave, some of those properties require maintenance. That is just a fact. It has come down significantly from 529.

I am also looking for the figures on the percentage of complaints that come in. I do not have that at the moment but the advice is that that has pretty much returned to historic levels. If we had those KPIs historically presented, we could probably understand how the head contracting model is truly performing against what the Department of Housing used to do. Unfortunately, KPIs did not exist under the old system.

Mr M. McGOWAN: The minister has obviously detailed off the regions for emergency work, which is three hours. I am interested in the results of the various regions for the other types of work—priority work, routine work, major works and so forth. Is the minister able to provide those figures today or by way of supplementary information so we can get the exact readout on how the work is going?

Mr T.R. BUSWELL: Yes.

Mr M. McGOWAN: Secondly, I think the minister advised everyone's favourite journalist, Howard Sattler, that he would release these results to him on a monthly basis. Is the minister doing that?

Mr T.R. BUSWELL: He has not called me back. I literally wait every day. I say to my media person, Jaimee, "Has Howard called?" Howard, if you are listening, call me. I look forward to those meetings with Howard. I am very happy to go down there every month. I told him, and he spurned me. How does that make me feel?

Mr M. McGOWAN: I quite like Howard.

Mr T.R. BUSWELL: I like Howard too. He is an Eagles supporter and he likes going to the races. He is an all-round good bloke.

Mr M. McGOWAN: I am sure his interpretation was that the minister said he would send the results to him rather than him having to call the minister.

Mr T.R. BUSWELL: No, because I have had a subsequent conversation with his producer, who is even nicer than Howard. He said, “We’ll get that sorted out.” If Howard’s producer is listening—I am sure they listen to Parliament—I ask them to get on the phone and we will come down. I am happy to do it. I am happy to hold up my end of the contract. I am sure he did not deliberately spurn me.

Mrs M.H. ROBERTS: Just get over it.

Mr T.R. BUSWELL: I cannot. The member has no idea how much this has impacted on me. Often Howard rings and I reluctantly go to the phone and then hold it a long way from my ear, as I am sure the member for Rockingham would have done when he was a minister. He does have a certain way. I am happy to talk to him about this; it is an important issue. We will take the good news and the bad news with the up and the down. Howard, if you are out there, call me because I am just waiting!

Mr M. McGOWAN: I am sure Howard’s producer will hear about that. In light of that, can the minister provide those figures for each of the other categories—priority, routine, major and other works—as to compliance with KPIs? The minister has read out the figures for emergency works. I am keen to find out about the other categories as well.

Mr T.R. BUSWELL: I will go through them now. There are seven KPIs in total. I will have to get back to the member with KPI 2 because it says “TBA” on the piece of paper that I have, and that is after hours. I will read down the list for KPI 3: Goldfields, 23 per cent; Kimberley, 40 per cent; metro Fremantle, 47 per cent; metro north, 37 per cent; metro south east, 37 per cent; Mid West, 50 per cent; Pilbara, 19 per cent; southern, 55 per cent; South West, 64 per cent; and Wheatbelt, 50 per cent. The figures for KPI 4, routine works, are: Goldfields, 54 per cent; Kimberley, 71 per cent; metro Fremantle, 72 per cent; north metro, 64 per cent; metro south east, 69 per cent; Mid West, 83 per cent; Pilbara, 68 per cent; southern, 82 per cent; South West, 79 per cent; and Wheatbelt, 65 per cent. The minimum compliance is 80 per cent, so we have had a couple that have been compliant.

The figures for KPI 5, major works, are: Goldfields, 100 per cent; Kimberley, 60 per cent; metro Fremantle, 91 per cent; metro north, 89 per cent; metro south east, 80 per cent; Mid West, 92 per cent; Pilbara, 33 per cent; southern, 33 per cent; South West, 88 per cent; and Wheatbelt, 85 per cent. The target for KPI 5, major works, is 95 per cent and the minimum compliance is 80 per cent. The target for KPI 6, vacants, is 95 per cent and the minimum compliance is 80 per cent. The figures are: Goldfields, 74 per cent; Kimberley, 66 per cent; metro Fremantle, 68 per cent; metro north, 75 per cent; metro south east, 71 per cent; Mid West, 76 per cent; Pilbara, 68 per cent; southern, 75 per cent; South West, 84 per cent; and Wheatbelt, 73 per cent. The target for KPI 7, timeliness of invoicing, is 95 per cent and the minimum compliance is 80 per cent. The figures are: Goldfields, 44 per cent; Kimberley, 56 per cent; metro Fremantle, 82 per cent; metro north, 94 per cent; metro south east, 85 per cent; Mid West, 69 per cent; Pilbara, 26 per cent; southern, 79 per cent; South West, 45 per cent; and Wheatbelt, 44 per cent.

Also, for the member’s information, the head contractors for each of those regions are: Goldfields, Lake Maintenance; Kimberley, Lake Maintenance; metro Fremantle, Transfield Services (Australia) Pty Ltd; metro north, Transfield Services; metro south east, Transfield Services; Mid West, Transfield Services; Pilbara, Transfield Services; southern, Transfield Services; South West, Programmed Facility Management; and Wheatbelt, Lake Maintenance.

Mr M. McGOWAN: In conclusion, the minister would have to agree that those figures are pretty appalling.

Mr T.R. BUSWELL: It is difficult to measure them because we have no historic precedent. One of the things that should have happened in this transition—we are all wiser in hindsight—is that we perhaps should have benchmarked the previous model in relation to those KPIs. That did not happen so I have absolutely no idea how this compares historically. We can now develop a series to understand any trends.

[3.10 pm]

Mr W.J. JOHNSTON: The tenants have strong views; they are telling me that standards are falling.

Mr T.R. BUSWELL: Member for Cannington, there is no doubt—the department is well aware of my views—that particularly during 2010 there were some significant problems with the introduction of the head contractor model. I have been very open in talking about that. I think those problems were threefold; firstly, the initial rollout was overly ambitious in time frame and scope; secondly, not enough work was done ahead of the rollout to ensure an appropriate interface between the Department of Housing’s systems and the contractors’ systems—that relates to the transfer of information relative to jobs and also to reporting back on the completion or otherwise of jobs; and, thirdly, it would be fair to say that because of the time lines, a number of the contractors did not have in place the network of workers that they needed to provide an adequate standard. I think it has

improved significantly. The level of complaint to the central housing direct line is now, I understand, pretty much in line with historic norms in complaints about maintenance. Acknowledging that there are still some issues, I now get very few issues raised with my office at a ministerial level on non-payment of accounts of subcontractors and others; it is generally bedding down. Also, the number of vacant houses has been reduced to what I would consider to be an appropriate level. I acknowledge there were problems. I am keen to get on and talk about it with Howard, and I am sure the member for Rockingham can give him a bell and go into bat on my behalf.

The appropriation was recommended.

The CHAIRMAN: Member for Rockingham, you say that you want to move on now to Commerce. Do you want to ask questions on the other division? There is division 42, Registrar, WA Industrial Relations Commission.

Mr M. McGOWAN: No, we want to get to Commerce.

Division 42: Registrar, Western Australian Industrial Relations Commission, \$11 234 000 —

The appropriation was recommended.

Division 40: Commerce (except Service 3 — Industry, Science and Innovation), \$141 866 000 —

Mr M.W. Sutherland, Chairman.

Mr T.R. Buswell, Minister for Transport representing the Minister for Commerce.

Mr B. Bradley, Director General.

Mr R. Horstman, Executive Director, Labour Relations Division.

Mr D. Goodwin, Director, Finance and Administration, Corporate Services Division.

Mr K. Bowron, Executive Director, EnergySafety Division.

Mr P. Gow, Executive Director, Building Commission.

Mr S. Grocott, General Manager, Local Content (Innovative Industry Directorate), Industry, Science and Innovation Division.

Mr D. Hillyard, Director, Industry and Consumer Services, Consumer Protection Division.

[Witnesses introduced.]

The CHAIRMAN: The member for Midland has the first question.

Mrs M.H. ROBERTS: I refer the minister to page 469 of the *Budget Statements* under “Net Appropriation Determination” and the line item “Proceeds from Fees and Charges — Licenses”. I note that it was budgeted to come in at \$20.618 million and the estimated actual figure is \$24.724 million; therefore, the estimated actual is about \$4 million above budget. The budget estimate for 2011–12 is \$37.607 million. I would like a further explanation of what is happening with “Proceeds from Fees Charges — Licenses”?

Mr T.R. BUSWELL: I will ask Mr Goodwin to provide some more detail around that. I hope that it includes the fact that some of the boards and committees that used to operate independently of government no longer do so— including my favourite, the Hairdressers Registration Board.

Mr D. Goodwin: The items under proceeds from fees and charges include receipts from fees and charges in the WorkSafe division, Energy Safety Division, plumbers, the motor vehicle industry and Building Commission areas. There is a significant increase in the forthcoming budget year. Those arise from the expected introduction of the building services levy, which would account for about \$12.6 million, which incorporates the transfer of the functions of the Painters’ Registration Board and the Builders’ Registration Board of WA into this part of the department, which explains the large increase over the next year.

Mrs M.H. ROBERTS: What is the percentage increase in fees and charges in the agency in the areas mentioned?

Mr T.R. BUSWELL: I will get further advice again, but the director general has indicated that his recollection is that fees and charges are pretty much close to the consumer price index. I cannot recall when it was over that.

Mrs M.H. ROBERTS: Perhaps I will ask whether there were any above CPI.

Mr T.R. BUSWELL: Certainly—the reference rate of CPI being three per cent for the purposes of the budget.

Mr D. Goodwin: Through the minister, the department has a total of 300 or so fees across the whole department under 24 separate acts of Parliament. All the fees and charges are reviewed annually in line with Treasury requirement. The recommendations endorsed by the expenditure review committee this year were all in line with either no increase or less than CPI.

[3.20 pm]

Mr M. McGOWAN: My question relates to page 457 and the gas rectification project, which I think is the purchase of gas appliances due to the change in gas specifications that we passed legislation to allow for. Minister O'Brien has said that the program is 100 per cent industry funded. Therefore, my question is: why is roughly \$27 million or \$28 million in the budget to administer that program if it is 100 per cent industry funded?

Mr T.R. BUSWELL: I will get some more advice from the head of the office of EnergySafety, which I think is administering this, or the finance guru. My understanding is that this is a flowthrough effect, but I could be wrong.

Mr D. Goodwin: Minister, a flowthrough would be the layman's term. The levy raises the funds, but the expenditure has to be reflected as a part of total government spending; therefore, it is reflected in the major spendings table. The expenditure is indeed all totally funded from industry.

Mr T.R. BUSWELL: It is very appropriate that it is a flowthrough in relation to gas!

Mr M. McGOWAN: In other words, it is the company's money that you are spending. Is that the answer, in other words?

Mr T.R. BUSWELL: The answer is correct—that there is a levy. We collect the levy, and we then spend the levy.

Mrs M.H. ROBERTS: I am looking at page 457, "Major Spending Changes" and some details below. I am interested in a couple of those. One is the gas rectification project, which we just discussed. I see the Gravity Discovery Centre is back receiving money.

Mr T.R. BUSWELL: Just for the member's information, that is in the science area, which is being dealt with by a separate minister. It is the one part of the Commerce division that is not dealt with by the Minister for Commerce.

Mrs M.H. ROBERTS: Luckily I have more questions on this section!

Mr T.R. BUSWELL: I can answer it, though. I have been there a couple of times.

Mrs M.H. ROBERTS: No thanks. What about the Office of the Nobel Laureates?

Mr T.R. BUSWELL: Same.

Mrs M.H. ROBERTS: Great. Are any of these the responsibility of the minister? How come there is a negative amount there for the value-for-money audit? Is that the minister's?

Mr T.R. BUSWELL: I imagine that would indeed be the case. We will get some more advice from the director general on the value-for-money audit. I will just see what information I have available to me. I will say this by way of introduction: the department received a VFM audit that made recommendations on four key areas such as budget management. It focused a lot on the department's corporate services and divisions. It would be fair to say that there was some perceived scope for rationalisation across corporate services. The report identified savings of \$8.4 million over the period 2010–11 to 2014–15, which resulted in a saving of appropriations of about \$6.3 million across the forward estimates. My estimation would be that that is about what we are looking at there. That is a reduction in appropriations because of savings identified by the value-for-money audit process. It was across the entire department.

Mr W.J. JOHNSTON: Can I just clarify? Do those value-for-money audit savings come about through reducing the number of employees engaged in the Consumer Protection Division of the department?

Mr T.R. BUSWELL: My recollection with the commerce department was that the savings were across corporate services and in the science and industry area.

Mrs M.H. ROBERTS: Can I ask just about the specific information then? On page 458 are listed those main headings, the three areas—"Consumer Protection", "Safety and Employment Protection and Construction Standards" and "Industry, Science and Innovation". Could the minister advise me what his full-time equivalent position levels were last year and in the next year for each of those three categories?

Mr T.R. BUSWELL: On page 462 of the budget paper, the member will see that 498 was the actual number of FTEs in Consumer Protection in 2009–10. It was expected to be 461 in 2010–11. That reduction —

Mrs M.H. ROBERTS: And in 2011–12 it is down to 399.

Mr T.R. BUSWELL: Yes. That reduction is largely due to the transfer of some of the functions of Consumer Protection to the commonwealth—weights and measures, credit, business names and a few others.

Mrs M.H. ROBERTS: There were not 100 people in weights and measures and consumer credit.

Mr T.R. BUSWELL: This year it is business names and the register of encumbered vehicles; last year it was credit, and trade measurement. Often what happens is that these people are employed by the replacement commonwealth body.

Mrs M.H. ROBERTS: Just 100 people; it does not add up. The department has never had that many people in that area or in all three areas that the minister has mentioned.

Mr T.R. BUSWELL: Let me give the member the figures, and she has them in front of her. The 2010–11 budget outcome is 461 employees; 438 will be the estimated actual outcome for 2010–11, which is a reduction of approximately 60 on the actual number —

Mrs M.H. ROBERTS: What I am basically looking at is, over two years, from 498 down to 399—that is, 99 people in two years.

Mr T.R. BUSWELL: Correct—in Consumer Protection.

Mrs M.H. ROBERTS: The minister has mentioned a few very, very small areas in the agency that engage very few people and said that that accounts for 99 people.

Mr T.R. BUSWELL: We have talked about trade measurement, we have talked about business names, we talked about REV's and we have talked about credit. They were not insignificant areas in the context of the agency.

The number in the area of safety and employment protection and construction standards will go from a 2010–11 estimated actual of 456 to a 2011–12 budget target of 543; that is an increase of 87. The reason for that increase is mostly due to the transfer of the Builders' Registration Board and the Painters' Registration Board into the Building Commission.

Mr M. McGOWAN: I have a final question. I think we move off this division in a couple of minutes. On page 469 is listed a line item for "Rental Accommodation Account". My question is: what is the rental accommodation account? Who does that department rent accommodation to? What is the money used for?

Mr T.R. BUSWELL: It is not used for anything. If a person rents a property, they have to pay a bond. The bond is deposited. It does not have to be, but most agents deposit that bond with the Consumer Protection Division. I will get David to provide some more detail. That is that money. Basically it sits there, and when a person leaves a rental property, the bond is returned. I will get Mr Hillyard to provide a bit more information, if he would be so kind.

Mr D. Hillyard: The rental accommodation account is an account that holds the interest that is earned on tenants' bond moneys, whether it is held with a real estate agency or with the bond administrator. The funds that flow from that interest that is earned is used to pay for the dispute process in the courts, and for Consumer Protection to provide advice and direction. There are some grants provided to the community sector, which delivers representation work around the state. Any surplus funds that remain after that can be directed to be used for public housing purposes.

The appropriation was recommended.

[3.30 pm]

Division 41: Small Business Development Corporation, \$12 361 000 —

Mr M.W. Sutherland, Chairman.

Mrs L.M. Harvey, Parliamentary Secretary representing the Minister for Commerce.

Ms J.P. Finlayson, Acting Managing Director.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

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. This is the prime focus of the committee. Although there is scope for members to examine many matters, questions need to be clearly related to a page number, item, program, or amount within the volumes. For example, members are free to pursue performance indicators that are included in the *Budget Statements* while there remains a clear link between the questions and the estimates.

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 parliamentary secretary 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 parliamentary secretary 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 parliamentary secretary's cooperation in ensuring that it is delivered to the committee clerk by Friday, 10 June 2011, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers, and accordingly I ask the parliamentary secretary to cooperate with those requirements. I caution members that if a parliamentary secretary asks that a matter be put on notice, it is up to the member to lodge the question on notice with the Clerk's office. Only supplementary information that the parliamentary agrees to provide will be sought by Friday, 10 June 2011.

It will greatly assist Hansard if, when referring to the program statements volumes or the consolidated account estimates, members give the page number, items, program and amount in preface to their question.

[Witness introduced.]

The CHAIRMAN: The member for Girrawheen has a question.

Ms M.M. QUIRK: I refer to the business migration program mentioned on page 470 of the *Budget Statements* under "Major Spending Changes" and also on page 472. How many business migration visits have there been this year?

Mrs L.M. HARVEY: So far this year under the business migration program, we have had two visits to China and one to Singapore and Malaysia.

Ms M.M. QUIRK: Have those three visits been made in this financial year or this calendar year?

Mrs L.M. HARVEY: Those visits were made during this financial year until 31 May.

Ms M.M. QUIRK: How does that compare with previous years?

Mrs L.M. HARVEY: I defer to my adviser.

Ms M.M. QUIRK: The parliamentary secretary might need to provide that as supplementary information, if that is easier.

The CHAIRMAN: Does the parliamentary secretary want to provide the answer as supplementary information?

Mrs L.M. HARVEY: Yes, I will provide the number of visits under the business migration program for the past four years.

[*Supplementary Information No A45.*]

Ms M.M. QUIRK: I notice at the bottom of page 470 that no provision is made for the business migration program after 2012; why is that?

Mrs L.M. HARVEY: This year we have extended the business migration program for an additional year with \$500 000 of funding in 2011–12. We are looking at how to best fit that program into the future along with a range of other programs offered by the Small Business Development Corporation.

Ms M.M. QUIRK: Given that in 2010–11 that program attracted over \$250 million in new capital, as stated on page 472, why is this program in doubt in future years?

Mrs L.M. HARVEY: The program is not in doubt in future years —

Ms M.M. QUIRK: It is not funded.

Mrs L.M. HARVEY: The SBDC is addressing a range of issues.

Ms M.M. QUIRK: Such as?

Mrs L.M. HARVEY: The community is experiencing very trying economic times. The SBDC will continue with a range of programs. In that context we are addressing a number of our programs and working out how to best spend our money into the future to adapt to those economic conditions.

Mr W.J. JOHNSTON: On this issue, the paragraph at the top of page 472 of the *Budget Statements* says that the business migration program is estimated to generate \$250 million from capital sponsors and registered business migrants and 280 jobs. Next year that is to fall to "\$200 in new capital" and 200 jobs. How are those figures estimated?

Mrs L.M. HARVEY: The \$250 million worth of capital has been quantified through processes within the SBDC and the jobs have been counted. The number of estimated jobs created to date this year is 226. We do not put the figures in for capital being attracted until we have a definite amount for the end of the financial year.

Mr W.J. JOHNSTON: I asked how those figures are estimated. What is the methodology? How does the SBDC go about estimating those figures?

Ms J.P. Finlayson: The business migration program operates in two stages. The first stage is the application for sponsorship when the applicant makes a prediction of their capital transfer and the likely jobs that they predict will be created. The second stage is approximately two years later once the migrant has been through the Department of Immigration and Citizenship's visa process. The SBDC goes back and confirms on arrival what capital has been transferred and the number of jobs created by those businesses.

Mr W.J. JOHNSTON: Is this \$250 million the estimate part of that or the verified amount to use after migrants have arrived here?

[3.40 pm]

Ms J.P. Finlayson: That is the estimate.

Mr P.C. TINLEY: I refer to the major spending changes listed at the bottom of page 470 of the *Budget Statements*, and specifically the line item "Small Business Commissioner". There is a one-off allocation of \$300 000. What is it being spent on?

Mrs L.M. HARVEY: The member is probably aware that the Small Business Commissioner legislation is not through the other place yet. In defining the commissioner's roles and in putting together the resources for that department, we have estimated there may be around \$300 000 worth of start-up costs. We do not know as yet what the demand for that service will be. We will be reassessing that once the legislation gets through the other place and we have drafted the necessary regulations, if they are required. Once we start to see what the demand for our service will be —

Mr P.C. TINLEY: How was the figure of \$300 000 arrived at? What was the method for working that out? Was it capital costs or operational costs?

Mrs L.M. HARVEY: The \$300 000 is just an allocation that we have from the Small Business Development Corporation.

Mr P.C. TINLEY: Why not \$200 000 or \$400 000?

Mrs L.M. HARVEY: It is \$300 000.

Mr P.C. TINLEY: Somebody came up with \$300 000—the parliamentary secretary does not know?

Mrs L.M. HARVEY: As I said before, we do not know what the demand for the service will be. We have identified \$300 000 in savings through the SBDC. We have put that into that account to start up the Small Business Commissioner program. Advertising and a range of other things will need to be done. The legislation is not through the other place yet —

Mr P.C. TINLEY: I accept the parliamentary secretary does not know how that number was arrived at. It is in the budget for one year. I see no forward estimates for it, so it probably speaks for the fact that the parliamentary secretary does not know and therefore she cannot estimate what it will cost in the future. The figure was found from within "program". What services have been cut in order to find that \$300 000?

Mrs L.M. HARVEY: No services have been cut to find that \$300 000. That \$300 000 is the saving made by moving our services to 140 William Street. It is a saving on rental.

Mr P.C. TINLEY: A rental saving, is it?

Mrs L.M. HARVEY: Yes.

Ms M.M. QUIRK: When did the SBDC move to 140 William Street?

Mrs L.M. HARVEY: I am sure the acting managing director would be delighted to tell us when she moved into the new premises; it has been a wonderful process.

Ms J.P. Finlayson: We took occupancy on 2 May 2011.

Ms M.M. QUIRK: I understand it is not on the ground floor; it does not necessarily have public access or a profile that is the same as the previous premises had.

Mrs L.M. HARVEY: It has public access. There is a front counter. One of the savings we have identified through the SBDC —

Ms M.M. QUIRK: Is it on the ground floor?

Mrs L.M. HARVEY: We have managed to make some savings in administrative costs because we now have one point of entry for all our customer contacts, instead of having three different administration desks at different points.

Ms M.M. QUIRK: Does it have street frontage?

Mrs L.M. HARVEY: No, it does not have street frontage.

Ms M.M. QUIRK: By way of supplementary information, can the parliamentary secretary provide the walk-in figures to SBDC for May last year and the same amount of traffic this year? I want to compare the two years—whether the change in location and access has made a difference.

The CHAIRMAN: Can the parliamentary secretary provide that by way of supplementary information?

Mrs L.M. HARVEY: It would be difficult to quantify that month by month. I suggest for the month of May, when the SBDC was moving, those figures would be skewed. I am prepared to provide by way of supplementary information the walk-in figures from 1 July through to 31 May last year as compared with the figures from 1 July to 31 May this year.

Ms M.M. QUIRK: Fine; whatever.

[Supplementary Information No A46.]

Ms M.M. QUIRK: Going back to the parliamentary secretary's answer about the \$300 000 cost for the Small Business Commissioner, bearing in mind that there is also a \$300 000 reduction in overall appropriations, is all that money effectively secured by rental savings or are programs being finalised or wound up?

Mrs L.M. HARVEY: The member will probably be aware that in the general course, and over the history, of the SBDC, there are always programs funded for a time and then closed down and replaced by other programs. That particular \$300 000 is an amount the SBDC identified by way of savings in the leasing costs, and also savings in shrinking its administrative full-time equivalents by concentrating its focus into one customer service point as opposed to three different points in the previous building.

Ms M.M. QUIRK: In the reduction appropriation, have any programs been wound up? I see, for example, that BiZFiT is being wound up. Can the parliamentary secretary explain why that is occurring?

Mrs L.M. HARVEY: The BiZFiT program was established as a two-year program by the Liberal–National government. It was \$1 million worth of funding for a program to run over two years. That was intended to be a \$1 million program. It is not a core service of the SBDC being wound up. We create programs to target a specific need in the small business community. We wind them up and start up another program that is tailored to the needs of the small business community at that time.

Ms M.M. QUIRK: The parliamentary secretary is saying that there are no services that will no longer be delivered or have been discontinued?

Mrs L.M. HARVEY: There are programs that are finishing and there are programs that will start up. That process with the SBDC will stay the same as per —

Ms M.M. QUIRK: With fewer resources.

Mrs L.M. HARVEY: On the matter of resources that are available to the small business community, we will not cut the core service of the SBDC.

Ms M.M. QUIRK: On page 471 there is a dot point relating to private sector mediators being subsidised by the state government. Where is that money provided in the budget and what is the quantum of the subsidy?

Mrs L.M. HARVEY: As I said, we still need to wait for this legislation to get through the other place. We anticipate that the cost of the mediation service per mediation will be somewhere in the region of \$950. Under the Victorian model, the subsidisation of that is around \$500 per mediation, with each party to the mediation paying a fee of about \$195 per mediation. As I said, we need to advertise and we need to recruit a Small Business Commissioner. We need to go through what the different roles of the Small Business Commissioner will be in the context of where he or she will sit in the SBDC. There is a range of work to be done before we start talking about how much each of the mediators will cost and what the level of subsidisation will be. I put to the member that part of that determination will also be dependent on demand for services.

Ms M.M. QUIRK: Is it contemplated that if the scheme is up and running this year, any costs associated with that subsidy will be absorbed out of the existing budget?

Mrs L.M. HARVEY: Dependent on the status of the legislation and our success in recruiting a commissioner, we will review the budget allocation for the Small Business Commissioner role at the midyear review or for next year's budget. Dependent on the progress of this legislation and our success in recruiting a commissioner with suitable qualifications, we believe that the \$300 000 we have allocated for start-up expenses will be sufficient.

Ms M.M. QUIRK: Does that include the subsidy for the mediator?

Mrs L.M. HARVEY: No. I do not think the member was listening to what I said. I said that we have not got the legislation through —

Ms M.M. QUIRK: I am aware of that; the parliamentary secretary said it eight times!

[3.50 pm]

Mrs L.M. HARVEY: We do not have a budget —

Ms M.M. QUIRK: The parliamentary secretary has mentioned a figure of \$300 000. That is for the set-up of the Small Business Commissioner. Is the parliamentary secretary saying that in the event that the legislation goes through, the Small Business Commissioner is appointed, and mediations are occurring, maybe in the latter part of this financial year, the funding for that will come out of the existing budget?

Mrs L.M. HARVEY: There is a range of functions currently being performed by the SBDC—commercial tenancy advocacy services, advisory services, and a range of other functions—that will fall under the province of the Small Business Commissioner legislation. Bear in mind also that we are looking at half a financial year's worth of Small Business Commissioner funding in this budget. It is now May. We do not know when the commissioner will be up and running; it will depend on how the legislation progresses through the other place. So, we will reassess this in the midyear review, and, if we need to put more funding into it, we will put more funding into it.

Ms M.M. QUIRK: What I am asking is: where is the provision for the existing funding? I am not saying if the demand is greater —

Mrs L.M. HARVEY: There is \$300 000.

Ms M.M. QUIRK: That is only for next year. There is no ongoing provision for it. How is it going to be managed in subsequent years?

Mrs L.M. HARVEY: I think I have said this before, but once the commissioner is established, we will be looking at a further budget allocation, either at the midyear review or in next year's budget. That will be dependent on when the legislation goes through the other place, and when we have recruited our commissioner, the functions of the commissioner and when the mediation service is up and running, and when we have assessed the demand for the service.

Mr W.J. JOHNSTON: I seek some clarification on this issue. Is the parliamentary secretary saying that the forward estimate for 2012–13 does not take account of the potential demand for resources by the Small Business Commissioner?

Mrs L.M. HARVEY: I am saying that \$300 000 has been allocated in this budget for the start-up costs for the Small Business Commissioner. There is a range of functions currently being performed by the SBDC—commercial tenancy advocacy services, advisory services, and a range of other services—that form part of the budget allocation of \$12.055 million for the SBDC. We are not saying that this is going to cost \$300 000 and that is it ad infinitum. We have allocated \$300 000 to ensure that we are covered for the start-up costs for our commissioner. That will assist us in establishing what the qualifications and roles of our commissioner should be, and it will assist us in our recruitment process. We have \$300 000 for that. So, we will not be caught short.

Mr W.J. JOHNSTON: I still do not understand that. The parliamentary secretary has said on a number of occasions that there will need to be a review of this budget allocation, either at the midyear review or in next year's budget. I want to understand why the parliamentary secretary has said that. Is the parliamentary secretary saying that the funding for the Small Business Commissioner will not fit into this budget allocation?

Mrs L.M. HARVEY: No. I am saying that we do not have our Small Business Commissioner legislation through Parliament as yet. We have not recruited our Small Business Commissioner as yet. We have not assessed what the demand for the service will be as yet, because the commissioner is not up and running. We have not advertised the service in the community. In the context of all that, we cannot come up with a budget allocation into the forward years based on legislation that has not passed through Parliament. We have allocated \$300 000.

Mr W.J. JOHNSTON: Therefore, the parliamentary secretary has gone back to where she was before—that is, once the legislation has gone through, then, either at the midyear review or in next year's budget, she will be asking for more money for the Small Business Commissioner?

Mrs L.M. HARVEY: That is a possibility, if the demand is established for the service.

Dr M.D. NAHAN: I refer to page 475 of the *Budget Statements* and the heading “Details of Controlled Grants and Subsidies”. The funding for small business centres, operational grants, has increased substantially—by about 20 per cent—between 2010–11 and 2011–12. Can the parliamentary secretary indicate what that increased funding is for?

Mrs L.M. HARVEY: That represents a \$500 000 increase in funding to our small business centres. It is an 18 per cent increase. This is the first increase that the small business centres have had since 2005. It is a significant increase. The small business centres have needed a boost to assist with the running of their centres

and the provision of services to small businesses. That extra funding of \$500 000 is the reason for the difference in the allocation from 2010–11 to 2011–12.

Dr M.D. NAHAN: Where are the small business centres located? Does the parliamentary secretary have that information?

Mrs L.M. HARVEY: The small business centres are located across the state, and they meet a range of differing needs. Their funding allocation varies from \$90 000 a year to about \$165 000 a year. Some of them are in the Pilbara and some are in the Wheatbelt, and there are also some metropolitan centres. I will ask Ms Finlayson to provide further information on that.

Ms J.P. Finlayson: There are 25 centres in the state. Nineteen of those are regional, and six are metropolitan. They range from the Kimberley to the Goldfields–Esperance and the Wheatbelt.

Dr M.D. NAHAN: So, if someone came to me and wanted to know where they could go to get information about how to start up a small business, as the local member, I should advise that person to go to one of those centres?

Mrs L.M. HARVEY: What is interesting about the small business centre network is that different centres perform different functions. A program that is being delivered in one centre may not necessarily be delivered in another centre. An example of that is the dry seasons assistance program, \$500 000, which the SBDC is delivering through the Wheatbelt small business centre. That service delivery is obviously not required in the other centres. There is quite a wide variation in what each centre offers and what each centre does. Some of the centres also have partnerships with the federal government to deliver federal programs. If a person wanted to get information about how to start up a small business, most of the centres would be able to adequately equip that person with what they would need to know.

Mr P.C. TINLEY: I refer to page 474 of the *Budget Statements*, the second paragraph, which is headed “Income”. The second sentence of that paragraph states in part that this income relates primarily to funding from Tourism Western Australia in 2010–11 for the corporation to deliver business development support and a capacity building program for Aboriginal tourism operators. Is that capacity building program for Indigenous tourism operators continuing?

Mrs L.M. HARVEY: That program is continuing for another year.

Mr P.C. TINLEY: Why only another year?

Mrs L.M. HARVEY: As I have said in the context of the programs that are offered by the SBDC, a lot of these programs are put in place for a fixed period of time, and, depending on the success or otherwise of these programs, they may be extended, or they may be wound up and a new program established that perhaps better fits with the needs of the community.

Mr P.C. TINLEY: For how long has this program been running?

Mrs L.M. HARVEY: It has been running for two years.

Mr P.C. TINLEY: It is longer than that, I think.

Mrs L.M. HARVEY: It is a Tourism WA program. Funding has been coming through the SBDC from Tourism WA to assist with the running of that program.

Mr P.C. TINLEY: Surely the government has formed an opinion by now on the success or usefulness or take-up of that program. Why give that program only one more year’s life? Why not extend it further and make an appropriate allocation for it? Surely it has been a success?

Mrs L.M. HARVEY: That is not a program that is directly funded by the SBDC. That is a program that is run by the SBDC, jointly with Tourism WA. Therefore, this is one of those programs on which we would need to have the concurrence of both ministers and a reassessment of the program as it goes through, depending on the success of it.

Mr P.C. TINLEY: Surely the parliamentary secretary should be able to make a statement in this place about how well that program is going, regardless of whatever other agencies are involved. The SBDC must have an opinion about the success of that program.

[4.00 pm]

Mrs L.M. HARVEY: I defer to the acting managing director.

Ms J.P. Finlayson: Tourism Western Australia is currently completing a tourism Indigenous business strategy. A number of new initiatives and strategies, which involve a number of agencies, are contained within that overall framework. The capacity building program that we currently operate fits into that framework and will be considered in terms of an overall budget approach with the other strategies contained in that document.

The appropriation was recommended.

Division 10: Mines and Petroleum, \$103 288 000 —

Mr A.P. O’Gorman, Chairman.

Mr W.R. Marmion, Minister for Environment representing the Minister for Mines and Petroleum.

Mr R. Sellers, Director General.

Mr J. Hawke, Chief Financial Officer.

Mr M. Banaszczyk, Executive Director, Corporate Support.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

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. This is the prime focus of the committee. Although there is scope for members to examine many matters, questions need to be clearly related to a page number, item, program, or amount within the volumes. For example, members are free to pursue performance indicators that are included in the *Budget Statements* while there remains a clear link between the questions and the estimates.

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 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 he 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 committee clerk by Friday, 10 June 2011, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers, and accordingly I ask the minister to cooperate with those requirements. 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 with the Clerk’s office. Only supplementary information that the minister agrees to provide will be sought by Friday, 10 June 2011.

It will greatly assist Hansard if, when referring to the program statements volumes or the consolidated account estimates, members give the page number, items, program and amount in preface to their question.

[Witnesses introduced.]

The CHAIRMAN: Member for Rockingham.

Mr M. McGOWAN: My first question relates to page 170, “Major Spending Changes” and “Accelerating Reinvestment in Western Australian Mine Sites”. I assume this relates to environmental bonding. I have two questions. Firstly, what is the government’s plan for environmental bonding arrangements and does it expect them to be under this agency or to be placed under another agency? Secondly, has the minister received or calculated an environmental bond for the proposed Balmoral South iron ore mine; and, if received, how much has been received and, if calculated, has the amount been transmitted to the proponent? Finally, has the proponent deposited any money for an environmental bond for that project?

Mr W.R. MARMION: I will defer to Mr Sellers for a more detailed response in a moment; however, the advice I have from the minister about the line item “Accelerating Reinvestment in Western Australian Mine Sites” is that \$5.2 million will be spent over three years on the regulation and control of mine sites. Rehabilitation has enabled faster bond and tenement relinquishment, thereby increasing opportunities for companies to reinvest in new mining developments. That is the minister’s advice, but perhaps Mr Sellers can elaborate.

Mr R. Sellers: The government has committed \$5.2 million—\$1 million in 2011–12, \$1 800 000 in 2012–13 and \$2 400 000 in 2013–14. The first part of the question was about mine site rehabilitation and bonds. Certainly the majority of that money will be spent on mine site rehabilitation approvals timelines and to undertake the assessment of mine rehabilitation performance in a timely way. The question was about bonding and whether DMP will be the responsible agency. Currently, Minister Moore has released a timetable for 50 per cent bonding in 2014. The introduced moratorium came to an end in December last year and that announcement was made at around the same time. Since then, we have been negotiating with industry on possible bonding payment options. Currently, we are negotiating with lobby groups and broader industry about different models ranging from complete cash, bank guaranteed bonds through to other options such as fidelity accounts and insurance. The idea is to have those discussions completed towards the end of this year. To work out bond amounts is, certainly, a job for the environment division of DMP. If I remember correctly the other part to the question was about Balmoral South. The Balmoral South project is still in the Environmental Protection Authority process and a

dollar amount for a possible bond is yet to be worked out by the department; although the department has been involved in preliminary discussions about the type of information needed for the closure of that site.

Mr M. McGOWAN: Does the minister have a ballpark figure for that bond?

Mr R. Sellers: Not as yet—sorry.

Mr M. McGOWAN: Does the minister have an idea when he might be able to provide an answer to that question?

[4.10 pm]

Mr R. Sellers: Guidelines on mine closures, to be released over the next couple of weeks, will set out the sorts of activities that need to be presented up-front by mining companies. For a large project with a long mine life of 20 or 30 years, the detail of the up-front information will have a quantum in terms of the number and indicative mine closure targets around amenities, and anything of particular interest—for example, acid-forming material in the waste tailings—will be known up-front.

For a long-lived mine, at the stage of approval, we would have a figure worked out with the mining company that would be indicative for the closure of that site, and we would expect the company to do that in line with the guidelines. For a short-lived mine, with a life of three to 10 years, we would expect that figure to be firm up-front, and the guidelines spell out how to go about doing that.

Getting back to back to the Balmoral South mining project, if it gets approval through the EPA process, and if we get to the stage of issuing a mining approval, we would have a bonded amount calculated with the relevant company, but components of that mine closure strategy would still be of an indicative nature and not the final form, because as we move through a 30 or 40-year mine life, things will change and community expectations about the closure may change. But certainly the preliminary work will have been done, as well as the negotiations with community and with us about what the amenity and actual closure characteristics would be.

Mr M. McGOWAN: Will there definitely be bond applicable to that project?

Mr R. Sellers: It is certainly the government's position that there is a bond applicable to that site.

Mr V.A. CATANIA: I refer to page 172 of the *Budget Statements*, and in particular the first dot point detailing the course of the government's commitment to establishing a national offshore titles administrator. How is Western Australia ensuring that there is no deterioration of approvals for offshore petroleum projects as the commonwealth takes over administration of the commonwealth matters?

Mr W.R. MARMION: I defer to Mr Sellers to provide a detailed response.

Mr R. Sellers: The commonwealth Minister for Resources and Energy and Minister Moore have reached an agreement that works on the outcomes of the Productivity Commission's review of regulatory burden on the upstream petroleum sector and the findings of the Montara Commission of Inquiry. The commonwealth government initiated some reforms to approval processes through the establishment of the national offshore petroleum titles administrator, as the member mentioned. Further to these reforms, the National Offshore Petroleum Safety Authority will be expanded to include the responsibility for integrity and environmental matters. DMP has been working closely with commonwealth staff to ensure a smooth transition and minimal disruption to service delivery and regulation of the oil and gas industry. Further reforms will take place in January 2012, when the actual responsibility for the offshore petroleum titles and services past three nautical miles off the Western Australian coastline—that is a baseline that goes around some of the islands as well—will be transferred from the Department of Mines and Petroleum to NOPSA, which will be by that stage known as the national offshore petroleum safety and environmental management authority, and the separate titles regulator, the national offshore petroleum titles administrator. Both these commonwealth agencies will be headquartered here in Perth. We are currently working on a model that will allow for DMP petroleum regulators to be co-located with that group so that it is a seamless one-stop shop for industry. That is at the stage of developing heads of agreement—a memorandum of understanding—that is yet to be signed by the ministers, but there has been good cooperation between officers on that. The main principle of that is to provide efficient and coordinated services to the industry, and the co-location will provide for some further work, as this group progresses, to perhaps streamline some of the legislation, although that activity would take place after some time. To make this take effect, the federal minister is looking to introduce legislation and we are looking to make some changes to revoke NOPSA's power in state waters. This will mean that Western Australia will have full regulatory control inside three nautical miles of the Western Australian coast and NOPTA and NOPSEMA will have full control outside that zone. There will be coordination through co-location that will allow a seamless approach for industry.

The financial impact of these reforms is yet to be finalised; however, one section of it is that the commonwealth will redirect the current registration fees that come to Western Australia to pay for the commonwealth side of the restructuring. There may be some costs incurred by Western Australia, but we already do the body of work that

is there, and so it is difficult to quantify whether there will be much beyond relocation costs. Given the department's costs are substantially cost-recovered anyway, it should not have a huge effect on the budget.

Mr J.E. McGRATH: I refer to page 170 of the *Budget Statements*, “Major Spending Changes”, and the line item, “Regulation of the Resources Industry”. Can the minister please explain or clarify what regulation is being referred to? Does it refer to mine safety; and if so, what is the department doing?

Mr W.R. MARMION: That line item, “Regulation of the Resources Industry” identifies an additional \$29.4 million to be spent over four years on the regulation of the resources industry based on the 2010–11 fees and charges review. This expenditure reflects the increase in fees, charges and levies being applied as part of the department's net appropriation towards the regulation of the resources industry. Mr Sellers might be able to give a bit more information on that line item.

Mr R. Sellers: I refer that question to Mr Hawke.

Mr J. Hawke: That line item covers the increase in fees and charges, principally the mine safety levy. The bulk of it covers the mine safety levy, and our normal fees and charges increase across the forward years, which would be petroleum titles and mineral titles.

Mr J.E. McGRATH: Does the industry put the money in and the department then uses that money to improve mine safety?

Mr J. Hawke: That is correct.

Mrs C.A. MARTIN: I refer to page 172 under “Outcomes and Key Effectiveness Indicators”. Can the minister advise me of the total number of workplace fatalities and serious injuries for 2009–10 and 2010–11 to date?

Mr W.R. MARMION: Is the member referring to a specific line item?

Mrs C.A. MARTIN: That is correct. It is “The frequency of work-related injury and disease per million hours worked”.

Mr W.R. MARMION: I will ask Mr Sellers to provide that information.

Mr R. Sellers: In the last year, there were two fatalities. I am sorry; we do not have the figures for the previous year.

Mrs C.A. MARTIN: Could that information be provided as supplementary information?

Mr W.R. MARMION: I am happy to provide those figures by way of supplementary information. The number of fatalities and serious injuries, as per the normal definition of serious injuries, in the mining industry for the years 2009–10 and 2010–11.

[*Supplementary Information No A47.*]

[4.20 pm]

Mr P.C. TINLEY: I refer to the major spending changes on page 170 of the *Budget Statements* and the line item “Regulation of the Resources Industry”. What outcomes have been achieved so far in the government's best practice safety regulation initiative?

Mr W.R. MARMION: I will ask Mr Sellers to respond to that.

Mr R. Sellers: The government has made significant progress with certain recruitment of additional staff to the Resources Safety division. The department has also committed to introducing a framework of best practice risk management and safety regulation for the industry. As mentioned before, the implementation is being funded through a cost recovery regime. That is enhancing the administration, occupational and health legislation covering the mining and petroleum industries. The mining industry was the first of those levies and the petroleum industry will be later this year.

There have been a number of independent reviews, including the Laing review in 2003 and the Kenner report in 2009. They highlighted the growth and development of the resource industry and the demand for improved regulatory safety services. Much of the recommendations in those reports went to introducing a more risk-based approach and having a better skill set in our inspectors. The people being recruited are not just more of the same; they are being recruited with an improved skill set. Going with that is a set of key performance indicators that they are regularly checked on. We have engaged with industry in the development of some of this approach around risk base so it is practically workable with industry. A senior health and safety representative from Rio Tinto has been seconded to work with that group to help with the transition. There is a tripartite oversight group called the ministry advisory panel that has a number of working groups under it that are working on the key aspects of that safety implementation. The model itself is effectively a balance between promoting the safety outcomes, monitoring and doing the compliance and enforcement. The commitment will result in more staff to service the regional areas, a more proactive audit and inspection program and enhanced response to serious

incidents and the delivery of education informative initiatives to industry based on more extensive analysis of safety and health data. As members would be aware, most mining operations, including exploration, are regulated under the Mines Safety and Inspection Act 1994, and they are the ones paying the levy. The levy is subject to annual review and is adjusted at the beginning of each financial year. The money itself sits in a trust account and can only be spent on safety outcomes under the mines safety act.

As I mentioned, the petroleum industry cost recovery model should be introduced in late 2011. However, some fees and charges already apply to dangerous goods and petroleum components of their operations and they will make sure that when we do the implementation, they are taken into account in any fee structure that is set up for that group.

Mr P.C. TINLEY: I thank the adviser for that. How many new inspectors have been employed in the past 12 months and where are they based?

Mr W.R. MARMION: Mr Sellers has this information.

Mr R. Sellers: The number of mines inspected within the Resources Safety division has certainly increased following a very successful recruitment campaign. The campaign has attracted high-level practitioners back from industry. There were three phases. From 2010 to now, the campaign has generated over 1 000 applications, which is unheard of for some of the positions that we are talking about. The skill sets are mine engineers, geotechnical and those sorts of qualifications. I have repeatedly advertised in the past and got no applicants for those roles. It was very successful this time around. What made it more successful was the attraction and retention scheme that put the salaries closer to industry. With that, and the type of work being entertained, we have been able to attract the people back and have filled 37 positions. We are in another phase of a recruitment campaign for a further 10 inspector positions, which has attracted 97 applications. Of those 37 filled positions, 23 are from outside and 14 were people who met the higher grade. Those people who were put on in the first round have to go through six-monthly reviews to get the bonus part of their salary. The first of those are undertaking those key performance indicator assessments this week.

I have recently been up in the field talking with the operators of some of the larger mine sites. They are very supportive of this change, and they are reporting back that they are seeing the new strategies and the new emphasis of the new people in the field. It has been very pleasing.

Mr V.A. CATANIA: Are there any in regional WA?

Mr P.C. TINLEY: Where are they based? Perhaps the adviser could give a full answer.

Mr R. Sellers: The full answer is that we have a facility at Cannington, where the majority of those officers are based. We also have regional centres in Collie and Kalgoorlie. In the round of recruitment, we were able to recruit some very senior people into the Kalgoorlie area, which we were very pleased with. The north west is serviced out of the metropolitan area, and, depending on the skill set, we will sometimes take people from Kalgoorlie or Collie as well. Unfortunately, we have not been able to fit into the model the cost of running people from a house in Karratha to service the Pilbara. As it gets more normalised up there, we hope to build on our presence in the town. We already have a tenement presence there. Compared with putting the key staff up there and to get them from a key location in the Pilbara to another mine site is more efficient from Perth at the moment.

Mr P.C. TINLEY: Is it possible via supplementary information to get a breakdown of exactly who is in what centre, as in the number of inspectors in each centre and the regions that they cover?

Mr W.R. MARMION: I can do that. There are currently 67 inspectors and there were 44 previously. There has been an additional 23. We can provide the current locations of the 67 inspectors.

Mr P.C. TINLEY: Where are they currently and where are they projected to be when the new round comes on?

Mr V.A. CATANIA: Perhaps I can add to that. Would it be possible to find out how many times they go to the Pilbara? Is it a two weeks on, one week off scenario?

Mr R. Sellers: Certainly. Just so that people are aware, it is not a static thing. We get people moving in and out of this area. We are constantly replacing them. The campaign that I was referring to was specifically around the new skill set, and the new way of doing business and working with that skill set.

The CHAIRMAN: Can the minister outline the supplementary information that will be provided, because a few bits have been thrown in.

Mr W.R. MARMION: We will provide information on where the current 67 inspectors are based and where they go. We can estimate or predict where the 10 new inspectors that we are putting on will be based and where they will go. Further, we can give a bit of an idea about how long they spend in each location as a percentage of their working time.

[*Supplementary Information No A48.*]

[4.30 pm]

Mrs C.A. MARTIN: I refer to page 170 of the *Budget Statements*. Under the heading “Major Spending Changes” is the line item “Kimberley Science and Conservation Strategy”. What is the relevance of this survey for the strategy, and what are its aims? The other part of the question is: how will the allocated funds be spent?

Mr W.R. MARMION: The government is committing to funding \$3 million over three years—\$730 000 in 2011–12, \$1.135 million in 2012–13 and \$1.135 in 2014–15—to enable the Department of Mines and Petroleum to carry out baseline geochemical and geophysical surveys of the Kimberley basin, which is part of the Kimberley science and conservation strategy. It is proposed to carry out three baseline geochemical and geophysical survey programs, together with strategically targeted outcrop mapping that will inform science and conservation studies by other agencies and groups. The multi-element geochemical data, which will cost \$2.535 million, is for the collection of both soil and rock on a five-kilometre-by-five-kilometre grid over approximately 88 000 square kilometres of the Kimberley region. There is a gravity survey at a cost of \$140 000, collecting at 400 metre spacing along 1 100 kilometres of public roads across the Kimberley basin. There is also a magnetotelluric survey—that is a new one for me—following the same lines that the proposed gravity survey traverses. This initiative will enable the state to take responsibility for big picture, baseline geoscience surveys that will inform science and conservation studies by other agencies and groups and improve understanding of the geological framework that underpins the development of the iconic and unique landscapes and soils of the Kimberley.

The improved understanding of Kimberley geology will feed into exploration and targeting models for adjacent under-explored regions and contribute to Department of Environment and Conservation projects—which is very useful—on biodiversity, agriculture and landforms, and also enhance Tourism WA’s programs. DMP will provide high-quality geo-tourism products with maps and books, and contribute to signage for both DEC and Tourism WA that explain the formation of the rocks and landforms in the Kimberley region. The proposed program differs in content and intent to geological surveys being conducted in the Kimberley as part of the exploration incentive scheme. Aeromagnetic and radiometric surveys being undertaken as part of EIS focus on the production of pre-competitive geoscience information used by companies for exploration targeting. The traverse-style geophysical surveys and broad-scale geochemical surveys being undertaken as part of the proposed Kimberley science and conservation initiative are aimed at revealing crustal structures and obtaining baseline geochemical information for agencies undertaking landscape and biological-based projects. That is a bit different from normal minerals information.

Mr I.M. BRITZA: I refer the minister to page 172 of the *Budget Statements*, under “Outcomes and Key Effectiveness Indicators”, and the indication of an improvement in percentages of approvals completed within the agreed time frame. Could the minister explain that progress and the relationship with the increased transparency of the approvals process for the resource sector?

Mr W.R. MARMION: Since being elected, the government has committed considerable resources to creating an efficient and transparent approvals system for the state’s resources sector. Actions include restructuring the old Department of Industry and Resources—DOIR—to establish the Department of Mines and Petroleum, which from 1 January 2009 has been the lead agency in regulating the resources sector. Approvals reform work continued on implementing the recommendations of the government-endorsed industry working group report of 2009. The majority of these recommendations have been either implemented or are being addressed at the moment. A number of administrative initiatives have been implemented that have not only improved the current system, but also provided the foundation for more fundamental reform. These include the implementation of the lead agency framework to improve the coordination of project approvals across approval agencies; the implementation of new lead agency working agreements to improve coordination and communication between key approval agencies; the publication of agency approval performance measures against targeted time lines; the publication of lead agency project proposals listing on the DMP website; the review and improvement of approval guidance material to assist project components; the expansion of online approval application and tracking systems, which is a really important one; and a fundamental shift from industry paper applications to electronic lodgement, with 47 per cent of all mineral exploration applications now online, providing for the lodgement of mining tenement applications at any mining registrar office or online—these include key processes such as operations report, expenditure on mining tenement, form F; objection, which is a form 16; application for exemption, which is a form 18; and application for mining tenement, which is a form 21. These reforms also include rationalising outdated standard environmental conditions, release of new Aboriginal heritage guidelines, improvements to the Aboriginal heritage site register and the Aboriginal heritage information system; remapping of outdated large buffer zones to improve site protection and increase certainty for land users; improved new EPA environmental assessment industry guidelines; review and clarification of government conservation and mining policies related to banded iron formation areas in the Mid West—which the member for North West would probably be aware of—and the development of a prototype for a whole-of-government statutory approvals tracking system for major or significant project proposals. In addition to these administrative reforms,

long-term legislative amendments and more fundamental reforms are also being considered which will further benefit the resources sector.

Mr J.E. McGRATH: The minister raised the issue of approvals. The length of time it takes for some of these approvals to be processed has been an ongoing complaint in the mining sector. Can the minister give us some idea about the time it is now taking for approvals, and what percentage of approvals are being completed within the agreed time frames?

Mr W.R. MARMION: That is a very good follow-up question and I will allow Mr Sellers to give the member that data.

[4.40 pm]

Mr R. Sellers: I might just stick with mining tenement applications at the moment and set the context a little. In 2008, we had 3 860 mining tenements; in 2009, there were 4 770; and in 2010, 4 925. They have gone up substantially in three years. Let us look at some examples of that. We have agreed on different numbers of days with the industry. For a miscellaneous licence, for example, there is a 65-day time rule. For the year ending April 2009, there were 211, of which 19 did not make that time line for whatever reason, which is nine per cent. I will give the member some broader information. We have been analysing putting the approvals performance out on the web since 1 January 2009. It is showing that an increased percentage is being finalised within target guidelines. We were talking about one type there. For example, in the March quarter of 2009, 60 per cent of mining proposals were finalised within 30 business days. In the March quarter of 2011, 85 per cent were being finalised within 30 days. There have been similar improvements over all the other key indicators. Basically, having the information out there quarterly provides a guide for industry and for the people doing it within the department. Our electronic tracking system allows a proponent to actually see where their proposal is and whose desk it is sitting on. It includes the officer's name. If they think it is sitting on someone's desk too long, they can ring them directly and say, "Richard, why is this one still sitting on your desk?" I will say, "I'm just finalising it or I am doing X, Y and Z with it." Having that transparency has been a big driver, as well as having improved systems for dealing with it. If we did not have those electronic systems, I do not think we would have been able to deal with the massive growth. There are over 1 000 extra tenement applications. The whole system has gone from having roughly 4 000 to 7 000 approvals a year for the agency. The actual time lines over that three-year period have been reducing, as is the number not completed by that period.

Mr V.A. CATANIA: Further to that question, on the same line item, when it comes to processing mineral title applications, is that the same sort of process that has been undertaken with the other applications?

Mr W.R. MARMION: I will ask Mr Sellers to answer that question.

Mr R. Sellers: We have certainly brought different systems online at different times. The general answer is yes for all those things. Whether it is an exploration or a mining approval, we are working on electronic systems for tracking and monitoring. All those times have been moving down, and more are being completed in the allocated time frame. Since we moved into the lead agency model, we have some allocated case officers in the department. If there is a group that has applications—rarely they will have one application at a time; they might have 10 or 11 or many more than that—and if there are some that are not meeting the requirements, the case officer works directly with that company to see what the issue is and whether it can be dealt with in a time frame.

The other part of the transparency is that it really shows the process. Sometimes there are delays; it will go back to industry, and they are working on an issue. It clearly records when it is sitting with the company, and it records that as downtime and not part of the process. It has put the heat on from both ways.

Mr P.C. TINLEY: I note at page 170 under "Major Spending Changes" and "Mining Tenement Refunds" the amount of \$8 million actual is listed. How many tenements does that relate to?

Mr R. Sellers: Unfortunately, I do not have the exact details. We certainly can look those up for the member.

Mr P.C. TINLEY: Can we have that by way of supplementary information?

Mr J. Hawke: I think originally there were something like 5 000 tenements, for which people had put in an application for a tenement that had the rent and the application fee paid. Back in 2006, a change in the legislation allowed them to be reverted to an exploration licence and they have been progressively coming through at the option of the tenement holder. It has been fairly difficult to determine the number. It is at their option. Therefore, when they choose to revert under the change in the legislation, they get their rent money back and they convert it to an exploration licence. That is how they get the refund.

Mr P.C. TINLEY: But there is no capacity to find out.

Mr J. Hawke: We can find out the numbers that we have dealt with and possibly what is left.

Mr P.C. TINLEY: I note that there are no future projections for what I would consider work in progress that is not work in progress anymore. There is no allocation for that.

Mr W.R. MARMION: Perhaps we could explain why there is no further allocation. Presumably they have been transferred over.

Mr J. Hawke: Originally, when this proposal was put forward, an increase in the fees was made so that over a long period government revenues would not be disadvantaged. As we are dealing tenement by tenement, it is very difficult. It would probably take us 12 officers to manage it. The easiest way to do it is by way of a global refund. If someone has a tenement and they want to revert it to an exploration licence at their option—it could happen tomorrow—they would make an application, and we would make a refund of the original rental. That is what that refund is for. It has been, if one likes, a global sum, but it is not easy to determine exactly the number left to go. We can certainly try to get some estimates. That is the problem we have had.

Mr P.C. TINLEY: By way of supplementary information, I would like to know what makes up this number.

Mr W.R. MARMION: I will see whether I can paraphrase what we will be providing. In terms of this particular line item, on page 170 to do with mining tenements refunds, we can provide what those two lots of \$8 million refer to in terms of the number of tenements to which they apply—or an estimate thereof.

Mr J. Hawke: If we can, we will certainly do that. The difficulty has been that we have not always been able to determine that accurately.

Mr W.R. MARMION: We will make our best estimate, Mr Chairman.

[Supplementary Information No A49.]

Mr V.A. CATANIA: Page 176 lists the income statement from state government. I notice that there is money from the royalties for regions fund. Can the minister elaborate on how that money is being used and whether it is providing any assistance to the industry?

Mr W.R. MARMION: I can start off the answer. I will allow Mr Sellers, if he wishes, to add extra.

The royalties for regions fund provides funding for the exploration incentive scheme aimed at encouraging exploration in Western Australia for the long-term sustainability of the state's resources sector. The funding allocation is \$80 million cash—which is a lot—over five years. The remaining funding spread over 2010–11, is \$24.6 million; \$23.3 million in 2011–12; and \$12.9 million in 2012–13. There is also funding for the regional alternative energy mobilisation project, which is to address barriers to developing onshore, unconventional energy resources, particularly in regional Western Australia. The scheme is to be funded through the exploration incentive scheme to the amount of \$20.6 million over three years, beginning in 2011–12 with \$3.6 million. In 2012–13, it will be \$13.5 million, and in 2013–14, \$3.5 million. Perhaps Mr Sellers might be able to elaborate more on the actual funding.

Mr R. Sellers: The drilling component of it is \$26.9 million. That is broken down into the industry–government co-funded exploration drilling of \$20.9 million. There is \$6 million for stratigraphic work, which is the very deep holes, to ensure we get a good understanding of the geology. There are geophysical and geochemical surveys. Airborne geophysics is the major component at \$21 million. A lot of that is getting flown as we speak. Ground geophysics and geochemistry is \$11.5 million. Three-dimensional geological mapping—that is, interpreting and producing a product that people can use—is \$13.8 million. To promote this strategic research with industry, the Minerals and Energy Research Institute of WA—MERIWA—has \$1.4 million. I can give a breakdown for MERIWA later if people want. To embed researchers in the industry for specific areas such as for deep exploration techniques, there is an allocation of \$900 000. For sustainable working relations with Indigenous communities, there is \$2 million in petroleum; and in minerals, there is \$1 million in petroleum. That totals 80 million over those years.

The regional alternative energy mobilisation project was mentioned. In oil and gas exploration, smaller companies, and even larger ones, often form what they term a club. Members of the club work together to get a particular piece of gear in, and they share the mobilisation cost. It might be an offshore platform that is shared between Shell and Woodside, for example. The problem with tight and unconventional gas onshore is that not many rigs in Australia in total, and only one in Western Australia, are capable of doing a lot of the work required for unconventional gas. There is a range of companies that want to look for it, but they cannot afford the mobilisation costs of one of these very large rigs to come in.

[4.50 pm]

We have been working with industry through a consultant to see whether it can form a club and commit to a certain amount of drilling time. The government will then look to amortise some of the mobilisation costs to make each drill hole a bit cheaper for industry to get active. That is the basis of the possible \$20.6 million spend. That money will not be spent unless industry cooperates as a group and the decision is made by government that it is a good investment to help mobilise a particular piece of gear, such as drill rigs, fracturing equipment and the specialised equipment needed to get the tight gas out of the ground.

Mrs C.A. MARTIN: I refer to page 176 of the *Budget Statements* and item (d) under “Income Statement”. For each of the royalties for regions funding mentioned, can the minister outline to which programs the money is allocated?

Mr W.R. MARMION: I think we just gave the answer.

Mrs C.A. MARTIN: I want more. I want the Kimberley bit.

Mr W.R. MARMION: I do not know whether we can break it down to the percentage that might be allocated to the Kimberley, because we do not know what the mining —

Mrs C.A. MARTIN: We want the Kimberley stuff. The minister should not worry about the member for North West.

Mr W.R. MARMION: I do not think it is possible to guess where that money might end up going in the Kimberley.

Mr R. Sellers: Certainly different aspects of the funds are spent where there are gaps in the industry and scientific knowledge of the area. We could easily go back and show where each dollar is being spent. I do not have that information in front of me at the moment.

Mrs C.A. MARTIN: Can the adviser get that information?

Mr R. Sellers: We can certainly get a breakdown of what has been spent in each region.

Mrs C.A. MARTIN: That would be helpful for me. It is great that the Pilbara and the Mid West have some funding, but I am more interested in the Kimberley.

The CHAIRMAN: Can the minister tell us what information he will provide?

Mr W.R. MARMION: I think we will keep it pretty general in terms of regions. We can provide information on the Kimberley, Pilbara, Mid West and South West.

Mr R. Sellers: We will provide the breakdown on the regions set by royalties for regions. We have that information at the agency. It is simply a matter of looking it up to provide as supplementary information.

Mr W.R. MARMION: We will provide the breakdown of where the royalties for regions money is going in terms of mines in the regions designated under the royalties for regions scheme.

[*Supplementary Information No A50.*]

Mr P.C. TINLEY: I refer to “Resource Sector and Dangerous Goods Regulation” at page 173 of the *Budget Statements*, and note 2 under “Explanation of Significant Movements”. Have any audits or inspections been conducted using the risk-based approach; and, if so, how many?

Mr R. Sellers: Is the member talking about the increase in income and what activity has been undertaken as part of that?

Mr P.C. TINLEY: Yes.

Mr R. Sellers: As set out in the papers, there has certainly been an increase in our budget. That budget has been to set up —

Mr P.C. TINLEY: Sorry.

Mr R. Sellers: Does the member want me to comment on only dangerous goods?

Mr P.C. TINLEY: Sorry. Note 3 is more relevant to my question.

The CHAIRMAN: Is the member for Willagee referring to “Explanation of Significant Movements”, note 3, which is the bottom note on the page?

Mr P.C. TINLEY: Yes, I am referring to the end of the first sentence in note 3—“inspection programs move to a risk based approach”.

Mr R. Sellers: The number of full-time equivalent employees has increased by five from the 2010–11 estimated actual to the 2011–12 budget target. The increase is due to an increase in the FTEs allocated to the regulation of the Gorgon project. The increase of 44 FTEs from the 2009–10 actual to the 2010–11 estimated actual was due to a range of “Others” outside dangerous goods, which I can go into if the member wants me to. The measure of “Average Weighted Cost per Safety Regulation Service—Dangerous Goods” is the total cost of dangerous goods regulation divided by the weighted number of units of information and education, licensing services and investigations undertaken by the Resources Safety division. An increase in the issuing of licences is anticipated due to a reversion of a three-year licence to a one-year licence. That is being staged in to allow licensees to reduce the average cost of their licences without having a big hit when it reverts from three to one.

Consequently, the average cost of safety regulation services will be reduced. A bit of that is an artefact of going from three-year licences to one-year licences.

Mr P.C. TINLEY: We understand the protocol or methodology for moving to a risk-based approach, but has the department done any audits under the new risk-based system yet; and, if so, how many?

Mr R. Sellers: A risk-based approach in our areas of safety has been developing over a period of time.

Mr P.C. TINLEY: Have any audits been conducted using that new system?

Mr R. Sellers: Does the member mean audits for dangerous goods?

Mr P.C. TINLEY: For anything.

Mr R. Sellers: Audits have been undertaken at sites.

Mr P.C. TINLEY: Have those audits used a risk-based approach?

Mr R. Sellers: I probably need to put it in context. I have talked about the ministerial advisory panel and the working groups under that panel. One of those groups is dealing with the prescriptive detail on a risk-based approach for mine sites. Although risk-based audits for mining have been undertaken in the past, those audits are not the ones being generated now for the future. For a number of years the department has been using a risk-based approach in the petroleum sector that is much in line with the offshore work done by the National Offshore Petroleum Safety Authority. When the department goes onto a site, the approach is based on the highest risk component of the safety case plan for that site. For petroleum, it is an ongoing risk-based approach, and for dangerous goods it is an implementation. I do not have the background for dangerous goods. For mining, yes, risk-based assessments have been done, but a new strategy is being developed that will be implemented later this year. There has been a risk-based approach for petroleum for a number of years. The strategy for dangerous goods is in the process of being developed.

Mr P.C. TINLEY: Have no audits been undertaken for dangerous goods at this stage?

Mr R. Sellers: I am unsure about risk-based audits, but the department has certainly been using a risk-based approach to visit sites. There are, however, many petroleum service stations in Western Australia. The department therefore uses an approach to work out that there is only a certain number of people in dangerous goods and it can visit only a certain number of sites. The department then works out which sites it thinks might be high risk due to age or the last time the sites were visited. The department targets those sites. Sorry for being pedantic, but we are trying to implement the risk-based audit approach as a holistic model. The detail of the strategies for each of those areas is being worked out. The strategy for petroleum is pretty much settled. The strategy for mining is in the process of being settled. There is still some way to go on the dangerous goods strategy. There is a risk-based approach about how they do their business. That is based upon, as I said, age of the equipment at the site, when it was last visited, whether it was problematic the last time they visited, and whether they achieved the safety notices and other things that were issued. So, yes, that is in existence.

The appropriation was recommended.

[5.00 pm]

Division 11: Fisheries, \$49 749 000 —

Mr J.M. Francis, Chairman.

Mr W.R. Marmion, Minister for Environment representing the Minister for Fisheries.

Mr S. Smith, Chief Executive Officer.

Mr B. Mezzatesta, Director, Regional Services.

Dr D. Gaughan, Acting Director, Research.

Mr B.R. Power, Acting Director, Corporate Services.

Ms H.G. Brayford, Director, Aquatic Management.

[Witnesses introduced.]

The CHAIRMAN: It is my intention, unless anyone objects, to not read out the Chairman's statement again. The member for Kimberley has a question.

Mrs C.A. MARTIN: I refer to the subheading "Major Spending Changes" on page 180 and the line item "Barramundi Stocking in Lake Kununurra". How many barramundi fingerlings will be released through this program; and, of that number, what percentage of fingerlings is it estimated will be lost out to sea? I want some understanding of the losses. Given that a lot of research has been undertaken by the Department of Fisheries, has anything been done about providing funding for a fish ladder at Lake Kununurra? Previous governments have talked about it, but it is really important to the health of Lake Kununurra. There are three parts to my question.

Mr W.R. MARMION: I will do an introduction and allow Mr Smith to provide the detailed response. This particular item relates to additional recurrent funding totalling \$695 000 from this year over the budget and forward estimates period. It will allow, as the member mentioned, restocking of barramundi into Lake Kununurra.

Mrs C.A. MARTIN: About how many?

Mr W.R. MARMION: I will get to that. It will greatly increase recreational fishing and tourism in the area. In terms of specific numbers into the ocean, I will ask Mr Smith to provide that extra data.

Mr S. Smith: This project is very much a new approach for us. We have really been getting into stocking in recent times. In fact only a few weeks ago I was in Dampier Creek releasing some barramundi up there for Broome fishers. That was a very small scale release of about 1 000—they were not fingerlings, they were actually about a foot long.

Mrs C.A. MARTIN: They were a good size.

Mr S. Smith: Yes; a catchable size.

Mrs C.A. MARTIN: Give them a couple of seasons; I'll be right there, mate!

Mr S. Smith: I do not know the actual number for this particular release of barramundi into Lake Kununurra. I can certainly check that for the member.

Mrs C.A. MARTIN: If you could, please.

Mr S. Smith: It is certainly on a much larger scale than the release in Dampier Creek. It would be a quantum increase on those numbers. The project itself will have research with it. At this stage we do not know how many will end up downstream. It will depend in part on the weather conditions, because it may be that some of them end up downstream as a result of flooding.

Mrs C.A. MARTIN: Those redclaw might eat them all!

Mr S. Smith: Perhaps. We will see what happens during the program. Part of this project is about seeing what happens with them. We would like to see tagging occur with it. That is what we did in Dampier Creek. All fish released there have been tagged. We will get the findings from that over the next two to three years. That will help inform the best way of stocking, in Lake Kununurra anyway. But the experience in other states, particularly stocking of lakes in Queensland, has been highly successful. It has virtually led to a new industry emerging there for recreational fishing, related to tourism. We certainly think this project has the potential to do the same sorts of things in the Kimberley. We expect it to be very successful. As I say, there is a lot of research to be done around the project to make sure it is successful.

Mrs C.A. MARTIN: Will those fingerlings be big enough to tag before they are released? Is the new lot tagged?

Mr S. Smith: We would like to tag all of them if possible—we certainly think it will be. In terms of the size, tagging will not be a problem irrespective of whether they are fingerlings or larger size —

Mrs C.A. MARTIN: They will not be that big, though, will they?

Mr S. Smith: No. However, we can in fact tag fish of that size. We tag marron, for instance. We have also tagged some of the freshwater fish that we release into lakes and things around Perth. We use different types of tags, of course. For the ones released into Dampier Creek, the tags were a couple of inches in length. We tried a couple of different types of tags. We also have different forms of tagging—some are virtually the size of a pinhead. They can be seen under fluorescent lights and so on. It depends on the nature of the fish—how big it is and what we are trying to achieve from the tagging—as to how big the tags are and what form they will take.

The other part of the member's question related to the fish ladder. We have been looking at whether we can put in place a fish ladder. We see some merit in a fish ladder. A lot of work has been done to put together a business case, as the member is probably aware. The cost of it is in the order of \$5 million, which is somewhat prohibitive. It would achieve, we think, the same sort of outcome that we will get through this stocking program in generating a recreational fishing experience in Lake Kununurra.

Mrs C.A. MARTIN: We're over catfish, mate!

Mr S. Smith: I can understand. This particular initiative will cost just under \$700 000 over four years versus \$5 million for a fish ladder. We think it is an economic way to go. We will see what the research findings come up with. In the meantime we have implemented some fish ladders around the state, on a smaller scale, but we have been implementing some. The findings from that might well lead us to look at fish ladders for places like Lake Kununurra in the future.

Mrs C.A. MARTIN: What is the difference between a fish ladder, and a fish lift, which I think was talked about for Kununurra? I know that a ladder is a staggered approach, whereas a lift actually zooms them up and dumps them in. Is that correct?

[5.10 pm]

Mr S. Smith: Yes.

Mr W.R. MARMION: We would all like to know what is the difference between a fish ladder and a fish lift. Mr Smith will assist.

Mr S. Smith: That is my understanding of it as well. A fish ladder is essentially a series of pools, and the fish go up in gradual stages, whereas a fish lift is essentially lifting them up, as the name would imply. I will check with Dr Gaughan, who is the head of our research division, because he may be able to elaborate on the difference.

Dr D. Gaughan: That pretty much covers it. A fish ladder is a series of staged pools. A fish lift, I guess due to the nature of the morphology of the land there, is a tank of water, and you just lift it up, open up the top, and the fish swim out.

Mrs C.A. MARTIN: Can we have a choice, then? Can we have both?

Mr W.R. MARMION: I will ask Mr Smith to answer that question. He also might elaborate on the difference in cost, because it sounds to me as though a lift might incur a recurrent cost to the state.

Mrs C.A. MARTIN: There are two different seasons, so we could have a lift for the dry and a ladder for the wet—fish stock for all seasons!

Mr S. Smith: I cannot fault the intent! We would certainly like to have a multitude of things there, including fish ladders, fish lifts, and the possibility of stocking. Funding is obviously the constraint. We think stocking is the most cost-effective way of achieving the outcome that we are after.

Mr M.P. MURRAY: I refer to page 180, the heading “Major Spending Changes”, and the line item “Northern Fisheries Protection—Recreational Fisheries Compliance in the Pilbara and Gascoyne”. How many extra fisheries officers does this additional funding equate to, and how many fisheries officers are there in total?

Mr V.A. CATANIA: Is that a personal question?

Mr M.P. MURRAY: I’m over it!

Mrs C.A. MARTIN: Don’t pick on him! He was only caught once!

Mr W.R. MARMION: We will not talk about marron, Mr Chairman! I will defer to Mr Smith to answer this question about the actual numbers.

Mr S. Smith: We expect that the \$200 000 will be sufficient to employ one community education officer, who will deliver school-based education programs and promote the department’s activities in the Pilbara and Gascoyne regions. The funding at the moment is for only one year. We would be keen to see additional funding in future years so that we can continue those activities. We think there is a great need for it, given the expansion of activity through the resources sector, particularly in the north of the state. We think this need will continue into the future. But this one year will give us the opportunity to demonstrate how significant that need is, and for us to then go back to government and seek ongoing funding if it is warranted.

Mr V.A. CATANIA: How many fisheries officers are there between Kalbarri and Broome, covering obviously the Gascoyne and the Pilbara? Given that the Gascoyne and the Pilbara have probably the highest number of boats in this state per head of population, it would be nice to know how many fisheries officers there are in that area.

Mr W.R. MARMION: Fisheries has all that data on that across the state. Mr Mezzatesta is the best person to answer that question.

Mr B. Mezzatesta: I will run through the list of fisheries officers in the north of the state: Exmouth, four; Denham, five; Carnarvon, seven; Karratha, three; Broome, 12; and Kununurra, one.

Mr V.A. CATANIA: Given that the Pilbara has the highest boating population in Western Australia, why are there only two fisheries officers in the Pilbara?

Mr W.R. MARMION: It may be that they are all honest boaties in the Pilbara! Mr Smith may be able to provide an answer to that question.

Mr S. Smith: In the allocation of staff around the state, it is obviously a matter of trying to balance priorities. The population centres are obviously around the metropolitan area, and in different places around the coast. We try to allocate our staff according to the areas in which we have the greatest need. What we have done in the last

12 months is introduce mobile patrols. We have found that mobile patrols are particularly effective in increasing our capability up and down the coast. Fishing around the state is obviously seasonal, depending on what particular species and so on are being pursued. Therefore, there are times when activity is greater in the north of the state versus the south and so on. We are using the mobile patrols to increase our presence, and also to move staff between areas and seasons, so that we can ensure that we have a good presence at places like the boat ramps during the busy time in a region, whether it be the Gascoyne, the Pilbara, the Kimberley, the south coast or elsewhere. It is also a matter of looking at what the need is. We have a number of ways of ensuring compliance. One of those is at-sea compliance. We have fisheries vessels, and we board other vessels at sea. Given the number of vessels in the north, it is important that we have a presence. But we have other tools as well. For instance, we go to boat ramps, because the boats that are launched have to come to shore somewhere, so we can cover a large number of people by having a significant presence at boat ramps. We have also introduced cameras at some boat ramps, and that helps from not only a compliance perspective but also a research perspective. It is about more than just the number of staff, although we have increased staffing, and we have improved the way in which we deploy those staff.

Mr V.A. CATANIA: Just to focus on Karratha, do the fisheries officers have the ability to go out to the islands with the current vessel they have? How far out to sea can they go to ensure that they can catch or monitor fishing practices? I often hear of people going for their lives and catching as much fish as they possibly can, and then going to the islands further out and filleting the fish, freezing them and bundling them together, and often people cannot see whether they have caught undersized fish or fish that they should not be catching.

Mr W.R. MARMION: I am interested to hear the response from Mr Smith.

Mr S. Smith: We have also heard those reports, and we share the member's concern about that. We have heard reports of people catching large volumes of fish, filleting it and freezing it and sending it back to Perth, and continuing on with fishing. We do not think that is particularly appropriate or in keeping with what we are trying to achieve for recreational fishers in this state, and we would like to see that sort of practice stopped. We are looking at measures such as a ban on unaccompanied consignments of fish. But, before we introduced anything like that, we would first go through a consultation process. The minister has directed us to work on the statewide fisheries review, which will look at simplifying and strengthening some of our rules. That will deal with some of those sorts of issues.

The member also asked about vessels. The department has a range of vessels located around the coast. Some of those vessels are located at particular offices. Each office, typically, has at least one small vessel, and the vessels vary in size, depending on the need. We also have some patrol vessels that move around near the coast depending on the need. We allocate a certain number of days of the patrol vessel's time to each region, based on where we think the risks are. For instance, if we think there will be a need in the north, we will allocate a certain number of days to the bigger vessels to go into deep water. Bear in mind, we have responsibilities out to 200 nautical miles because our responsibilities extend into commonwealth waters—not just state waters—and therefore we have the capability of going into those waters, and we do that. We also make our vessels available for other government agencies such as the Department of Environment and Conservation.

[5.20 pm]

The CHAIRMAN: The member for Kimberley has been angling for a question!

Mrs C.A. MARTIN: Yes; thank you very much. You are very kind, Mr Chair. There are two parts to this. First of all, in the last year, how many professional or commercial fishers and recreational fishers have been prosecuted—not counting the fellow in Broome—by the department?

Mr W.R. MARMION: I wonder whether the member can direct me to the page and line item in the *Budget Statements*.

Mrs C.A. MARTIN: It is about the same issue.

Mr W.R. MARMION: I defer to Mr Smith.

Mr S. Smith: I will get Mr Mezzatesta to comment. I am not familiar with the specific numbers of prosecutions, although I will add before Mr Mezzatesta speaks that in the past 12 months we have been trying to ensure that our focus on compliance is not just about prosecutions. We have put a lot of effort into making sure that we are getting the message out there that Fisheries is around. We think the vast majority of fishers will do the right thing if they know what the rules are, some will do the right thing if they think there is a reasonable prospect of coming across a Fisheries officer, and then there is a small minority who will try to get away with anything. They are the ones whom we want to target for prosecution. For the other group, we have focused on increasing our presence; and have therefore been doing things that we have not always done in the past, such as working with the police force. An example is joint roadblocks. When the police pull over a vehicle to breathalyse the driver, we also check whether any illegal fish are on board the vehicle.

If I can, I will take a moment to share an anecdote. One of the first roadblocks we participated in at the invitation of the police was on Forrest Highway. The police found several drink-driving breaches and we found in excess of 40 undersized marron breaches on that day.

Mrs C.A. MARTIN: Crustacean offences!

Mr S. Smith: Yes; and that was on an inland road. We have followed up those roadblocks and have in fact been fortunate enough to stop people from this place—none with any undersized product—and our profile has been on the rise.

Mrs C.A. MARTIN: The message is getting across.

Mr M.P. MURRAY: There is always a problem when we do something very well!

Mrs C.A. MARTIN: We adapt!

The CHAIRMAN: Members will stop baiting each other! Please continue, Mr Smith.

Mr S. Smith: We have also made sure our fisheries officers walk the jetties during the tourism season to talk to people and hand out promotional information. Our mobile patrols are very prominent, with bright livery. We also have vehicles without much livery for surveillance and other operational uses.

Mrs C.A. MARTIN: Yes, at Willie Creek and places like that!

Mr S. Smith: The main point is that from our perspective compliance is not just about prosecutions. However, Mr Mezzatesta may be able to assist.

Mr W.R. MARMION: Mr Chairman, I do not know that Mr Mezzatesta has the data. It is however published in the annual report and we could dig that information out and provide it by way of supplementary information. Does the member want it on a year-by-year comparison and broken into regions?

Mrs C.A. MARTIN: Yes; because the Kimberley is very important, as the minister knows!

Mr W.R. MARMION: I thought the member might like the Kimberley highlighted.

Mrs C.A. MARTIN: It should be top of the list.

Mr W.R. MARMION: Mr Chairman, I am happy to provide by way of supplementary information a breakdown of the number of prosecutions in the different regions of Western Australia comparing this year's figures with last year's figures.

The CHAIRMAN: I am happy that the minister has explained the supplementary information that he will provide.

[Supplementary Information No A51.]

Mrs C.A. MARTIN: I have one more question before we close this division. Of the 12 positions located in the Kimberley—I know it sounds a lot—how many are dedicated to monitoring the pearling industry?

Mr W.R. MARMION: I defer to Mr Smith.

Mr S. Smith: If I were to get Mr Mezzatesta to answer that, I suspect that his answer would be that those staff are not allocated full time to any one particular fishery. Our fisheries officers operate across a range of fisheries.

Mrs C.A. MARTIN: Exactly.

Mr S. Smith: At certain times of the year they will focus on barramundi and at other times they will focus on other species, depending on where the greatest need is.

Mrs C.A. MARTIN: But the Kimberley is the only region that regulates the pearling industry and we therefore need 12 fisheries officers. I am just making a point. Thank you.

Mr P.C. TINLEY: I refer the minister to page 180, “Major Spending Changes” and the line item specific to “Aquatic Biosecurity”. Does the department still inspect vessels overseas? Noting the point about the 200 nautical-mile limit, what procedures does the department have in place for the inspection of tourist vessels from interstate and overseas?

Mr W.R. MARMION: They are very good questions. It is an important issue. I believe there have been some problems with mussels in some ports. Perhaps, Mr Smith will answer this one.

Mr S. Smith: I will answer the first part of the question and then hand over to Ms Brayford to fill in the rest of the details.

The first part of the question was about the number of vessels we stop outside WA waters—out at sea. Our responsibilities for aquatic biosecurity are limited to state waters; the commonwealth has its own aquatic biosecurity arrangements for commonwealth waters. We have been working with the commonwealth over the

past 12 months on how best we can ensure a smooth interface. We do not want to be stopping vessels that the commonwealth is regulating if we can avoid it. Obviously, if there is a risk to the state that the commonwealth is not covering, we will stop those vessels and take action if it is required. However, we are trying to work with the commonwealth wherever possible, and we have been successful in that work. In terms of the funds and the purposes for which they are being allocated—I will hand over to Ms Brayford.

Ms H.G. Brayford: Thank you. We have a number of aquatic biosecurity obligations through the state for those waters inside three nautical miles and, also, by arrangement with the commonwealth because of the movement of vessels across the three nautical mile limit. This funding will assist us to put in place more risk-based assessment processes and procedures that will allow us to focus on the high-risk vessels, including, for example, the high-risk ports around the world where we need, with the commonwealth and the contractors providing the use of the vessels, to be able to track vessel movements into state waters and into our ports. We are working on a risk-based process to develop more sophisticated procedures and policies to enable us to identify those vessels that we need to along the coastline. The work will include the development of procedures and policies, as I explained earlier, and the development of field officers with particular biosecurity skills, including the ability to identify pests and to work with accredited inspectors who have the ability to identify animals as they arrive. There will also be a role for community education to ensure that when people see something, they know how to identify those things that might be a threat to the state and how to report that threat. In summary, there is a range of policy and procedures, some in-field work and community education.

Mr P.C. TINLEY: What role does the department play in the inspection of illegal foreign fishing vessels? I think we all acknowledge that in the last financial year there has been an increase in reported incursions. If so, by how many and what biosecurity risk do they present?

Mr W.R. MARMION: I defer to Mr Smith.

[5.30 pm]

Mr S. Smith: The commonwealth takes care of illegal fishing by foreign boats in commonwealth waters; it is only when those vessels reach state waters that we become involved. I am not aware of any incidents in the past 12 months of foreign vessels coming into state waters without having been intercepted by the commonwealth first.

Mr P.C. TINLEY: Therefore, the answer is probably none.

Mr S. Smith: Correct.

Mr P.C. TINLEY: In the budget line item I referred to previously, there is a near doubling of the spend estimated in 2011–12 and 2012–13. What accounts for that significant jump in spending? Is it all the programs that were outlined?

Mr S. Smith: From the current year?

Mr P.C. TINLEY: Yes.

Mr S. Smith: The funding provided for the current year was in response to our detection of breaches. Some foreign pests had come into the Western Australian state waters and we sought some emergency funding from the government to put measures in place. We have done that; they have been successful. We detected where the pests had come from. The pests, which were Asian green mussels, had come in on Defence Force vessels —

Mr W.R. MARMION: I would keep away from that!

Mr P.C. TINLEY: I think Mr Smith more accurately means the Navy!

Mr S. Smith: Yes, I mean the Navy! I should add that the Navy has cooperated fully with us. We are pleased that that money has been well spent. We have prevented a potential outbreak of Asian green mussels, which would have had a major impact on the Fremantle port and potentially other ports around the state. The money allocated to our department for the next two years is money for additional initiatives that reflect the risk posed not only by the Navy or recreational vessels, but also from the increased activity in the north of the state through mining, oil and gas, for instance, and vessels coming into Western Australia. I think that Ms Brayford has gone through what that money will be allocated to.

Mr J.E. McGRATH: I refer to the cost of services on the income statement on page 187 of the *Budget Statements*. I gather that regulatory fees and fines include the new licence fees for recreational fishers, is that right?

Mr W.R. MARMION: Yes.

Mr J.E. McGRATH: What has been the take-up of recreational fishing licences? Is it as high as the department expected? Why, according to the projected budget figures does the take-up taper off towards 2014? Is the department expecting fewer fishermen out there? Can the minister give some other explanation for that?

Mr W.R. MARMION: Mr Mezzatesta should be able to answer this question.

Mr B. Mezzatesta: The department had originally estimated that about 60 000 recreational fishers would take out boat licences. The number, as of last week, was about 108 000; therefore, there are more people than anticipated taking out those licences. The year 2010–11 will be the first year in which we have a full-year profile of those licences. I think the number will sit around that 100 000 mark and I do not expect it to grow significantly in the out years; I expect revenue to sit at the current level.

Mr J.E. McGRATH: This is a general question. When the licences were brought in, there was much concern about the sustainability pressures on fish stocks. Under the new licences and fishing regulations two dhufish are allowed to be caught per boat. Some recreational fishermen I know say that it is a bit problematic when four fishermen with a licence are on the boat and someone catches two dhuie. What do other fishermen do? Do they turn around and go home? If they catch another dhuie, they have to throw it back. There have been a few issues with those regulations. A report that came out today—I think it may have been a commonwealth report on marine sanctuaries—suggested that we do not have great problems with the sustainability of our fish or any great issues with fish numbers diminishing, as we are led to believe. Is there any possibility that we could see some of these regulations altered as fish stocks maybe rise or will our recreational fishermen have to accept that this is the new way of fishing in the modern era?

Mr W.R. MARMION: I know that the member for South Perth has a particular interest in catching dhufish!

Mr J.E. McGRATH: I have never caught a fish in my life; I like eating them!

Mr W.R. MARMION: Maybe he has a number of friends who catch dhufish. Mr Smith may want to outline how the rules are going, what impact they are having on the fish stocks and what the future might hold for the fishery stocks.

Mr S. Smith: I will try to cover all the different elements of the member's question. I should begin by elaborating on Mr Mezzatesta's comment that we predicted about 60 000 fishers would take up the recreational fishing licence in the first year. That estimate was based on the experience of New South Wales and Victoria when a similar licence was introduced. Those states found a drop-off in recreational fishing in the first year and then the take-up of licences reflected a return to normal levels within a couple of years. We expected the same trend in Western Australia. It turned out that that was not the case; the take-up rate of the licence here was much higher than that experienced in other states. Perhaps that is because of the way in which it was introduced; that may well have been part of it. We put a lot of emphasis on the fact that all revenue raised from that licence goes back into recreational fishing. The recreational fishing community has said many times to us that people do not mind paying for a licence provided that the funds go back into recreational fishing. That probably explains why we already have 100 000 recreational fishers with licences.

The member correctly mentioned that the new licence was part of a package of things to deal with a decline in some fish stocks. Demersal scalefish stocks were of particular concern. The licence was part of the package put forward by the recreational fishing industry and at that time, we were grappling with the science telling us that we needed to reduce the catch of demersal scalefish in the west coast bioregion by 50 per cent for both the commercial and recreational sector. Since then we have found that the measures introduced have been effective for both the commercial and recreational sector. The catch has fallen by that order of magnitude. It varies slightly between the different demersal scalefish species. The key species, such as dhufish, snapper and baldchin groper, are experiencing a fall in catch to the order of what we wanted. As a result, the measures that were put in place are effective in managing those stocks and we expect the stocks to be rebuilding. That is certainly what the evidence is suggesting. The report that the member mentioned that was in the media today was released by our department, and Dr Gaughan was on the radio this morning talking about the report. I am sure he can elaborate if the member is interested in any detail of the report. Included in the report is the consideration of those particular species. Essentially, the message is that the fisheries management arrangements that have been put in place are effective in achieving what we want—that is, sustainable stocks. It seems that fisheries management tools are effective; therefore, we may not need to use some other tools to manage those stocks. The good thing about that is that, as the stocks are rebuilt, we can look at other measures. Can we relax some of the measures that are in place? That may not be possible depending on what happens with population pressure and advances in technology. The member would recognise that some advances in recreational fishing technology, the use of things such as fish finders and so on, has meant that the efficiency of the recreational sector has increased dramatically. The ownership of boats has also increased substantially. If that sort of trend continues, even if stocks improve, it may not be possible to increase bag limits. As a department we are also trying to look at some other things that we could do so that our role is not just about reducing effort or cutting bag limits or possession limits in the future, even when there is population pressure or technology advances. We have been looking at how we can increase fish stocks and how we can build the productive capacity of the waters of this state. On the commercial side, it is through things such as aquaculture but there are also things that we could be looking at for the recreational sector which could improve the stockholding capacities of waters in Western Australia. We are

keen to pursue some of those stock-enhancement initiatives. In fact, the government allocated some funds for that purpose this year. The money that is listed on page 180 under “Royalties for Regions — Fisheries Research and Attraction” is directed at those sorts of initiatives that hopefully will allow us to increase —

[5.40 pm]

Mr J.E. McGRATH: Is that going to go to dams in the country?

Mr S. Smith: No, those initiatives are expected to primarily be directed at the marine environment rather than fresh water. We have already done some things in fresh water and we continue to stock trout, marron and so on but we think there is potential for stock enhancement in the marine environment, which will include improving the stockholding capacity of things such as snapper, potentially dhufish and baldchin groper. That may mean that we can relax the arrangements for possession limits. The key thing is ensuring that recreational fishers can continue to enjoy the experience of recreational fishing and that there is a reasonable prospect of catching things.

Mr M.P. MURRAY: I have a further question on the issue of licensing. What increases will be forthcoming for recreational and commercial fishing licences next year?

Mr S. Smith: I will take recreational licences first. We do not have any plan to increase recreational fishing licences, nor do we have any plan to introduce any new licences. There were some changes last year, which we have been bedding down. That saw the introduction of the recreational fishing from boat licence, which is \$30 per annum, aside from those who receive a concession.

Mr M.P. MURRAY: That is about as popular as berley on the carpet.

The CHAIRMAN: Member, I ask you to direct your comments to the minister, not to the advisers.

Mr S. Smith: We have found that that licence has been very well received by the recreational fishing community. Obviously, people would prefer not to have to pay any money, but the acceptance has been very high and well in excess of the levels expected for Western Australia based on other states. We are pleased with how that introduction has gone. At the same time, the other licence categories for recreational fishing were moved to \$40 per annum last year. The move to \$40 meant some went up and some went down but all of them are now set at \$40, aside from the recreational fishing from boat licence, which is \$30. We do not have any plan to change those rates or introduce new licences.

Mr M. McGOWAN: My question relates to major spending changes on page 180. The budget estimate for the capes marine park is \$815 000. Why is it necessary to spend more money on research on the capes marine park when, as I understand it, that proposal has been around since it was finalised in 2006 with numerous studies and analysis, consultation and so forth? What will the money be spent on and when does the minister expect the capes marine park will come into existence?

Mr W.R. MARMION: I will give an introduction on where the funding is generally going and also take a stab at when the marine park will come about. The funding of \$815 000 per annum from 2011–12 to 2014–15 totals \$3.26 million. It is part of the overall allocation of \$14.26 million to both the Department of Environment and Conservation and the Department of Fisheries to invest in both the establishment and management of the capes marine park and the Dampier Archipelago marine park. Money allocated to the Department of Fisheries will be used for the provision of fisheries compliance services associated with the parks. This funding will be used to provide for two additional FTEs and the construction of a new vessel, which will be used as a compliance platform for the Department of Fisheries and the Department of Environment and Conservation. Hopefully the capes marine park will be finalised before the end of this year.

Mr M. McGOWAN: How much of that money will be spent on further studies and analysis?

Mr W.R. MARMION: I will see if Mr Smith has that breakdown.

Mr S. Smith: The money allocated to the Department of Fisheries is primarily, if not all—I will seek clarification in a moment—for compliance purposes. It will fund our fisheries officers to monitor compliance with the arrangements for the marine parks. That is the key function that we have in this. The Department of Environment and Conservation is responsible for the establishment of the marine parks. It will be doing most of the research. We also see some merit in conducting research into the impact of the marine park on fish stocks and spawning, so we would like to ensure that suitable research is covered in the funding for those activities. I will just check with Mr Mezzatesta to see whether he has a breakdown but I know that the vast majority is going to the compliance activities because we are responsible for fisheries compliance within the marine park.

Mr M. McGOWAN: Does the minister have the concurrence of the Minister for Mines and Petroleum and the Minister for Fisheries for the creation of these two marine parks?

Mr W.R. MARMION: I am working with the Minister for Mines and Petroleum on finalising the detail around the marine park.

Mr I.M. BRITZA: I refer to the third dot point under “Significant Issues Impacting the Agency” on page 181 of the *Budget Statements*. It refers to the sustainability pressures in fisheries, including the west coast rock lobster fishery. Can the minister explain how the introduction of the quota system, particularly this season, has influenced the sustainability and the economics in this department?

Mr W.R. MARMION: I thank the member for the question. As everyone knows, the rock lobster industry is really important to the economy of Western Australia. The transition to a full quota system commenced this season, with each fisher being allocated an individual catch limit. Aside from the obvious sustainability benefits associated with being able to manage the catch in the fishery to a target level, as a result of the new quota arrangements being there for the first time, fishers do not need to compete with each other to take the available catch. They have the flexibility to optimise their economic return by choosing when to fish and how much to catch. Importantly, the changes have been received positively by the industry, which is now taking advantage of the increased flexibility to optimise economic returns. I am advised by the minister that in this regard unit values in the fishery, a key indicator of the value of the industry, have more than doubled since the Minister for Fisheries announced his decision to transition this fishery to quota management. I also understand that the average beach price achieved for rock lobster this season is significantly higher than those achieved last season. In terms of what is ahead, the Minister for Fisheries has recently agreed to further increase the flexibility provided under the new arrangements by removing weekend fishing quotas in the later part of this season, and the minister is currently consulting with industry with regard to returning the fishery to a full quota system next season. Mr Smith might like to elaborate further about the prosperity of the current rock lobster industry and its prospects for the future.

[5.50 pm]

Mr I.M. BRITZA: I have a further question before Mr Smith answers. When I first came into this place, I had to go down to Fremantle and make a speech. At that time I knew nothing about the fishery, but my speech had a lot to do with the puerulus count. I wonder if in the answer Mr Smith could give a forecast on how that puerulus count is going.

Mr W.R. MARMION: I will be interested in the answer.

The CHAIRMAN: As will I, but I quickly remind members that we have only 10 minutes left. I did not read out the Chairman’s statement, but it refers to keeping questions and answers short so that we can get through as much as possible.

Mr W.R. MARMION: Perhaps if Mr Smith can link the fish stock and the puerulus, it might be useful knowledge.

Mr J.E. McGRATH: I would like to put a further question before he answers.

The CHAIRMAN: Let us get on with it.

Mr J.E. McGRATH: The minister referred to increased flexibility for lobster fishermen, and we have a quota system that is working well, which is great. How can there be increased flexibility when lobster fishermen are not allowed to fish on Friday, Saturday or Sunday? I have raised this with the minister, and I did read in the newspaper that this might be addressed.

Mr W.R. MARMION: I mentioned that in my answer. The minister flagged that at the end of the season he is looking at relaxing that condition. Mr Smith might be able to answer some of the other questions that have been raised.

Mr S. Smith: The puerulus count is one of the key issues, if not the most important one, for the rock lobster fishery. By way of background, the puerulus is the baby rock lobster and we record the level of settlement of those baby rock lobster. That is an indicator for the total catch in three to four years. We have been doing it for over 40 years and we know that it is over 95 per cent accurate as a measure of what the catch will be. Several years ago it was particularly alarming for us that the settlement of those puerulus crashed down to levels which had not been experienced previously. That is why, when we knew there was going to be a problem, the minister had to take action to reduce the catch dramatically so that some of the existing stock would be saved for future years and also to protect the breeding stock. We had two years of the lowest settlement of puerulus on record leading up to the current season. The results for the current season have shown an improvement. They are still low by historical standards; nonetheless, they are showing improvement and that is during a season when the environmental conditions are not conducive to good settlement of puerulus. We are hopeful but not yet satisfied that we are through the worst of it. We are optimistic that we are heading in the right direction. Certainly, the advice we received is that if environmental factors were behind the low puerulus count, we should see a gradual improvement. That is what we are seeing now. That has been confirmed by some independent studies. That fishery has Marine Stewardship Council certification, which is an international process by which we are audited each year. They have done an audit in the past 12 months and have confirmed that the measures in place are appropriate and the fishery is heading in the right direction. We are pleased with where things are going.

To answer the other question relating to when the fishers can and cannot fish, there was a restriction on fishing on weekends. The government consulted with fishers at the start of the season over whether they would prefer to see that ban on fishing on Saturdays and Sundays removed. The majority view was that there should be a ban on weekends this season, for lifestyle reasons particularly. That view has changed as the season has gone on. When we consulted with them again in recent weeks, they supported a shift so that they would be allowed to fish on weekends for the remainder of the season. So, during the winter period, bearing in mind they have only a few months left to catch their quota and it is the first time they have fished in this way in that fishery, it will give them more flexibility to get out and fish. From our perspective, we are also keen to see increased flexibility with fishers being allowed to fish on weekends because during winter there can be a safety issue and the weather conditions can make fishing more treacherous, so we would like them to have the option of fishing on any of seven days a week, if they so choose.

Mrs C.A. MARTIN: I refer to page 180 under the heading, “Major spending changes” and the line item is “Kimberley Science and Conservation Strategy — Establishment and Management of Eighty Mile Beach”. Where are the officers involved in the establishment of Eighty Mile Beach based and how many are there? How many commercial licences will be affected and what has been put in place to address this? What effect is expected to be felt by the recreation sector, and why has Eighty Mile Beach been included, considering everybody regards it as part of the Pilbara anyway?

Mr W.R. MARMION: I will ask Mr Mezzatesta to provide this information.

Mr B. Mezzatesta: I can answer some of those questions but not all of them necessarily. The compliance services that would be required for the Eighty Mile Beach marine park will be based out of Broome, and we have two officers allocated within that budget.

Mr J.E. McGRATH: I have a general question that can go under the Kimberley science and conservation item, or whatever, but it is about aquaculture. I recently went to Taiwan, where there is a big aquaculture industry. We have a great opportunity here to have a similar type of industry. How much progress are we making in the aquaculture industry?

Mr W.R. MARMION: I thank the member for the question. I am advised that there are a number of very successful operations up and running at the moment, and I can point to four that are of particular interest to me. Aurora Algae Pty Ltd, formerly Aurora Biofuels Pty Ltd, holds an aquaculture licence for the culture of several species of marine microalgae at a site near Karratha—the member for North West is well aware of where it is. The three products produced from the algae are biodiesel fuel, protein rich biomass and omega-3 fatty acids. One of the key benefits of this project is the utilisation of carbon dioxide in the growth of the marine algae, which obviously is a carbon offset. I will rapidly finish up. Another aquaculture company is Marine Produce Australia, which cultures barramundi in sea cages at the aquaculture site at Cone Bay, north of Derby. Excluding algae and pearls, Marine Produce Australia is the largest aquaculture producer in Western Australia. There are two other companies that I do not have time to go through, but Cognis operates a major aquaculture facility at Hutt Lagoon.

Mrs C.A. MARTIN: Can we have that as supplementary information?

Mr W.R. MARMION: The information about Hutt Lagoon?

Mrs C.A. MARTIN: Yes, minister; it is all relevant.

Mr W.R. MARMION: The whole lot?

Mrs C.A. MARTIN: Yes.

Mr W.R. MARMION: There are also two abalone farms down in the south.

The CHAIRMAN: Thank you, members. That is the end of that answer because we are out of time and I have to deal with this now.

The appropriation was recommended.

Meeting suspended from 6.00 to 7.00 pm

Division 53: Training and Workforce Development, \$494 370 000 —

Mr J.M. Francis, Chairman.

Mr M.J. Cowper, Parliamentary Secretary representing the Minister for Training and Workforce Development.

Dr R.E. Shean, Director General.

Mr S. Walker, Executive Director, Policy, Planning and Innovation.

Ms J.A. Wallace, Director, International Projects and Skilled Migration.

Mr R. Fernie, Director, Special Projects.

Ms L.J. Borlace, Executive Director, Service Resource Management.

Mr P.J.A. Torrisi, Director, Strategic and Executive Services.

Ms S. Lapham, Executive Director, Service Delivery.

Ms P.V. Bird, Executive Director, Corporate and Governance.

Mr G.C. Thompson, Director, Finance.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

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. This is the prime focus of the committee. Although there is scope for members to examine many matters, questions need to be clearly related to a page number, item, program, or amount within the volumes. For example, members are free to pursue performance indicators that are included in the *Budget Statements* while there remains a clear link between the questions and the estimates.

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 parliamentary secretary 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 parliamentary secretary to clearly indicate what supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the parliamentary secretary's cooperation in ensuring that it is delivered to the committee clerk by Friday, 10 June 2011, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers, and accordingly I ask the parliamentary secretary to cooperate with those requirements. I caution members that if a parliamentary secretary asks that a matter be put on notice, it is up to the member to lodge the question on notice with the Clerk's office. Only supplementary information that the parliamentary secretary agrees to provide will be sought by Friday, 10 June 2011.

It will greatly assist Hansard if, when referring to the program statements volumes or the consolidated account estimates, members give the page number, items, program and amount in preface to their question.

[Witnesses introduced.]

The CHAIRMAN: The Deputy Leader of the Opposition.

Mr R.H. COOK: I refer to expenses on page 621. I am interested in the gap between the net and total costs and identifying the source of the income that makes up that shortfall. Is that largely commonwealth funding; and, if so, how much is commonwealth funding and what are the other components of the income?

Mr M.J. COWPER: Is the member asking for the difference between the net and —

Mr R.H. COOK: The net and the total cost of the services.

Mr M.J. COWPER: I will respond in general terms before I hand over to Ms Bird. The appropriation for 2011–12 has been increased by 10 per cent on the previous financial year. The major factors contributing to those increases are \$22.7 million for additional training places to deal with the critical skills shortage and \$10.7 million for additional training places and an increase in workforce participation. Those two factors total \$33.4 million and will deliver 12 000 additional training places, 1.2 information and communication technology full-time equivalents for the statewide vocational education and training sector network, \$1.3 million for the 2010 Civil Service Association of WA general agreement and 0.9 FTEs for the skilled migration unit. I ask Ms Bird to comment on that differential.

Ms P.V. Bird: The difference is fundamentally commonwealth revenue and commercial revenue.

Mr R.H. COOK: Can I have a specific breakdown of the sources of that income funding? Ms Bird just said that some funding was provided by the commonwealth and some by the commercial sector. Can the parliamentary secretary provide a breakdown of the percentage of that?

Mr M.J. COWPER: I understand that Ms Bird will be able to give us some detail on that.

Ms P.V. Bird: We do not have a percentage of the breakdown with us tonight but we can provide it to the Deputy Leader of the Opposition.

Mr M.J. COWPER: The finance department will provide a breakdown of the income sources that configure the amounts that the member is seeking.

[*Supplementary Information No A52.*]

Ms J.M. FREEMAN: I refer to drawdowns from the royalties for regions fund on page 626 of the *Budget Statements*.

The CHAIRMAN: Sorry, member; I cannot see royalties for regions.

Ms J.M. FREEMAN: It is at the bottom of page 626. I do not have to keep the Chairman with me; I have to keep the parliamentary secretary with me.

The CHAIRMAN: The member has to keep me with her if she wants me to allow the question.

Ms J.M. FREEMAN: It is Thursday night at the end of a long week.

Mr M.J. COWPER: I might be able to help the member. On page 625 is a reference to the \$77.6 million allocation that is to be spent over four years on new training facilities. That amount is to be funded by the royalties for regions program and is included in a single line item on page 626. It is intended to fund a range of programs that are under consideration and fall under the following broad headings: skills development for Aboriginal trainees —

Ms J.M. FREEMAN: Where is the parliamentary secretary taking me? Sorry; I am not there either.

Mr M.J. COWPER: It relates to trade workshops, improving access to trades training programs and other high-demand skills to address the critical skills shortages. I have a fact sheet that is also available online. The member can have this copy, which gives a breakdown of it. Sorry; the member cannot have that copy, but it is available online.

Ms J.M. FREEMAN: The parliamentary secretary referred to what will be built and where the money will be going. Can the parliamentary secretary provide the details?

[7.10 pm]

Mr M.J. COWPER: The detail I have here is that there is \$77.6 million from royalties for regions to be spent over four years, commencing this financial year. This amount is included as a single line item on page 626 of the *Budget Statements*. In broad terms, the money is to be set aside for skills development, Aboriginal trainees, trade workshops and improved access to trades training and other high-demand programs to address critical skills shortages.

Ms J.M. FREEMAN: Does it actually outline where things will be built and when these projects will start and finish? Is the parliamentary secretary able to tell me that?

Mr M.J. COWPER: That process is still under development. I will ask Ms Bird to outline what is in place so far.

Ms P.V. Bird: I cannot give the exact details for each of the projects at this time. We expect to be able to announce them fairly shortly. Under this process, state training providers throughout the state submitted requests through royalties for regions. The Department of Regional Development and Lands engaged us to help with the prioritisation and short-listing of those projects. That is at the final stages. As soon as that has been completed and signed off, it will be subject to a cabinet submission for formal approval before it can be announced publicly. Because it is still part of the cabinet process, I cannot give particular details.

Ms J.M. FREEMAN: Effectively, the department has been allocated this money for a range of projects but does not know where the projects will be, when they will start and when they will be completed. Are negotiations still underway on the allocation of that funding?

Mr M.J. COWPER: My understanding is that the money has been set aside to get this critical area up and running, subject to cabinet approval. I understand that it is imminent.

Ms J.M. FREEMAN: Will a certain percentage go to the areas where a lot of the royalties are generated, such as Port Hedland and Karratha, and not to Wheatbelt towns, where it is questionable that royalties are actually generated?

Mr M.J. COWPER: That is the key platform of royalties for regions. As the member would appreciate, number one is the development of Aboriginal trainees. I would like to think that some of that funding will come to my area, including to Fairbridge, which has a wonderful story; I invite the member to come and look at it. This will have benefits right across the Pilbara and Kimberley.

Ms J.M. FREEMAN: The parliamentary secretary said that number one was Aboriginal trainees. I am sorry, but I have been doing other things all day. Can the parliamentary secretary point to where that is in the *Budget Statements*? Would that not just be part of the general funding of the department? Why does it need to be royalties for regions funding?

Mr M.J. COWPER: A number of different initiatives have been developed across Western Australia. There is keen interest in the one developed for the Browse project. This allocation of funding will take advantage of that as it comes on stream.

Ms J.M. FREEMAN: Is that money in any way tied to or a part of any other funding grants from the commonwealth? For instance, to get the commonwealth funding, did some of the money need to be tied to areas such as skills development?

Mr M.J. COWPER: I do not have access to that information. I will refer the question to the director general.

Dr R.E. Shean: We have been working over several months in a tripartite arrangement with industry in Western Australia, the state government and the commonwealth government. We put together a collective proposal—a feasibility study—on how best to support Indigenous people in the Kimberley as part of the West Kimberley development proposal. Hopefully, the commonwealth government will see fit to contribute to that. It has been part of the development program; however, at this stage we are still waiting to find out whether it will make a contribution.

Mr I.M. BRITZA: I refer to the “Significant Issues Impacting the Agency” on page 623 of the *Budget Statements*. I see that the state government has done quite a bit to close the gap in the employment outcomes experienced by Aboriginal people. Can the parliamentary secretary comment on that and explain what is being done to close that gap?

Mr M.J. COWPER: Is the member referring to page 623?

Mr I.M. BRITZA: I am referring to the third dot point on page 623.

Mr M.J. COWPER: I have got that now. Late last year—I think in November—an announcement was made about a document that had been produced to provide a blueprint for the government to go forward in dealing with Indigenous training. The document “Training together — working together” was the result of extensive consultation across the state. The consultation process included interaction with local Aboriginal communities, industry and other interested parties. Each of these centres will be managed according to the priorities of local steering groups, which will identify local issues and determine the appropriate outcomes and solutions. The centres will be managed under the network coordination model, and the priority will be to join existing services and to not duplicate those that already exist. I meant to bring in copies of that document for members; I am sure they can be provided at any time. It is a great document.

Mr J.E. McGRATH: I am very interested in the training of Indigenous people. This has been around for a long time. I would like to hear from the parliamentary secretary or the department on how we, as a state, are progressing and the sort of success we are having. Clontarf Aboriginal College is in my electorate. Clontarf has engaged with some big companies and corporations, and these kids end up doing apprenticeships, trades and things like that. We see some benefits, but we are still a long way from achieving what we would like to achieve. I would like to know from the department how far we have got with this huge challenge and where we expect to be in the near future. We heard today that Andrew Forrest is quitting as the CEO of his company and that he wants to spend more time on the training of Indigenous people. We all want to see Indigenous people in the workforce. We want young Indigenous people to be educated and to then go on to get jobs. Are we making any inroads into this problem?

Mr P.C. TINLEY: That was a hell of a question!

Mr M.J. COWPER: It was a great question. It is very important. As members know, we will require 290 000-odd additional workers in Western Australia over the next seven years. Some 60 per cent of those workers will have to come from overseas, while it has been identified that 40 per cent will be local. Within that key plank of access to skilled labour will be, very importantly—and right at the top as far as this government is concerned—the access of Indigenous people to a share of the wealth of Western Australia. There are some very good stories out there. The member mentioned Clontarf and the great work that is being done there. There are a number of very good success stories around the place. Indigenous people have come through and become trainers themselves—they now train other Indigenous people. It is starting to flow. That is done in a number of different places—up at Pundulmurra, in Derby, which I visited last year, and in Broome. Although they are on only a small scale, this is the sort of thing we need to be able to achieve. One problem we had in the past, and which I observed in my previous life, was that a lot of well-intentioned people in government departments tried to set up training opportunities but did not have the network support to deal with cultural issues, which is important in bringing Indigenous people into a meaningful working position. There are a number of challenges, including that of remote areas. I spent some time out on the lands late last year and looked at the tyranny of distance that has an impact out there and in various other places, but the training opportunities have been quite successful. I understand that there will be an announcement this week on taking Indigenous workers from Fitzroy Crossing and from the Dampier Peninsula and flying them into fly in, fly out jobs in the Pilbara. That has been occurring at Kalumburu and these remote areas, at Truscott air base and at the oil installation. Again, Warmun community

is taking workers from Warmun into the Argyle Diamonds mine; and, of course, closer to home, as the member mentioned, Fairbridge has a fantastic situation there. We now have qualified Indigenous tradesmen who are now teaching other Indigenous workers trades, and we have now set up a perpetuation of these training skills programs with business and we have a group of tradesmen working at Doric all over the place.

[7.20 pm]

Mr J.E. McGRATH: With all due respect, through you, Mr Chair, I travel around a bit and I do not see many Indigenous people in the workforce. I wonder where they are. I was wondering whether the department could give us some statistics. Are we making any inroads? The federal government and the state government have spent millions and millions of dollars.

Mr M.J. COWPER: A lot of money.

Mr J.E. McGRATH: Are we making any inroads, because it is such an important area? Maybe the department can comment.

Mr M.J. COWPER: Certainly Dr Shean would be able to comment on that. From my experience in relation to that, there are some significant challenges; the member is right, and we are still a long way from achieving where we want to be. However, certainly those measures are an important part of the plan for the future of Western Australia. Dr Ruth Shean.

Dr R.E. Shean: In terms of hard data on how Aboriginal people are going, some data, very new to us and as yet unpublished, for the quarter ending 31 March shows that although Aboriginals represent approximately three per cent of the WA population, they make up 5.3 per cent of all publicly funded vocational education and training—VET—clients. So, we actually have a better representation of Aboriginal people in the sector, and that is an increasing percentage; it is up from 4.7 per cent in the corresponding period last year. I think there are two critical initiatives that we are working on, both part of the “Training together — working together” strategy. The first is the establishment of five Aboriginal workforce development centres around the state. There is one in Perth, and others more recently opened in Broome, Kalgoorlie, Geraldton and Bunbury are matching Aboriginal job seekers with employers. The method of approach taken is for our staff to have employer forums, meet with employers—Boddington in the South West was the last one we did last week—and look at how many employment places are set aside for the recruitment of Aboriginal people. In Boddington the figure was around 100, I think, for the construction period. Our centres then assist with job matching. They do not seek to train. There are already adequate training opportunities, as I have already mentioned, but they do seek to match people and to join the dots where those dots have not been joined previously.

Another initiative that I would like to mention, though, is that in this year’s budget there have been some specific allocations for training places so that we can keep on with this effort of training Aboriginal people. Specifically, the Department of Treasury and Finance has allocated another \$6.8 million to provide 3 415 training places that focus on increasing workforce participation—the very issue the member was talking about—and it is particularly targeted at those groups that are under-represented in the workforce; Aboriginal people would be number one for that group in Western Australia.

Another \$3.86 million has been allocated to provide 1 131 training places for Aboriginal people to assist them into the workforce. That money will particularly go to entry-level qualifications, such as certificate I and certificate II level training, and allows job seekers to undertake skills training and work readiness. One of the things that we have heard from all the employers—Andrew Forrest is a good example—is that there is no shortage of Aboriginal people who are after employment, but just getting the work skills ready to be able to go to a job and hold down a job is particularly difficult.

There are some other very good initiatives around the state. There is a particularly interesting one as part of the Ord stage 2 project, which is the Miriuwung–Gajerrong employment initiative funded as part of the native title settlement. That is an initiative run through a group called Moonamang Joint Venture. The joint venture is a subsidiary of Leighton and it works on a three-point mentoring scheme. Once it has placed an Aboriginal person in a job, or is about to place an Aboriginal person in a job, it appoints a mentor from the workplace, a mentor from its own company and a mentor from the person’s family; and nothing is too much trouble to align an appropriate environment for that person when they start—even down to what they take for lunch and where they eat their lunch. It is a very well coordinated initiative. Minister Collier has been very strong on making sure Aboriginal employment and training is coherent, and we have many other strategies that support this, such as role models and mentoring throughout in other areas.

Mr I.M. BRITZA: I ask Dr Shean a question through the Chair. I have had several businessmen and businesswomen speak to me, not doubting at all the qualification, intelligence and the ability of Indigenous people, but they have not been able to have confirmed in them the longevity and commitment. I hope I am articulating this correctly. Is that area dealt with in part of that program of training, and is it a fair question?

Dr R.E. Shean: The area is so complex and there are so many different components to what creates successful Aboriginal employment that from our perspective it requires a whole-of-government initiative. Therefore, the different components are not just training; they are about appropriate job matching, appropriate housing and appropriate support in other ways. I am not sure that I have answered the member's question. I do want to point out, though, that just training Aboriginal people really is not sufficient from our perspective. Just recently, when we were launching the Aboriginal Workforce Development Centre in Geraldton, somebody said to us, "We have the best trained Centrelink queue in Australia." He said, "People are getting training after training after training. What they need is a completely different set of skills and they need assistance into the workplace." I therefore think the different initiatives that we have help to put all of this together. It is a very complex jigsaw, but the picture on the box is a very coherent one.

Mr J.E. McGRATH: I have one further question through you, Mr Chair. Are we winning the battle?

Mr M.J. COWPER: Of course we are winning the battle, member, but we still have a long way to go!

Ms J.M. FREEMAN: We will hold the parliamentary secretary to that! I have a further question. How many Aboriginal people are employed by the Department of Training and Workforce Development?

Mr M.J. COWPER: I know that the state government across the public sector has a target of —

Ms J.M. FREEMAN: No; I am asking how many are employed at the moment.

Mr M.J. COWPER: I am unable to give that information right here and now, and the member could put that on notice, if she so wishes. However, I do know that the state government has a target of 3.2 per cent. At the moment there are some very good success stories in various government departments, and there are some pretty ordinary ones as well.

Ms J.M. FREEMAN: Name them!

Mr M.J. COWPER: I hate to speculate.

Mr R.H. COOK: The abolition of the Office of Aboriginal Economic Development was probably not a very good start.

Mr M.J. COWPER: I do know that the Department of Health and the Department of Indigenous Affairs and a few others are very good. I have actually asked the Indigenous affairs people how many they have, and it is up around 40 per cent, which is a very good news story. However, the situation is that they could be better reflected. In relation to the member's question, Mr Chair, the number of Indigenous workers within the Department of Training and Workforce Development can be provided to the member.

Ms J.M. FREEMAN: Through the parliamentary secretary, can we have the level as well as the number and whether they are permanent employees or on contract? Given that we have such a high commitment to Aboriginal employment, I would have thought that was something the parliamentary secretary would know.

Mr M.J. COWPER: Yes. We do not want to give any information that may expose who they are.

Ms J.M. FREEMAN: I do not want their names.

Mr M.J. COWPER: I will put it this way: we will assist as best we possibly can to get that information to the member.

Ms J.M. FREEMAN: Through the Chair, I want to know, as we have just been talking about all these great things that we are doing, whether the parliamentary secretary is walking the walk as well as talking the talk. That is what I really want to know. That means not just saying that a certain percentage is employed; I want to know how many and what levels they are at. If the parliamentary secretary wants to put them into bands, I am happy with bands.

Mr M.J. COWPER: Yes.

Ms J.M. FREEMAN: And whether they are contract. I just have the impression that there are six. Can I have that information so that I have an understanding, in terms of the total full-time equivalents, of whether there is some walking the walk happening here?

[7.30 pm]

Mr M.J. COWPER: I understand where the member is coming from and the intent of the question. Dr Ruth Shean might be able to help us.

Dr R.E. Shean: We will provide the information that the member asked for on notice. We do not believe our Indigenous employment rates are high enough, but one of the things we have been doing with our Aboriginal workforce development centres is ensuring that we have section 50D positions, which are dedicated for Indigenous staff, in each of those. We now have six section 50D positions staffing the Aboriginal development centres around the state. That is one way of enshrining Aboriginal employment in the business we do.

The CHAIRMAN: Before we continue, the parliamentary secretary agrees to provide the supplementary information, and I am happy that he has clarified exactly what that information will be.

[*Supplementary Information No A53.*]

The CHAIRMAN: The member for Willagee.

Mr P.C. TINLEY: I really, really appreciate the opportunity. I refer to the last two lines under the fourth dot point on page 627 of the *Budget Statements*, which reads —

offset by an understatement of other expenses to grants and subsidies expense in the 2010–11 Budget Papers (\$50.3 million).

Can the parliamentary secretary explain the understatement of other expenses?

Mr M.J. COWPER: I will have to refer to the executive director of corporate governance, Penny Bird.

Ms P.V. Bird: This is a legacy issue from the demerger from the Department of Education and Training to the Department of Education and the Department of Training and Workforce Development. At the time there was an arbitrary estimation of what that figure would be; that has been corrected now that we have had a full 12 months of operation.

Mr P.C. TINLEY: Excellent; thank you.

Mr P. ABETZ: I refer to page 622 of the *Budget Statements* and to the heading “Major Spending Changes”. I have a question about the “Skilled Migration Unit” line item. I realise something is written on the top of page 623—“A skilled workforce is essential” et cetera—but can the parliamentary secretary give some indication of how that amount of almost \$1.5 million will actually be spent, what the role of that office or unit will be, and how it will actually aid employers in finding the employees whom they need and whom they cannot find in the Indigenous community?

Mr M.J. COWPER: The budget funding of \$1.4 million is for the continued operations of the skilled migration unit in the Department of Training and Workforce Development. That will allow the effective processing of applications for state sponsorship and regional sponsored migration in Western Australia, and deliver on the state migration plan in areas of priority occupation.

Mr P. ABETZ: I have a further question. How will employers access that? The normal thing is to go to the commonwealth Department of Immigration and Citizenship, so how will employers know that it is available, and how, technically, will they go about accessing that? If \$1.5 million is going to be spent, we want to get some value for local businesses.

Mr M.J. COWPER: I suspect that this question comes from practical experience in the member’s electorate of having to deal with an issue like this. I would like to refer that question to Dr Ruth Shean.

Dr R.E. Shean: Skilled Migration WA processes the front end of four different visa categories, including 457 visas, which are perhaps the better known of the visas. The Department of Immigration and Citizenship still processes the back half. We process through an online portal; that is, online registration. We are still, however, dependent upon the federal government for the processing of all visas.

The recruitment of people is something that we probably have not done all that well before, as Mr Cowper has said, and in the last year we have been working on a Western Australian skilled migration occupation list. Having spoken with industry throughout the state and looked at the demand for different job categories, we have compiled a list of the sorts of employment that employers are looking for and we are prepared to take in.

That still does not necessarily get us all the employees that we need. This is an issue that Minister Collier has been very active on. He has been to see Senator Bowen, the Minister for Immigration and Citizenship, to look at different ways for us to get greater flexibility in migration. One of the areas that the commonwealth government has been talking to us about is the notion of enterprise migration agreements. This is when large mineral and resources developments with, say, projected staffing across all contracts of around 1 500 people or more, or an investment decision of \$2 billion, can have a heads of agreement whereby they process the front end of 457 visas in the skills areas that they are going to need for construction. There are quite a few different ways to try to recruit people; the final processing sits with DIAC, however.

In July, Minister Collier will be taking a contingent to the United Kingdom to look at greater recruitment in those specific areas of need. We have two particular targeting strategies that we will be using: one is a specially built web portal that will be designed for people who have made a decision to move but have not yet decided where to go. The purpose of this portal is to recruit them to Western Australia, pointing out what a great place it is not only to holiday, but also to work. We have designed that portal around focus groups that we have done with recent migrants to the state. Those people have told us what they like about the state and the things that they do not like very much. We know that they like the health care, they like the education, they like the lifestyle

balance, and they like the flexibility of living and the easygoing lifestyle. We think they do not like snakes and spiders and “drop bears”—I am trying to work out what “drop bears” are. We have a DVD that we have produced that has talking heads as well as footage of what a beautiful state this is and what a great state it is to work in; it also has people giving testimonials about their migration experience.

Mr J.E. McGRATH: Can the department identify the most-needed skills in our state? I had a young pilot in my electorate. He was a British person who came out and did his pilot training in Australia, but he was having trouble because pilot was not on the list. I would have thought, with the mining boom, that we would have probably needed a lot of pilots to fly into and out of mining towns. Can the parliamentary secretary give us some idea of what type of trades or skills Western Australia is looking for? Are they police officers, pastrycooks or welders? We have no idea.

Mr M.J. COWPER: I believe that all of the above is probably the answer, but I would like to refer to Simon Walker, the executive director of policy, planning and innovation.

Mr S. Walker: Over the past year the department has used a lot of modelling to determine the occupations in demand. We actually publish a list of the state priority occupations-in-demand list, or the SPOL, as we call it. That is updated on an annual basis, but typically a core group of skills are involved. The member mentioned welders, pastry chefs and a couple of others—I think they are all on the list. I am not so sure about aviation, although I think mechanical engineers for aviation are definitely on the list. It is easy to access; it is on our website. We go through that exercise annually to update it and make sure it is current for the future, using some pretty complex modelling that we get from Monash, and draw those occupational demands out. That informs both our migration occupation lists and also our training priorities.

[7.40 pm]

Ms J.M. FREEMAN: I have seen the list and it has accountants on it and a number of financial groupings. One of the issues with the African groups who tend to live around the areas I represent—not necessarily the Sudanese, but often the Zambians and the Zimbabweans—is that they tend to have financial qualifications in accounting, but they cannot get employment. Therefore, I have people working in home and community care services and areas like that. Recently I went to the African Professionals of Australia dinner that Minister Collier spoke at. There is also a group that works to have people placed in almost work experience to try to get into jobs, so I was really surprised to see some of the occupations that are on the state priority occupations-in-demand list. How do we click in to knowing that there is this untapped area of resource for occupations on that list? I was looking at the list of skilled migrants required, but I basically have to ring my mate who works at the Commonwealth Bank because I know five accountants who cannot get work. Therefore, I am interested to know how that works.

Mr M.J. COWPER: That is a very good question because I suspect that the occupations listed are demand-driven. I have heard of examples, such as those the member gave, in my travels as well. Would the director general like to comment on that?

Dr R.E. Shean: Yes. I think that the member is talking about the workforce development centre in Mirrabooka, which does an excellent job. We fund 14 workforce development centres around the state that focus on getting new Australians into work. One of the problems when people come to Western Australia is that although they are qualified in vocational areas with shortages, in many cases they do not have the necessary language capacity. The workforce development centre in Mirrabooka uses a staged approach and the work experience component is usually pretty short lived. An example someone gave me recently was of two geologists who came from India, both of whom had some difficulty finding work. She put both geologists into work experience. The male geologist got a job as a geologist very quickly. The female actually did not get a job as a geologist; she ended up running the office and was very competent. In fact, she went into a very senior role. They both are probably the member’s constituents.

Ms J.M. FREEMAN: There is an analogy in that but I cannot imagine what it was!

Dr R.E. Shean: Sometimes it is a matter of just finding the job that suits someone. There are not too many people who necessarily want to go into the first job that comes their way anyway. We fund support services to get people into roles. We will be establishing migrant support services, too, into the future, but there is also a comprehensive network of groups that can help people settle in. Our view is that we need to get people into work as soon as possible and we have a very good network to do that.

Ms J.M. FREEMAN: But that was not my question. My question was: how does the department factor that in to its list of skilled migration people? My difficulty is that the people I have seen are Zambians and Nigerians with English skills and their universities are of the quality that we have and some of them have studied here. In modelling that skilled migration list, how does the department get feedback from the workforce development centre in Mirrabooka that there is a skilled group of people? Businesses might be saying that they need

accountants but, frankly, we have underemployed or unemployed people in the area with those skills that are in that list. I want to know how the department feeds that information into the skilled migration list.

Mr M.J. COWPER: The director general would like to comment further.

Dr R.E Shean: When we collect the data for the list, we take information from a range of different sources. Our 10 industry training councils give us feedback from industry and we also take information from these groups. However, the reality is that people do get jobs in those areas. We bring people out according to quotas for each area. We know what skills we want and we know where we want people to work, but it just takes a while to get them into a suitable role. We use that information and validate it against different sources.

Ms J.M. FREEMAN: Just finally, before that list appears —

The CHAIRMAN: The member for Willagee is becoming very impatient; he wants a further question.

Ms J.M. FREEMAN: The department has people from different areas input to that list, but is it also out for public comment? Can the public comment on the state priority occupations-in-demand list?

Mr M.J. COWPER: Simon Walker, the executive director of policy will comment.

Mr S. Walker: The process has two key inputs: one is the econometric modelling that we do and the other, as the director general said, is validation of that through our training councils. We do not go out to a public stakeholder consultation thereafter, though.

Mr P.C. TINLEY: On the point of the near \$1.5 million spent on the skilled migration unit, are there key performance indicators around that in terms of positions filled? How does the department quantify the success or otherwise of that program?

Mr M.J. COWPER: The question relates to information that is feedback through the Department of Immigration and Citizenship that is not necessarily available to us. But the director general would like to comment on that.

Mr P.C. TINLEY: Just before the director general does, the point is that we are facing economically the single biggest bottleneck to the growth of this state—the workforce—as the parliamentary secretary has identified. We will either fill it organically or through interstate or international migration. I want to know the quantifiable targets that show we are addressing this issue. I talk to groups such as the Chamber of Minerals and Energy of Western Australia and they all have the same message. I am sure that the parliamentary secretary has heard the same message that I have. I have not yet been able to find the exact quantifiable linkages of how we are addressing this issue.

Mr M.J. COWPER: The director general will comment.

Dr R.E Shean: The reality is that although we can put as much science as possible into this process and we can have all the web portals in the world and all the international visits to encourage people and we can process the front end of their visas, until this date we have not known whether these visas were granted by DIAC. The second point is that we do not know when these people arrive in Australia whether they will come to Western Australia at all. Although we process the front end of their visa, it does not mean that they have to come to Western Australia. I think that the question the member asked about getting workers for skills shortage areas is better answered through the enterprise migration agreement arrangement, which is how the big resource companies like BHP Billiton, Rio Tinto and Hancock Prospecting can strike an agreement with the government to process and bring those people in as part of their workforce. Therefore, for the large construction companies that will be the best approach.

Mr P.C. TINLEY: Is it possible, parliamentary secretary, to get by way of supplementary information the number of front-end visa applications that the department has handled or assisted, say, over the past two years?

Mr M.J. COWPER: We have only been doing that since last year. It is doable, I believe, Mr Chair, and I am happy to provide that information to the member. I will get the director general to clarify that.

Dr R.E Shean: We brought this initiative over from the Small Business Development Corporation in May last year, but we did not start processing the front end of the visa applications until December because at that stage the guidelines were being changed by DIAC. The data that we give the member will be those visas processed from December until this point.

Mr P.C. TINLEY: I am happy for any qualifying statements to be included with that information that will enlighten me. It would be even more useful, thank you.

Mr M.J. COWPER: That information about those front-end visas that are being processed by the department will be provided to the member for Willagee.

[Supplementary Information No A54.]

Mr R.H. COOK: I refer to the income statement on page 627. Specifically, I am interested in the increase in supplies and services expenses of \$10.3 million and the operating lease expense of \$4.6 million. Does that \$4.6 million relate to the department's move to the Optima Centre; and, if not, what does it refer to?

[7.50 pm]

Mr M.J. COWPER: It is about a third of the way down the page, for members who want to follow it, and reads —

\$10.3 million increase to supplies and services expenses mainly attributable to the reclassification of services and contracts (\$5.2 million) and operating lease expense (\$4.6 million)

The question specifically relates to the \$4.6 million. I will refer that to Ms Bird, executive director, corporate services.

Ms P.V. Bird: A lot of these statements on this page are again legacy issues from the demerger from the Department of Education and Training to the Department of Training and Workforce Development. When the demerger—it was a great demerger —

Ms J.M. FREEMAN: Get that in *Hansard*!

Ms P.V. Bird: We had to go back and recodify and reallocate a lot of details because a lot of the financial services had been centralised. As we brought them across, they were grouped into categories that were not commensurate with our actual business functions. In the past 12 months we have been disaggregating the finance into our appropriate business areas. Therefore, what the member is seeing here is a lot of transactions where things have been recoded into the correct positions. That means there is a difference in the way the figures are represented from the year before.

Mr R.H. COOK: Are the \$4.6 million operating lease expenses associated with the shift to the Optima Centre, and does it relate to a full year's annual lease on the property?

Ms P.V. Bird: No, it is not specifically for the Optima Centre. It is for the range of leases we hold for all our business units. Optima's lease amount is lower than that. I can give the member that figure if he wants it.

Mr R.H. COOK: Thank you.

Ms P.V. Bird: The lease costs at Optima are \$3.5 million. That equates to, essentially, the lease costs we had when we were within the Department of Education and Training at Royal Street and the lease costs we had at Wellington Street, West Perth. It is the consolidation of our units into Optima.

Mr R.H. COOK: Is the \$3.5 million essentially equivalent to the leases at both Royal Street and Wellington Street?

Ms P.V. Bird: Yes.

Mr R.H. COOK: Can the parliamentary secretary provide us with a total cost of the move or demerger process?

Mr M.J. COWPER: Is that for the entire merger—the lease premises, Optima, Royal Street or what?

Mr R.H. COOK: I started thinking of just the lease, but it is clear there is a range of on-costs associated with the re-establishment of a separate entity. I am interested in the quantum. Essentially, how much has the demerger cost us?

Mr M.J. COWPER: I ask the director general to comment on that.

Dr R.E. Shean: Without going into the detail of the lease, the important thing to note is that we are paying now what we were paying before, and that education is back-filling our space by reducing its other leases. I put that aside as a cost neutrality issue, although the member might want to debate the logic of that.

Mr R.H. COOK: I certainly would.

Dr R.E. Shean: At the time of the demerger, it was viewed that the cost of the demerger would be the appointment of another director general and that all other costs would be covered by a simple division of the resources of the Department of Education and Training. It was with that principle that both Sharyn O'Neill and I went about the demerger arrangements. In many cases, the establishment of corporate services was for those services—for example, information and communications technology, which had always supported the training centre. One of the observations made was that when the departments merged in 2002–03, the groups were never properly merged anyway, so this part of the demerger simply involved picking up functions and allocating them to one department or the other.

Mr R.H. COOK: Surely there would have been costs associated with the move that go beyond simply the appointment of new public servants. One assumes there would be fit-out costs and moving costs for want of a better description. I am interested in understanding what the cost is to the government of taking out one portion

of the Department of Education and Training and relocating it to an entirely different non-government-owned building.

Mr M.J. COWPER: I am not quite sure that such figures are available but I will refer the matter —

Mr R.H. COOK: There must have been a budget.

Mr M.J. COWPER: Obviously, there was a cost, but I am not sure whether that documentation is available to us here today. I will refer the matter to Ms Bird.

Ms P.V. Bird: We do not have the figures available because the move to Optima was part of the whole-of-government policy on office accommodation. The government office of accommodation budgeted for and paid for the move of the Department of Treasury and Finance sections of Building Management and Works, government procurement and ourselves. We did not wear the cost of that per se. We were only tenants in the building and we have moved into a building that is a facility-managed building, so there was no direct cost to us with the move.

Mr R.H. COOK: To confirm, were all the costs associated with the move off the DTF budget?

Mr M.J. COWPER: DTF being the Department of Treasury and Finance.

The CHAIRMAN: Are there any new questions?

Ms J.M. FREEMAN: I refer to the financial statements on page 627 and the sixth and seventh dot points which read —

- additional training places for critical skill shortages (\$22.7 million);
- additional training places for increased workforce participation (\$10.7 million);

How many additional training places are there for critical skill shortages, how many for apprentices and how many for traineeships?

Mr M.J. COWPER: The \$22.704 million has been allocated to provide 7 500 additional training places for people in occupations critical to the economic prosperity of the state. That is to maximise the benefit from the upturn in economic activity and to help provide industry with access to the skills they require for the future. These training places are based on the state priority occupation list, which we spoke about before and which includes high-demand occupations that are considered industry-critical in Western Australia. The training goes across industries at levels of skill and includes training at certificate III and above, including apprenticeships and traineeships.

Ms J.M. FREEMAN: Can we have a breakdown of the 7 500 who are doing certificate III, certificate IV, traineeships, apprenticeships and pre-apprenticeships?

[8.00 pm]

Mr M.J. COWPER: Is the member seeking a breakdown of the 7 500?

Ms J.M. FREEMAN: Yes. The amount of \$22.7 million equates to 7 500 positions. In terms of planning, how many of those are apprentices and trainees, and how many are certificate III and certificate IV?

Mr M.J. COWPER: The director general will respond.

Dr R.E. Shean: Funds are allocated according to demand. Although we can stipulate how this might be broken down—at the moment we have some 40 000 apprentices and trainees, which is the highest number we have ever had in Western Australia—we do not specify the allocation of the funds until near the end of the financial year, because, of course, people continue to enrol throughout the financial year. Some of it is done according to demand.

Ms J.M. FREEMAN: We are at the end of the financial year now. I understand that the department can give me the number of trainees or training places for the previous year. Let us suggest that the department can give me the details for the previous year. One assumes that the department is doing some strategic planning for the 7 500 for the coming year. I am happy to take those two lots of details by way of supplementary information.

Mr M.J. COWPER: I ask the executive director of policy planning and innovation, Mr Simon Walker, to answer.

Mr S. Walker: I think the first question was about the number of places for the last academic year.

Ms J.M. FREEMAN: Yes, trainees, apprentices and pre-apprentices. I am happy to take it as supplementary information.

Mr S. Walker: If the member wants to get down to that level of detail, we will have to do that.

Mr M.J. COWPER: The member for Nollamara is seeking a breakdown of the 7 500 —

Ms J.M. FREEMAN: First, I am seeking details for the past year, which is not the 7 500; and, secondly, I am seeking a strategic plan for the future year, which I assume the department has.

Mr M.J. COWPER: The member for Nollamara is seeking a breakdown of traineeships, apprenticeships and pre-apprenticeships up till now and also a breakdown of the anticipated plan for the future.

[Supplementary Information No A55.]

Ms J.M. FREEMAN: I would be interested in similar information about the \$10.7 million for the additional training places for increased workforce participation, if that is possible. That figure is underneath the \$22.7 million in the seventh dot point.

Mr M.J. COWPER: Yes, that also can be taken on notice if the member wants the same level of detail. That information can be provided for the \$10.7 million for workforce participation in similar terms to the previous request.

[Supplementary Information No A56.]

Mr P.C. TINLEY: I refer to the cash flows from state government as outlined on page 632. The capital appropriation for 2010–11 was \$32.432 million, with no royalties for regions funding. In 2012–13 it is expected to be \$6.7 million, with \$25.5 million from RFR funding, making a total of \$32.1 million. In 2013–14 there is a lower capital appropriation and some RFR funding, making a total of about \$26 million. Although there is an introductory sweetener this year, levels rapidly return to normal. Please explain why this is not simply a substitution of normal state government funding, with royalties for regions rebadged. Does the parliamentary secretary understand the crux of my question?

Mr M.J. COWPER: I understand the tenet of the member's question. He wants to know why —

Mr P.C. TINLEY: It suddenly had a name change for the same money.

Mr M.J. COWPER: It is great that royalties for regions is made available for this particular aspect. I ask the executive director of corporate and governance, Penny Bird, to make comment on that.

Ms P.V. Bird: It is not a straight substitution. We are sounding like a broken record, but we also have a post-merger problem with our capital allocations. Under the former Department of Education and Training, there was inadequate planning for capital infrastructure for training, and that is reflected in the forward years. The immediate critical issues in capital infrastructure are now being addressed, because we have the department to dedicate to the needs of that area. We will build that up in the forward years.

Mr P.C. TINLEY: If I understand what Ms Bird is saying, there was always RFR funding, but once the two departments were separated, the department had to build up its own fund from RFR.

Ms P.V. Bird: No, not from RFR.

Mr M.J. COWPER: I ask the director general, Dr Ruth Shean, to comment.

Dr R.E. Shean: The department did not have a capital infrastructure plan beyond the out years. It probably should have been done in the past year or so; we have not done that. We are now working on a capital infrastructure plan, and that will inform the out years of 2012–13, 2013–14 and 2014–15. We are currently working with the Department of Treasury and Finance to supplement that line. Yes, that will be over and above royalties for regions.

Mr P.C. TINLEY: When I look at the figures, it seems to be a straight swap of existing money.

Dr R.E. Shean: That is certainly not the case. It is not the intent of the Department of Treasury and Finance either. One of the things for us as a new department was to work closely with the state training providers to find out what their needs were. We have been working on a very comprehensive capital investment program of looking at their needs. It was probably fortunate that we had royalties for regions come along and do a quick approach to this, but we will certainly build this up over time.

Mr M.J. COWPER: The member might also appreciate knowing that the royalties for regions funding in that line item was committed to the development of the Muresk education centre, student accommodation in Kalgoorlie and a number of other very important projects.

Mr P.C. TINLEY: That would not ordinarily have been funded by the department.

Mr M.J. COWPER: I am very pleased that royalties for regions identified that shortfall so that those people can access training.

Mr P.C. TINLEY: It was a facility that it wanted to close.

Mr P. ABETZ: I refer to the service summary table on page 622. What is being done to increase the flexibility of training for apprentices in Western Australia to meet the needs of industry for skilled workers?

Mr M.J. COWPER: That is a good question, member. In fact, I have recently worked on some innovative ideas that are coming through industry. The movement in the total cost of the service that is shown in the budget papers can be attributed to the same reasons as those described for the overall total operating cost of the department. The reason that there is a much greater increase in the estimated growth for institutional-based training than in the estimated growth for employment-based training is that it is not possible to anticipate the likely split between the two services at this point. This type of innovative apprentice training centre deals with a range of requirements to train those people who might have slipped through the cracks previously and are not comfortable in an institutionalised TAFE arrangement. I have seen at firsthand that they are taking on people with learning disabilities for competency-based training programs within workplaces. The C.Y. O'Connor Institute runs such a program. A number of apprentices come to a centralised location, and rather than being put in a classroom situation, which has not perhaps been terribly effective for some of them, they are given an opportunity to demonstrate their competencies in various areas of trade and they progress that way. The feedback from employees has been very complimentary. The college is trying to design training to suit the individual, as opposed to trying to put a square peg in a round hole.

[8.10 pm]

Mr P. ABETZ: Is this kind of built-in flexibility more about how we are training people or about how employers can get apprentices? Institution-based training is significantly increasing. As the parliamentary secretary mentioned, there was a bit of a peak in employment-based training in 2011–12; I am not sure why that is. Can the parliamentary secretary elaborate on that? Where is the focus in the flexibility? Are we providing certain individuals with perhaps more competency-based training as a way of getting their trade skills, or is it that employers are able to develop schemes for specific areas that perhaps are not formally recognised as a trade to skill up people? I am trying to understand what is happening.

Mr M.J. COWPER: We have a world-class apprenticeship system in Western Australia; demand for traditional apprenticeship training is on the increase. The member heard that we now have more people in training and apprenticeships than ever before in the history of Western Australia. Alternative training strategies are needed, and as a result, the State Training Board, in conjunction with the Department of Training and Workforce Development, is examining different options to build a more responsive and resilient training system. The member asked about how we can be more flexible, and I will refer that question to Simon Walker, our executive director, who might be able to drill down a bit more on areas that the department is currently working on.

Mr S. Walker: There are probably two issues that the member raised; one is about flexibility. As has already been mentioned, the new act gives us far greater capacity to take a more flexible delivery strategy, so we are talking about the way apprenticeships are delivered. It can be anything from being fully on the job so that they do not have to attend a training institution. That has good application in remote areas where there is no local training provider. There is a lot more effort from training providers to provide skills recognition services. For example, if someone has been working in an industry for a while but does not have a trade certificate, it can be recognised that they do have some skills to go towards a trade that might shorten their apprenticeship term to make it quicker for them. In fact, all along the continuum, there are a range of strategies which can be done and which have been mentioned. The State Training Board and the department are working up particular models now, and some are very innovative models. On the other side, if there is a particular skill need that is not an apprenticeship, there is now a new process by which people can go through the State Training Board and the department—it is endorsed by the minister with advice from our training councils—to establish a new traineeship or a new apprenticeship as the case may be. All that can be done easily. It used to require an act of Parliament, as I understand it. It is now a fairly simple process, certainly in comparison, so that is available to everybody as well.

Mr M.J. COWPER: Strategies are evolving virtually all the time. I was recently in Kalgoorlie with two big trucking companies. Because of the flexibility of being able to train in the workplace, they are becoming interested in encouraging Indigenous people into the trucking industry; there has perhaps been under-representation in that industry in the past. The capacity to have on-the-job training and skills recognition, not necessarily based around institutionalised situations, is very encouraging.

Mr J.E. McGRATH: That is an interesting point, parliamentary secretary. There was recently some commentary that some apprenticeships should be reduced in length to get people into the workforce. Does the department have a view on that? My father was an electrical contractor and one thing I did not want to become was an electrician; I probably regret it sometimes now when I see what they charge! They used to do a four-year apprenticeship. I am not sure that I would want to see that apprenticeship reduced, but is there scope for some apprenticeships in some trades to be reduced a little, or is there a risk because employers want these young people to get through and become skilled? Is there a risk involved if we reduce the duration of these apprenticeships? Does the department have a view on that?

Mr M.J. COWPER: That is a good question, member. I will ask Mr Walker to comment on that in a minute. Yes, there is some scope for the terms of apprenticeships to be lessened. For example, if a mature-aged refrigeration mechanic wanted to do an electrical apprenticeship, the scope would be there for recognised prior learning to come into play, and their indenture for that particular aspect of their trade could be shortened. That is a sensible way to go. If there are a number of trades that cross over—boilermaking and welding, for example—there would be scope for closely linked apprenticeships to be married up. In relation to new apprentices, if a 16-year-old is not going to get proper training, there would be real concern from the government's perspective and from the industry, because no-one wants to put young people in harm's way. They have to demonstrate that they have the competencies required to be able to fulfil that apprenticeship. I will ask Mr Walker to comment.

Mr J.E. McGRATH: One of the issues for young people is that when one is an apprentice, one does not make much money, and they are out there earning very small wages while tradespeople are earning more money. There is a temptation to maybe get these kids through; I am not sure that is the right way to go.

Mr M.J. COWPER: Yes, a balanced approach.

Mr S. Walker: I referred a while ago to the process of establishing a traineeship and an apprenticeship. That same process gives us the capacity to change the nominal term of an apprenticeship or traineeship. We use our industry advisory arrangements to give us advice. From the department's point of view, if industry is happy to have a four-year, two-year or three-year term, we will by and large accept that advice on face value. It varies, of course, depending on the actual person. A young person who has not had much prior experience would probably want to go for the four years, whereas a mature-aged person with some skills would not. That is what we call a competency-based system. There might be a nominal term of four years, but it can be varied between the employer and the apprentice, depending on their level of skill and how capable they are at getting through the training period. The fundamental issue is to make sure that the quality of the training and the competence when they come out is of a high standard.

Mr M.J. COWPER: A number of other issues also need to be considered. An apprentice might go into a training environment in a workplace that is doing in-depth trade work, as opposed to a big mining company where they are simply doing replacement and refitting, and qualified tradesmen are just replacing parts and sending them off to another factory to get done. A range of issues come into play. A 16-year-old who does his apprenticeship as a heavy duty mechanic or as a welder would receive a certificate of competency in the third year of his apprenticeship. Potentially, he could get attracted by the high incomes offered in the mining sector. I am concerned about the number of apprentices who complete their indenture period and then simply chase the money before completing their apprenticeship.

[8.20 pm]

Ms J.M. FREEMAN: I want to know about the competency aspect of apprenticeships. What are the figures for the number of apprentices in the Kickstart Apprenticeship and Kickstart Pre-Apprenticeships programs, and in pre-apprenticeships generally, who go on to be employed, or indentured in the old term, as apprentices? Do we have figures on the number of young people who begin a pre-apprenticeship, which is considered to be a traineeship, and then go on to do an apprenticeship? How many apprentices complete their apprenticeships? I understand that it is a low rate of completion.

Mr M.J. COWPER: It is a very interesting question. I have seen it firsthand. Schools are linked with businesses. I have heard comments—I am sure the member has heard similar comments—that some have been very successful and others are not so successful. I will be interested to know those figures myself. I ask Mr Walker to comment on that if he has those figures available.

Mr S. Walker: I do not have all those figures available. I will begin with the member's first point about what we call the "articulation" from a pre-apprenticeship to an apprenticeship. A problem with the training data is that we do not have the capacity to be precise about the ultimate destination, or articulation, of someone who goes from one program to another. We have some specific information about the School Apprenticeship Link program, because that was fairly well controlled by the education sector and the Department of Training and Workforce Development. We can provide that as supplementary information. We can also give the member an exact figure on the total completion rate as supplementary information. Western Australia's completion rate is significantly higher than the national average. The most recently published national data that I have seen shows that our completion rate for apprentices—I am being specific—is a bit over 60 per cent, as opposed to the national average of 48 per cent.

Ms J.M. FREEMAN: Is the parliamentary secretary telling me that for the Kickstart Apprenticeship, Kickstart Pre-Apprenticeships funding, or prior to that funding for apprentices—I understand that for school-based apprentices the department can provide the articulation data—there is no tracking of the data from pre-apprentices through to successful apprenticeships?

Mr S. Walker: We can get specific information from a provider that is an accredited group training organisation, because they not only train the pre-apprentice, but also employ the apprentice. However, it is very difficult at a statewide level to provide information on the tracking of any student, whether that student moves from a pre-apprenticeship to an apprenticeship or any other destination or further education.

Ms J.M. FREEMAN: If someone at Swan TAFE does a pre-apprenticeship in painting, can the department not track whether the student will continue to an apprenticeship? Can the department tell me the success rate of the people who do that?

Mr M.J. COWPER: I stand to be corrected—I will refer to Mr Walker in a second—but it is my understanding that someone could begin his pre-apprenticeship as a painter and end up a bricklayer.

Ms J.M. FREEMAN: I get that, but some figures must be kept on whether there is some articulation.

Mr S. Walker: We can provide some broad-based figures but we cannot guarantee that each student can be tracked.

Ms J.M. FREEMAN: Some broad-based figures would be fine. Can that be provided as supplementary information?

Mr M.J. COWPER: The request from the member for Nollamara is, in broad terms, information on the tracking of pre-apprentices into apprenticeships and the completion rates.

[Supplementary Information No A57.]

Mr R.H. COOK: I refer to the details of controlled grants and subsidies on page 630. To some extent I am undertaking a self-education process. I am interested in the provision of capital funding to private providers. Why are we providing capital grants to private providers? Can the parliamentary secretary provide details on which private providers received capital grants in 2009–10 and 2010–11? What was the quantum and what was the purpose for those grants?

Mr M.J. COWPER: Was the member referring to grants to private training providers, capital grants to state training providers or capital grants to private training providers?

Mr R.H. COOK: It is capital grants to private training providers.

Mr M.J. COWPER: That expenditure relates to the provision of commonwealth-funded capital grants to private providers for the construction of industry skill centres throughout Western Australia. The department acts as a funding intermediary between the private organisations and the commonwealth government by organising the receipt of these funding grants from the department upon the obtainment of certain milestones, as specified in the funding agreements.

Mr R.H. COOK: Is it all commonwealth funding?

Mr M.J. COWPER: Yes.

Mr P.C. TINLEY: I refer to the proceeds from commercial activities of institutions under “Net Appropriation Determination” on page 633. There is a reasonable sum of money allocated of nearly \$40 million. What are the commercial activities that generate these considerable cash receipts every year? Does “institutions” refer to the renamed TAFE colleges?

Mr M.J. COWPER: I would like to refer this level of detail to Ms Bird.

Ms P.V. Bird: The institutions referred to are those institutions established under the Vocational Education and Training Act, one of which is Education and Training International, which offers commercial services. The out years also reflect the proceeds of the Vocational Training and Education Centre, which is also an institution under the VET act that is under the control of the department. As institutions under the VET act they can undertake commercial activities in training.

Mr P.C. TINLEY: Do they not relate to the TAFE colleges?

Ms P.V. Bird: No, they do not; they are separate.

Mr P.C. TINLEY: The state training providers —

Ms P.V. Bird: State training providers are what used to be called TAFEs. It does not refer to them. They are not institutions under the VET act. There are two institutions —

Mr P.C. TINLEY: Is there not an autonomous state training provider?

Ms P.V. Bird: Not in that line.

Mr P.C. TINLEY: Where is that revenue coming from?

Ms P.V. Bird: It comes from Education and Training International, which is an institution under the control of the department. Now that the Vocational Training and Education Centre in Kalgoorlie and Esperance is part of the department, commercial training activities are undertaken by that institution.

Mr P.C. TINLEY: Are the proceeds retained by the department and do they become revenue for the department?

Ms P.V. Bird: Yes, it is recognised as revenue coming into the department and it goes back to the institutions for their use. It is a revenue expense.

Ms J.M. FREEMAN: That might explain the last dot point at the bottom of page 627 “recognition of interest revenue received, \$1.3 million”. Is that revenue received and then invested before it is redistributed? Does it earn interest at, I gather, the government bond rate?

[8.30 pm]

Mr M.J. COWPER: I understand it to be interest, but I am not sure how it is invested.

Ms P.V. Bird: I do not know the specifics of the investment strategy that we have in place. Education and Training International is a specific one. Students pay up-front. Those moneys are held by Education and Training International until such time as their enrolments are confirmed, their visas are obtained and so forth. A proportion of that money may be returned if those enrolments do not proceed, but once they do, the money is disbursed out to the state training providers. It is probably more like a holding account, but during that time there is interest.

Ms J.M. FREEMAN: I refer to the statement of financial position on page 628 of the *Budget Statements*. The second paragraph talks about a \$9.7 million reduction in property, plant and equipment due to delays in capital works projects. What capital projects have been delayed, by how long has each been delayed, what was the original finish date for each delayed project, and what is the new finish date for each project?

Mr M.J. COWPER: I do have some detail, but not at that level.

Ms J.M. FREEMAN: I am happy to take it as supplementary information.

Mr M.J. COWPER: We can get that information for the member.

[*Supplementary Information No A58.*]

The appropriation was recommended.

Meeting suspended from 8.32 to 8.42 pm

Division 54: Indigenous Affairs, \$36 020 000 —

Mr J.M. Francis, Chairman.

Mr M.J. Cowper, Parliamentary Secretary representing the Minister for Indigenous Affairs.

Mr P.J. Walker, Director General.

Mr C.G. Weeks, Acting Deputy Director General.

Mr D. Ord, Deputy Director General, Operations.

Mr M.W.R. Hanrahan, Chief Financial Officer.

The CHAIRMAN: If it may please members, I do not intend to read out the statement again. I simply ask the minister to introduce his advisers to the committee.

[Witnesses introduced.]

The CHAIRMAN: The Deputy Leader of the Opposition has a question.

Mr R.H. COOK: My first question relates to outcomes, services and key performance information on page 637 of the *Budget Statements*. I am particularly interested in the desired outcome of “sustainable improvement social, cultural and economic outcomes for Indigenous people”. My question relates to the issue associated with the stolen wages report. What resources does the agency have dedicated to working on the response to the stolen wages report?

Mr M.J. COWPER: We discussed this matter and thought it was likely that a question on this matter would come up. Members would be aware that this has been a complex problem for many years.

Mr R.H. COOK: The report has been with the department for many years.

Mr M.J. COWPER: I understand that there have been a number of reports.

Mr R.H. COOK: No, there has been but one.

Mr M.J. COWPER: I also understand that a committee was appointed to deal with the matter. I think we are all in agreement that some identified funds need to be distributed back to their rightful place. In essence, I understand that there is some difficulty in how that may be done. I defer to the director general on this matter.

Mr P.J. Walker: The answer is that no current resource is working on a response to the report. That issue is sitting with the Minister for Indigenous Affairs for his consideration and subsequent consideration by the government.

Mr R.H. COOK: I refer to comments made by the Minister for Indigenous Affairs on 2 June 2010 when we were discussing the stolen wages report. The minister stated —

Mr M.J. COWPER: Did the member say 2010?

Mr R.H. COOK: I refer to comments made on 2 June 2010. I should provide some context. This was in answer to the same question I asked in the June 2010 estimates from the May 2009 estimates when I asked: where is the government's response to the report? The minister said that —

I anticipate, though, that within the next couple of months I will have that issue resolved and will make it public. It is not in this budget.

Parliamentary secretary, why is no component of this budget dedicated to stolen wages?

[8.45 pm]

Mr M.J. COWPER: My understanding is that the new Minister for Indigenous Affairs is very keen to deal with this particular matter.

Mr R.H. COOK: So was the old Minister for Indigenous Affairs.

Mr M.J. COWPER: And so was the one before that, as I understand it.

Mr R.H. COOK: It is like serial incompetence. Is that what is going on?

Mr M.J. COWPER: Those may be the member's words, but this is something that —

Mr I.M. BRITZA: It was on your government's watch!

Mr R.H. COOK: No. The report was submitted to the government just prior to the last election. It is on this government's watch.

The CHAIRMAN: Thank you, members!

Mr M.J. COWPER: Just for the record, for those members who do not know, the Stolen Wages Taskforce report was presented to the previous state government in July 2008 and subsequently to the Deputy Premier and Minister for Indigenous Affairs. The report has not yet been made public. There is therefore media and community interest in the stolen wages issue, and the Aboriginal Legal Service of Western Australia previously announced that it is considering launching a test case concerning the matter. DIA suggests that the monetary compensation scheme cannot be satisfactorily delivered in Western Australia because of a number of problems. Records from time to time have been fragmented, with the exception of a couple of instances, making it rather difficult to determine how much money was taken and from which individuals. For those who do not know, some time ago up to two-thirds of the money was set aside and put into a fund, and the fund has been dwelling there for some time.

Ms J.M. FREEMAN: It has not been dwelling; they just spent it.

Mr M.J. COWPER: I am sorry, there is no money allocated, but there are surviving records that indicate money was obtained some time ago from Indigenous workers. The process by which applications were called for to assess payments made had high administration costs and generated a negative rather than a positive response from the public. Members are probably not even aware of this situation, but the current minister is considering how to deal with this issue. I note that the member asked this very same question 12 months ago, and he has every right to ask it again this time around. I think it is appropriate, and I take the point, that the government needs to get on and deal with this matter finally. I am sure the minister would appreciate the Deputy Leader of the Opposition's input on how that might be achieved.

Mr R.H. COOK: I have a further question. Can the parliamentary secretary provide any estimate of how many people are eligible, how many were considered to be captured by the issue and how many are the subject of the stolen wages report?

Mr M.J. COWPER: It is my understanding that there is some difficulty with that inasmuch as some indicative work may have been done on that, which would obviously be stated in the report.

Mr R.H. COOK: Is it 2 000 or 3 000?

Mr M.J. COWPER: I might refer this question to the director general in a moment. However, the problem, as the member would appreciate, is that some people who were affected by this issue are no longer with us. Some

people in the community can still recall those days. Some parts of the report have been relayed to me. There is some good firsthand evidence of those people having an entitlement. The million dollar question is: how do we do that equitably and not cause further problems within the Indigenous community by doing that? That is something that I encourage the Deputy Leader of the Opposition to speak to the new minister about in considering how it might be achieved.

[8.50 pm]

Mr P.J. Walker: The issue of stolen wages dates back to 1905. The issues were perhaps most prevalent through the 1940s and 1950s. Unfortunately, data does not exist about who was directly impacted, so it is very difficult to try to ascertain how many people were affected and how many people are surviving. The last case would have been 1972. We can perhaps extrapolate how many Indigenous people have survived. They probably would have been at least 15 years of age at the time. Not all Aboriginal people were affected by stolen wages. It is extremely difficult. The short answer is we do not have a number of Aboriginal people. The records, unfortunately and naturally, do not go back that period of time. The answer is uncertain.

Mr M.J. COWPER: I ask the director general if he could comment on the report itself and the recommendations given by the committee.

Mr P.J. Walker: There was a range of recommendations. I do not have the report with me. It is still for consideration by the minister. A range of options were given. The report was strong around the narrative. There were some records available via Sister Kate's Home. Apart from that, records are very scant. That is indeed one of the reasons there has been a delay in addressing this issue. It is extremely complex and complicated, and there is a lack of records as to who would be eligible for compensation under the stolen wages arrangements.

Mr M.J. COWPER: And indeed how much they might get.

Mr R.H. COOK: I understand the complexities around the formula, but the report is with the minister, is it not? Is it sitting on his desk in a complex way? Is there a recommendation that is with the minister?

Mr M.J. COWPER: I am unable to answer that question. That is a matter I recommend the Deputy Leader of the Opposition puts directly to the Minister for Indigenous Affairs. I must say that I have only just become aware of this issue. I believe it is scandalous and needs to be addressed. I am not pointing the appropriation at the feet of the current minister; it is something that has evolved over a long time. It will be a very difficult issue to resolve. I am sure the Deputy Leader of the Opposition appreciates the sensitivities it will present.

Mr R.H. COOK: In reference to my question about how many people the parliamentary secretary thinks would be impacted by the stolen wages report, I assume, since the parliamentary secretary does not know the answer, that he cannot provide an estimate today of how many people have died since that stolen wages report was introduced; that is, how many people have passed away while waiting for justice while the report sits on the minister's desk?

Mr M.J. COWPER: The problem in the first instance is that we do not have a definitive list of people who contributed to that scheme or regime. Subsequently, to try to determine how many people have since passed is problematic.

Mr R.H. COOK: I understand that at the time the report was put together, many people were involved in compiling the report in taking stories from people and compiling case studies. Surely there is a quantum of people who provided evidence and stories to the researchers whom ultimately would have ended up as a number in the report.

Mr M.J. COWPER: The best information I can give the member is that, sadly, there is only a small number left. I cannot tell the Deputy Leader of the Opposition what that number is.

Mr R.H. COOK: Can it be provided by way of supplementary information?

Mr M.J. COWPER: I do not believe that it is available. I would like to be able to provide it to the member, but I do not believe that that data exists.

Mr R.H. COOK: When does the government expect to actually respond to the report and when will the report be made public?

Mr M.J. COWPER: My advice is that it is before the current minister. He is very anxious to resolve this issue because it has not been addressed for a number of years.

The CHAIRMAN: The member for Morley has a new question.

Mr I.M. BRITZA: Before I ask the question, I just want to acknowledge my interjection to the member for Kwinana. I acknowledge it because I did not know, and I will not forget it. My question is about the "Partnership Acceptance Learning Sharing (PALS)" item listed on page 642 of the *Budget Statements*. I am aware that many young Aboriginal people in Western Australia still experience racism and discrimination. What support is

available for schools to promote reconciliation or to undertake reconciliation projects within the school environment under the PALS project?

Mr M.J. COWPER: PALS is an initiative of the Department of Indigenous Affairs, in partnership with BHP Billiton, which encourages young Western Australians to develop projects and promote and advance reconciliation. Based on the core attributes of partnership, acceptance, learning and sharing, PALS encourages young people to take leadership roles in strengthening the relationship in their local community between Indigenous and non-Indigenous people. DIA will provide grant funding of \$230 000 a year to the PALS program, which will allow for grant funding of up to \$750 for school-based initiatives, regional information tours and community events. BHP's contribution will provide \$200 000, and BHP Billiton Nickel West will provide a further \$30 000, which will cover the operating costs of the program.

In 2011, more than 100 schools across Western Australia will share in \$83 000 worth of funding grants to help students develop projects that promote and advance reconciliation. This year's PALS project will be designed in schools from the state's far north and the western suburbs of Perth, and will include art and cultural displays, storytelling events and health-based education activities. The PALS program continues to grow throughout the state, dealing with the intrinsic extensive issues of prejudice and racism by encouraging young people to embrace their Aboriginal culture. To date, more than 70 000 students have been involved with the PALS program.

Ms J.M. FREEMAN: I refer to the first dot point on page 638 of the *Budget Statements*, which focuses on the National Partnership Agreement on Remote Service Delivery. My question is about connections between the Closing the Gap program and the government's rangeland tenure options discussion paper. The Western Australian Department of Indigenous Affairs is named as a lead agency for the bilateral plan implementing the National Partnership Agreement on Remote Service Delivery, and one of the key points of the plan is that WA will advance reforms to land tenure in accordance with the remote Indigenous housing implementation plan, to facilitate commonwealth capital investment. There are lots of big words here; no wonder people get annoyed. Can the parliamentary secretary explain how the rangeland tenure options discussion paper has been used to advance these land tenure reforms?

[9.00 pm]

Mr M.J. COWPER: That is a very good question, member, and long! I seek some assistance on where this matter is at, and ask Duncan Ord to respond.

Mr D. Ord: The rangeland reform has a task force, which the director of lands within DIA sits on. The overall RSD land tenure reform process has commenced in Halls Creek, and also on the Dampier Peninsula, with four RSD sites—Halls Creek and Fitzroy Crossing, and then essentially Beagle Bay, and Ardyaloon and Lombadina Djarindjin—taking in broadly the whole of the Dampier Peninsula. The land tenure reform work at the moment is focused on getting Indigenous land use agreements covering the town areas, although they do include the Moola Bulla excision lands around Halls Creek. We have set up with the Kimberley Land Council and the traditional owners of those areas working groups to cover the land tenure reform process. The rangeland reforms, which will obviously impact on the pastoral leases and the period beyond 2015 when those leases come up, have not been subject as yet to formal processes. We are still waiting for the task force recommendations on the proposed nature of those leases.

Ms J.M. FREEMAN: Therefore, how long are both processes—land tenure and rangeland tenure—envisaged to take? I understand that the director of lands sits on that task force, but have other departmental resources been allocated to ensure that the consultations occur in a timely manner?

Mr M.J. COWPER: I will ask Mr Ord to respond.

Mr D. Ord: The department has an appropriation extending through to 2014 for the RSD process. That includes a designated allocated amount for land tenure reform. The process for rangeland reform will involve an impact potentially on native title, and, as a result, engagement with the native title claimants or holders in the areas, as the primary driver of the ability to make any form of tenure change. We have engaged the Kimberley Land Council, as the representative legal body for most of those native title groups, in a range of mechanisms to engage them over land tenure reform; and where the boundaries of the RSD would extend into rangeland leases, we would incorporate any proposals for changes to the nature of pastoral leases within that consultative process.

Within government, the land access and native title unit of the Department of the Premier and Cabinet has primary responsibility for the direction on the engagement over Indigenous land use agreements. In the case of DIA, we are facilitating the community consultation and the consultation process with traditional owners, and the coordination of the multi-agencies that have input to that. That includes the Department of Regional Development and Lands, the Department of the Premier and Cabinet and other such agencies.

Ms J.M. FREEMAN: Mr Ord has said that there is an appropriation in this budget for the process. Sorry; it is late. I know that we are talking about two different processes here. For the first process, what is the

appropriation, and where can that appropriation be found in this budget, or is it just an amount for the delivery of services? It is late. Am I making sense?

Mr M.J. COWPER: The director general has his finger on the pulse, so I refer the member's question to Mr Patrick Walker.

Mr P.J. Walker: The remote service delivery agreement is a partnership between the commonwealth and state governments. The state has committed \$12.1 million over five years and the commonwealth is contributing double that. The state's investment of \$12.1 million covers the sorts of consultation mechanisms that Mr Ord referred to, salaries for staff on the ground and other matters. I think somewhere there is reference in the budget to allocations in the forward estimates for the remote service delivery process. If the member would like us to identify those, we are happy to do that.

Ms J.M. FREEMAN: If the department can identify that that would be good. Also, has any money been identified for the rangeland tenure option discussions and the consultations around that?

Mr M.J. COWPER: I will engage Mr Maurice Hanrahan who is the finance guru to comment on that.

Mr M.W.R. Hanrahan: In terms of the funding, there is \$2.85 million in 2010–11.

Ms J.M. FREEMAN: Can Mr Hanrahan take me to the —

Mr M.W.R. Hanrahan: I will clarify: the allocations are not separately identified in the budget papers; they are incorporated into the net cost of services and the costs are spread across various line items. There was \$2.85 million allocated in 2010–11, \$3 million is allocated in 2011–12 and \$2.2 million is allocated in 2012–13.

Ms J.M. FREEMAN: Was the total amount \$12.1 million?

Mr M.W.R. Hanrahan: Apologies; there was a further \$1.2 million allocated in 2008–09 and \$2.85 million in 2009–10.

Ms J.M. FREEMAN: My maths is not that quick! That was the funding for the RSD process. Regarding the rangeland tenure option process, has any money been allocated for what I understand is the consultation process that the department is currently going through with the Kimberley Land Council?

Mr M.J. COWPER: These are details of which Mr Duncan Ord is well across.

Mr D. Ord: The process, as I understand, with the land tenure reform is that our normal appropriation for our lands division would cover our current participation in the task force activities. The task force recommendations made to government will be subject to normal budgetary processes for appropriations.

Ms J.M. FREEMAN: Therefore, the department's normal funding for the land tenure is outlined in terms of which particular service, support partnership or information and advice area? Is it specifically listed in the budget papers or is it again in the general appropriations?

Mr M.J. COWPER: My understanding is that that is the case.

Ms J.M. FREEMAN: It is in the general appropriations. Can I get details of what that is for the next three years?

Mr M.J. COWPER: I return to our finance adviser, Mr Maurice Hanrahan.

Mr M.W.R. Hanrahan: The costs associated with the RSD —

Ms J.M. FREEMAN: Mr Hanrahan has given me the RSD funding breakdown. I was asking about the tenure options, which I understand is through the general division that deals with the department's land tenure area. It is really about the amount going to that general division.

Mr M.W.R. Hanrahan: At the moment, we have provided \$800 000 a year, which is against output 1 and the land partnerships efficiency indicator under "Support to Partnerships, Partnering Initiatives". It was \$800 000 a year in 2009–10, which has been carried forward, \$800 000 in 2010–11 and there is another \$800 000 in 2011–12.

Ms J.M. FREEMAN: How many FTEs are involved in that?

[9.10 pm]

Mr M.J. COWPER: I defer to the director general.

Mr P.J. Walker: There is a budgetary provision. Some of those resources will come out of our normal staffing complement. Some of those resources will be necessary for consultation and travel and other purposes. At this stage, I do not think there is a clear number unless Mr Ord has a clearer position on it.

Ms J.M. FREEMAN: Are there any particular resources or FTEs—that is, full-time equivalents—that go to the rangeland tenure options, other than the general stuff that I have so far been told about?

Mr M.J. COWPER: No.

Mr P. ABETZ: Turning to page 636, “Major Spending Changes”, and the first dot point on page 637, I note that through the Aboriginal Affairs Coordinating Committee the Aboriginal community emergency response fund—ACERF—is an approach to provide remote, regional and town-based Aboriginal communities with the opportunity to respond quickly to their immediate needs during crisis situations. Could I have some indication of how that works? There seems to be a significant sum of money set aside for it. What kinds of emergencies are entertained here?

Mr M.J. COWPER: Good question, member.

The royalties for regions fund has once again come to the fore. In the past we have had some problems in various Indigenous communities; for instance, in the example given, I think it was just east of Quairading or Corrigin —

Ms J.M. FREEMAN: A big royalties area that part of the world!

Mr M.J. COWPER: Allegedly.

In the example, a water pump had broken at an Indigenous community east, I think, of Corrigin. Unfortunately, and as members understand, a lot of complexities are attached to who owns the land and who owns the buildings and who is responsible for repairs—be it the shire or someone else—and so on and so forth. As members can appreciate, it is, from time to time, difficult to negotiate with some government departments. We have found it difficult in various Indigenous communities to identify the organisation responsible for fixing problems as they arise and in the meantime people are having to move away from their homes—as was the case in Corrigin—thereby disrupting their family lives. This money has been set aside to enable these sorts of problems to be fixed straightaway, rather than having the communities wait for remedial work. We know that work not done straightaway inevitably costs more. Once the remedial work is completed, the department then does the legwork to identify who is responsible for paying for the repair. It is an emergency fund designed to fix problems as they present in order to save taxpayers’ money in the long term.

Mr P. ABETZ: In essence, some of the money spent will hopefully be returned to the fund so that it can be spent again.

Mr M.J. COWPER: Indeed, yes. It is a \$10 million fix-it fund. As the name implies, it is for emergency situations. As the member appreciates, a number of different communities across the length and breadth of the state have, from time to time, problems with sewerage, water, electricity and a whole range of other things. Rather than having to scratch around and make a squillion phone calls to find the responsible party, this fund allows the community to fix the problem and the department chases up the responsible organisation, which pays the money back into the fund. I think it is a very good royalties for regions’ initiative of this government.

Mr R.H. COOK: I refer the parliamentary secretary to estimates last year and a response to a question from the member for Balcatta. Reading from the budget, the member for Balcatta stated —

“The department will be conducting a review of the Aboriginal Heritage Act 1972.”

Mr M.J. COWPER: What is the line item?

Mr R.H. COOK: I assume, parliamentary secretary, that it comes under “Total Cost of Services” on page 636.

In response to the member for Balcatta’s question, we were told that —

The department was funded with \$200 000 in the budget ... A legal research policy officer, who is experienced in legislative policy analysis, is commencing with us, I think, next week on secondment from another agency. We have a commitment to try to complete that work internally within a six-month period, following which it will be up to the minister and the government to consider that work and take it from there.

Can the parliamentary secretary confirm that \$200 000 was spent in 2010–11, and what is the government response in relation to that work?

Mr M.J. COWPER: I will ask Mr Ord to respond concerning the \$200 000.

Mr D. Ord: The funds were committed for the purpose that was identified in the previous budget. Over the period since that appointment we have undertaken a review of the Aboriginal Heritage Act, which has had a number of reviews over time. We have done an up-to-date review. We have also carried out a series of major reforms within the constraints of the existing act, including preparation and release of new guidelines on the operations of section 18 of the act. Also a revamp has been done of the Register of Aboriginal Sites to enable more accurate assessment of sites that have been formally identified by the Aboriginal Cultural Material Committee as meeting the requirements of the register. We have also prepared guidelines, which are out for consultation at this time, on the operations of the register, as well as some due diligence guidelines to assist industry and the community with the requirements for compliance with the act. In addition, the minister has recently appointed Dr John Avery as an independent consultant to take the work that our legal parties have prepared through to a reform proposal, which will come to this place.

Mr R.H. COOK: That did not answer my question other than telling me that the \$200 000 to review was spent.

I refer to the minister's media release of 9 May, which states that the state will progress the review of the Aboriginal Heritage Act under the auspices of the new consultant. Was a review of the act undertaken, as the then minister promised during last year's estimates hearings; what is the result of that review; and, if this current consultant is there to review the act, did the former minister mislead Parliament the last time we discussed this matter?

Mr M.J. COWPER: The question relates to last year's budget estimates questions and not to a specific item in this budget. We are trying to answer the questions as best we can.

Mr R.H. COOK: It is the estimated actual for 2010–11 under "Total Cost of Services". I am trying to ascertain whether the government spent the money it said it had proposed to spend in a six-month period to produce a quick review of the Aboriginal Heritage Act. Where are the results?

Mr D. Ord: The review of the act was completed by a group of officers led by the officer who was employed under the matter referred to in the previous budget and involved a number of officers from a range of government agencies, including Mines and Petroleum, Premier and Cabinet and the like. The recommendations of the review have gone forward to a director general's working group. As a result of wishing to action those recommendations, the appointment of Dr Avery has been facilitated.

Mr R.H. COOK: In addition to yet another consultant to do yet another review of the act, which successive governments have reviewed over years—my God, people must be getting tired of doing these sorts of things—can the parliamentary secretary please provide details of how many full-time equivalents are responsible for the ongoing review of the act?

[9.20 pm]

Mr M.J. COWPER: I do not have that information available, but I will make it available by way of supplementary information. The member for Kwinana is seeking the total number of FTEs required in the review of the act.

The CHAIRMAN: Does the parliamentary secretary know exactly what information is to be provided?

Mr R.H. COOK: There is nodding going on.

The CHAIRMAN: We are clear on what information is to be provided.

[*Supplementary Information No A59.*]

Mr R.H. COOK: Can the parliamentary secretary inform the chamber when this government will bring about changes to the Aboriginal Heritage Act 1972?

Mr M.J. COWPER: Is the member seeking a date?

Mr R.H. COOK: I want to know when this merry-go-round of consultancy will stop. Yes.

Mr M.J. COWPER: I am unable to give the member that date. It is a matter for the minister to present to cabinet and subsequent legislation.

Mr R.H. COOK: Therefore, that consultant's report can sit on the minister's desk along with the stolen wages report.

The CHAIRMAN: That is conjecture, member for Kwinana.

Mr J.E. McGRATH: I refer to page 642 of the *Budget Statements*, "Details of Controlled Grants and Subsidies". I was very pleased to see an allocation of \$2 million to the Clontarf Aboriginal College hostel extension. Clontarf, of course, is in my electorate. Could the parliamentary secretary give me a bit of detail about what that \$2 million will be spent on?

Mr M.J. COWPER: I am sure everyone is familiar with the standing of the Clontarf Waterford campus. The government is pleased to announce that it is contributing towards the building of an Indigenous student hostel at that campus. The minister has provided an overview of the benefits that the funds will deliver to the state. The hostel will provide Aboriginal students from remote areas the opportunity to obtain quality education in a safe, secure, comfortable and appropriate environment. Without state government funding, the Indigenous Land Corporation would have only had sufficient funding to build an 80-bed hostel. The government's contribution has enabled the number of beds at the hostel to increase by 40, making a total of 120 beds. The increase from 80 beds to 120 beds is great news. The government is not the only funding partner in this project; this government is always interested in partnerships. I am very pleased that BHP Billiton has contributed \$3 million; the Australian federal government has contributed \$2.215 million; the Indigenous Land Corporation has contributed \$3 million; the Catholic Development Fund has provided a loan of \$1.182247 million; and, the state government, as I mentioned, has provided \$2 million. That is a total of \$11 397 247. The hostel is to be managed and operated by

the Catholic Education Office and provides on-campus accommodation to enable students to attend the Clontarf Aboriginal College. The college offers a number of programs aimed at supporting and engaging Indigenous people: Role Models WA, a girls basketball and netball program run by Ricky Grace; and, of course, the now famous Clontarf football academy, which is run by Gerard Neesham. It is a great program and is a very worthy recipient of funds from the money the government has put aside for non-government organisations.

Mr J.E. McGRATH: Has the minister indicated, or is the department aware, when the project will be completed?

Mr D. Ord: The work is well progressed at this stage and will be completed for students entering the college in the last term of this year.

Mr P.C. TINLEY: I refer to the line item for the Kimberley interpreting service on page 642 of the *Budget Statements*. I note that only \$200 000 has been allocated in the next two years and no funding has been allocated in 2013–14. Following the two recent deaths that were attributed to a lack of interpreter services in the Kimberley, the government announced that it would undertake a review to ascertain whether the current level of service was adequate. Has this review taken place; and, if so, what was the outcome? Will the government be increasing the funding for this service; and, if not, why not?

Mr M.J. COWPER: I am unable to provide the member with any information on that, other than to refer the question to one of my advisers. The information I have is that the funding is a component of the Council of Australian Governments remote service delivery national partnership and is funded only until June 2013.

Mr P.C. TINLEY: Is that federal funding?

Mr M.J. COWPER: The director general might be able to further enhance what has been provided.

Mr P.J. Walker: The reason the \$200 000 is indicated for the number of out years is that it is currently wrapped up within the RSD payment for the Department of Indigenous Affairs. There is also a review by the Office of Multicultural Interests of the importance of Indigenous interpreter services. Other agencies have an interest in this issue, particularly the large service delivery agency of the Department of Health, and also, unfortunately, our judicial system, which requires our services. It is an ongoing piece of work. At the moment the funding is shown for at least the next couple of years. No doubt, government will give attention to how it will be funded and what funding mechanism will be appropriate following that.

Mr P.C. TINLEY: For clarification, is there a review underway, or has a review been completed? If it is underway, when will it be completed?

Mr M.J. COWPER: The director general.

Mr P.J. Walker: I do not want to mislead, but it is not a formal review in the sense of a ministerial review or a parliamentary review. A number of agencies are working at an officer level on the appropriate mechanism for providing interpreter services across the state. That work will be ongoing. Certainly, the Office of Multicultural Interests is leading that body of work.

Mr P.C. TINLEY: Is the department satisfied that it has enough funding at the moment to provide that service?

Mr M.J. COWPER: Yes. I think the intention is that the service will continue to be funded in the future, but how that will materialise and how it can be delivered in the most efficient way for taxpayers is subject to discussion between various government agencies.

Ms J.M. FREEMAN: The third dot point on page 638 refers to Aboriginal community patrols. There is also reference to the patrols in the list of major spending changes on page 636. Out of the additional \$1.3 million provided in 2011–12, how many additional patrol positions will be created, how many replacement buses will be provided and where will the additional patrol positions be created? I am interested to know whether it is the Nyoongar Patrol, or is it quite different from the Nyoongar Patrol?

Mr M.J. COWPER: I can speak to a portion of the member's question and then I will ask the deputy director general of corporate development, Mr Cliff Weeks, to comment on the detail about buses, as I do not have access to that. I am sure we heard the question and we will try to answer it the best we can.

[9.30 pm]

The state government will provide approximately \$4 million per annum towards the provision of patrol services in a number of different communities. The Department of Indigenous Affairs was recently awarded an additional \$2.143 million from the state budget for 2010–11 and 2011–12 only to meet the shortfall in patrol salaries resulting from a change to the community development employment program, a federally funded program, to establish nine additional patrol positions and to provide a contribution towards replacement buses. I cannot tell the member how many buses there will be, but I will refer that question to Mr Weeks in a moment.

The patrols currently operate in Broome, Carnarvon, Derby, Geraldton, Hedland, Kalgoorlie, Kununurra, Laverton, Meekatharra, Mullewa, Perth, Roebourne, Warburton and Wyndham. Several of these communities have approached DIA to establish new patrols. The most recent has been a request to extend the patrol to Perth, through the south east metropolitan corridor and down Cannington way and to operate two evenings and three days each week, specifically targeting identified problem areas around Gosnells, Carousel, Burswood, Belmont and the Ord Street train station. There is also a proposal for the eastern and northern metropolitan corridor, subject to the success of that program. The Department of Indigenous Affairs is continuing to work with the Indigenous community to ensure that these community needs are met. I am not sure whether I should tell members the bad news now that a couple of patrols have not been successful. I think Halls Creek, upon which I have worked extensively, is one. That patrol has discontinued as a result of the liquor accord, a great initiative of the Minister for Racing and Gaming, “Tuck” Waldron. We have seen a decrease in antisocial behaviour in Halls Creek. The great police presence in the town has seen the need for that patrol to be diminished a bit, which has been very successful. That funding will be appropriately put to better use. Mr Weeks may have further comment on the number of buses and their colour.

Mr C.G. Weeks: At this stage, we have identified that we would like an additional 10 positions. We have not yet worked out what service providers they will go to. We will sit down with our regional service providers and take their advice on their pressure points and go through that process. We have identified that eight buses require replacement. The state does not pay for the full cost of the buses; we do that in partnership with Lotterywest. We will sit down with Lotterywest and work out where we can replace those buses.

Ms J.M. FREEMAN: Given that these positions were state funded and funding was formerly allocated per annum, is this additional funding part of the \$600 million that was given to the community sector for deliverance of services or is it separate? If it is separate, will this service also be a beneficiary of the \$600 million that went into the community sector that was announced in the recent budget?

Mr M.J. COWPER: The short answer is yes. There are some very significant points to this. I ask the director general to comment on that.

Mr P.J. Walker: Yes, the existing patrol services throughout the state will be the beneficiaries of a proportion of the additional funds, \$600-odd million, announced by the government.

Ms J.M. FREEMAN: Are all the additional funds from the \$604 million in this initiative—the 15 per cent on 1 July and the other moneys subsequently—being given to these patrols or are they simply being allocated that \$604 million?

Mr M.J. COWPER: I do not have that detail. I would like the director general to comment.

Mr P.J. Walker: I understand that the funds within the budget that the member has identified do not represent an additional payment. My understanding is that they are yet to be processed, and I guess allocated money is in addition to the funds within this budget. The funds within this budget do not pick up any of the \$600 million. That will be a percentage adjustment which flows when the appropriate processes through Treasury have been completed.

Mr M.J. COWPER: Perhaps Mr Hanrahan might be able to comment.

Mr M.W.R. Hanrahan: That is correct: \$600 000 is impacted into this, and Treasury is still going through the mechanisms of what that allocation will actually be. That will be on top of the allocation in these budget papers.

Ms J.M. FREEMAN: I just want to confirm the department will get part of that \$600 000. The parliamentary secretary was talking about existing services and taking it further into the south metropolitan area. Can the parliamentary secretary confirm that money in this budget will go towards a patrol in the Cannington and Gosnells areas?

Mr M.J. COWPER: It is my understanding that that is the intention—namely, the south east corridor, including Gosnells.

Ms J.M. FREEMAN: I wrote to the minister to request it for the Mirrabooka area. The parliamentary secretary said it was still under consideration. Is there any opportunity for the patrol service to be increased into the Mirrabooka area as part of the Perth patrol?

Mr M.J. COWPER: Yes, it is looking very good. I ask the director general to comment.

Mr P.J. Walker: In reference to the request for the northern corridor, this draft was prepared before the question on notice was submitted by the member for Nollamara to the Minister for Indigenous Affairs. That is an additional request and no guarantees can be given, unfortunately, in relation to her request. We will certainly consider it seriously and labour over the response on behalf of the Minister for Indigenous Affairs for his consideration.

Mr J.E. McGRATH: I would imagine that we would need a lot more people on these patrols in the metropolitan area than we would in country towns. There are a lot fewer people in country towns and a lot less ground to cover. We have already heard about the need for a service down in the south eastern corridor and in Nollamara and things like that. Can the parliamentary secretary give us some idea how many people are employed in the patrols in the metropolitan area at the moment, and what areas they cover?

Mr M.J. COWPER: I will ask Mr Weeks to provide some in-depth detail. My experience is that there are no hard and fast rules about where they should or should not be applied; it is a case of where the needs are.

Mr J.E. McGRATH: It would be nice to know whether there are 20 people or 200.

Mr M.J. COWPER: I will ask Mr Weeks to provide that detail.

Mr C.G. Weeks: The Nyoongar Patrol service is the service provider for the metropolitan area. There are currently six permanent positions. The service provider makes the decision around whether those positions are part time or full time, but they are equivalent to six full-time equivalents.

Mr P. ABETZ: What auditing is done to ensure that the patrols take place, particularly in the remote communities?

Mr M.J. COWPER: That is a very good question and something that I have seen firsthand; it varies from community to community. I ask the director general to comment.

Mr P.J. Walker: That is a good question. We have introduced a quite rigorous process of review and audit of the existing patrols. There have been some changes; in fact, there are a number of communities that are currently in abeyance simply because we were not convinced about the cost–benefit analysis. Other organisations struggle in terms of their own governance and community administration capacities. In a number of communities there are patrols for which we are currently looking at alternative providers, and part of the reason for that is an assessment, audit and review undertaken by the department.

[9.40 pm]

Mr R.H. COOK: I refer to “Employee benefits” on page 641. Can the parliamentary secretary please provide details of how many staff of Aboriginal and Torres Strait Islander background work in the department as a number and a percentage?

Mr M.J. COWPER: I asked the same question; it is a very good one. I was pleasantly surprised that it was something like 40 per cent—I was a bit generous, it is 33 per cent. The director general might be able to give us details about their levels.

Mr P.J. Walker: The current percentage of Aboriginal staff in the department is 33 per cent. That is up from 28 per cent some five years ago, which is a 20 per cent increase. We are pleased with that, but we are still keen to develop and support our Indigenous staff members and also to enhance our recruitment and attraction strategies even further. The percentage in the executive is about the same order, two out of six, which is 33 per cent. Unfortunately, I do not have the raw numbers, but if the member requires the raw numbers for the agency, perhaps we can take them as a supplementary.

Mr R.H. COOK: The current FTE is 186.

Mr M.J. COWPER: The director general.

Mr P.J. Walker: Unfortunately, we are having difficulty recruiting people at the moment. We are working as well as we can with the Office of Shared Services, but our numbers are down. At the moment, our full staff complement is marginally less than 186, so the number will be less, but as a percentage it is currently 33 per cent of our total FTE.

Mr R.H. COOK: I have a follow-up question, just to correct the parliamentary secretary. Five years ago it was 30 per cent, rather than 25 per cent, but thank you very much.

The CHAIRMAN: Members, do not let us down, we have 20 minutes. Can we have some more questions? We do not want to finish early.

Mr R.H. COOK: Absolutely, Mr Chairman. I am very happy to ask some more questions. It is a very important policy area.

The CHAIRMAN: I am encouraging the member for Kwinana.

Ms J.M. FREEMAN: I will go back to the item on Aboriginal community patrols and the funding there. Is any of that money through royalties for regions funding?

Mr M.J. COWPER: Not at this particular point in time, but it is an option that, if required, is always handy to have in abeyance. At this stage, it is totally funded out of the broader government spend as opposed to the royalties for regions fund.

Mr J.E. McGRATH: I have a further question on the patrols. The departmental adviser informed us that there are six FTEs patrolling the metropolitan area. Does the department have problems recruiting and, if not, what kind of numbers would the department like to increase those patrols by in the metropolitan area, given the funding is there to do so? The metropolitan area is a big area and I find it hard to understand how six full-time people could cover the whole area.

Mr M.J. COWPER: My understanding is that those six employed people in the Nyoongar Patrol primarily concentrate themselves around the central business district, and hence the expansion of the project, initially in the south east metropolitan corridor down through Cannington, Thornlie, Gosnells, Carousel et cetera, and the potential for it to be expanded. The structure of that might be explained better by Mr Cliff Weeks.

Mr C.G. Weeks: The state funds six positions. Some of the patrol organisations have funding arrangements with other entities so that they can provide extra positions. Two local governments supplement the funding for the Nyoongar Patrol.

The CHAIRMAN: Which local governments are they?

Ms J.M. FREEMAN: The Town of Vincent is one. It is not the City of Perth.

The CHAIRMAN: I know that.

Mr P.C. TINLEY: Is it the City of Melville?

Ms J.M. FREEMAN: No; I think it is the City of Gosnells. The Gosnells council has come on board.

We have heard from the Premier about the strategy to increase Indigenous employment across agencies. What role does the Department of Indigenous Affairs play in culturally appropriate issues in the workplace? I was involved in Indigenous traineeships years ago and I know the difficulty with thinking that it is a matter of just setting up a traineeship for young Indigenous people. Often they come from households in which long-term unemployment issues are just one of a range of issues. What work is the department doing about that type of program?

Mr M.J. COWPER: That is a good question. I will refer in a moment to the director general. I have asked the very same question. I note that 3.47 per cent of the population of Western Australia is Indigenous and that the government's target for Indigenous employment across government is 3.2 per cent. Currently the rate is around 2.4 per cent, so there is room for improvement.

Mr R.H. COOK: It actually fell in 2008–09.

Mr M.J. COWPER: There may be reasons for that. It could be because of competition in the workplace or people moving from the private sector into the public sector; who knows?

Mr R.H. COOK: Closing the Office of Aboriginal Economic Development went some way towards it, as well as pre-selecting Ken Wyatt; that did big damage to the senior executive service numbers!

Mr M.J. COWPER: I will leave that alone!

The government's Indigenous employment target is appropriate because we need all people in this great state to be fully represented in all realms of employment. The government's strategy is for Indigenous people to represent 3.2 per cent of the total number of people employed. I asked why the target was not at least 3.47 because that is the broad representation of Indigenous people in the community.

Ms J.M. FREEMAN: Then we would need to have 52 per cent of women in the public sector to reflect them.

Mr M.J. COWPER: It is a commendable target that gives us something to strive for. There is room to move, and that is upwards. I will ask the director general to comment on the role DIA plays with other government departments.

Mr P.J. Walker: I am very pleased that the member asked this question. This is a very significant issue and there are positive things on the horizon. We were delighted to work in very close partnership with the Public Sector Commission on this. The budget allocated about \$8.5 million to the commission to do the very work that the parliamentary secretary referred to. That will ensure there is an incubator or entry level into the public sector at various levels and age groups, ranging from graduates to mature-age people who want to play a role in training. We are also looking at the potential to establish apprenticeships as part of the process. We have worked very closely with the Public Sector Commission.

Another element that I believe is very encouraging is the service we provide to act on behalf of Reconciliation Australia. The Department of Indigenous Affairs acts, encourages and works with other government agencies, and also the private sector, on reconciliation action plans. It was pleasing to see Coles announce recently that, as a result of its reconciliation action plan, its target is to increase Aboriginal employment in Coles Australia-wide from 500 to 2 000 in the next year. Historically, the resource industry has led the charge for Indigenous

employment, and there are obvious reasons for that, such as geography, the location of Indigenous people, and the arrangements relating to native title agreements. If we can broaden the employment base into retail and outside of the resource sector, we will be going well. The other reason it is very important for the public sector to get its act together in supporting employment within the public sector is that it is a great recruitment ground for sectors other than the resource sector. That is why DIA will always strive to have a high percentage of Aboriginal employees. When we are doing our job really well, they should be people targeted not only by other government agencies—we have seen that in recent weeks, which is fine—but also by the resource sector, no doubt.

[9.50 pm]

Mr M.J. COWPER: The point the director general makes is a valid one. A friend of mine who is quite well educated seems to be bouncing from one job to the next. The point the member made about making them work-ready is a very interesting one, because coming from a long-term unemployed position and being thrown into the deep end, as it were, is somewhat difficult and needs to be managed. It is something we are quite aware of.

Mr R.H. COOK: My question relates to page 636 and the line item “Total Cost of Services” for 2010–11. Could the parliamentary secretary provide details of the amount spent under the Indigenous Implementation Board, including meeting costs and so forth? Could he provide further details in response to the reports from the Indigenous Implementation Board?

Mr M.J. COWPER: I am not sure I have the costings; I might have to rely on one of the officers here. The point I would like to make in relation to the Indigenous Implementation Board is that the government commends the chairman and the members of the board for their contribution to Aboriginal affairs in Western Australia over the last two years of the IIB’s tenure. Since the IIB was established in 2009, the state government has re-established the WA Aboriginal Advisory Council and the Aboriginal Affairs Coordinating Committee. These structures provide a foundation for the state to continue reforms created by the IIB. The IIB’s third and final report is presently being considered by government and will be tabled in Parliament as soon as possible to facilitate a discussion and consideration on the IIB’s recommendations. I might refer to the director general for the detail of the costing.

Mr P.J. Walker: My recollection is the chair of the board was paid \$100 000 a year, and each of the members were paid \$10 000. The board completed its two-year appointment in February this year. The third and final report of the board has been provided to the Minister for Indigenous Affairs. My understanding is he is considering that at the moment with a view to tabling it in the Parliament in the not-too-distant future.

Mr R.H. COOK: Just to refresh my memory, could the parliamentary secretary advise how many members of the board were there? For that \$10 000 each —

Mr M.J. COWPER: The ones that were nominated and approved by cabinet on December 2008?

Mr R.H. COOK: Yes, it would have been.

Mr M.J. COWPER: Lt General John Sanderson was the chair.

Mr R.H. COOK: I was just looking for the numbers; I know the folk.

Mr M.J. COWPER: I will provide the names: Dr Mark Bin Bakar, Professor Fiona Stanley, Ms Dawn Wallam, Mr Brendan Hammond, Mr Kim Bridge, Dr Helen Milroy, Ms Ricky Burges and Dr Sue Gordon. That is nine.

Mr R.H. COOK: A further question, if I may: so it is eight plus the Lieutenant General?

Mr M.J. COWPER: Yes, eight plus one.

Mr R.H. COOK: Can the parliamentary secretary also outline the number of FTEs that were dedicated to supporting the IIB in 2010–11?

Mr M.J. COWPER: My understanding is that the Indigenous Implementation Board had one executive officer and one full-time equivalent employee.

Ms J.M. FREEMAN: Having been an executive officer to a committee, my understanding is that an executive officer is usually about level 5.

Mr M.W.R. Hanrahan: Two FTEs supported the IIB. There was a level 8 director and a level 4 officer.

Ms J.M. FREEMAN: The Office of Women’s Interests used to hand it off to a level 5.

Mr R.H. COOK: Does that amount include the travel expenses and administrative expenses associated with the IIB?

Mr M.J. COWPER: No.

Mr R.H. COOK: Can the parliamentary secretary provide details of the expenditure associated with travel and administration?

Mr M.J. COWPER: We will take that question on notice. The member for Kwinana is seeking supplementary information on the travel expenses incurred by the board.

Mr R.H. COOK: I also seek information on the board's other administrative costs.

The CHAIRMAN: The member seeks supplementary information on the travel expenses and other administrative costs of the Indigenous Implementation Board in 2010–11.

[Supplementary Information No A60.]

Mr R.H. COOK: One of the outcomes of the Indigenous Implementation Board's report that I thought was particularly useful, and sort of touches on the Kimberley interpreter services, was to follow through on the languages policy document developed by the department. Can the parliamentary secretary tell me where the department is up to in implementing the Indigenous languages policy?

Mr M.J. COWPER: I do not have that information, but I seek support from Mr Weeks, if he is able to provide some additional information.

Mr C.G. Weeks: That body of work is caught up with the previous question about the review being done by the Office of Multicultural Interests. We are also doing that work in partnership with the Equal Opportunity Commission.

Mr R.H. COOK: I seek some clarification on that answer. I might not have been as tuned in the previous time the issue was raised. What is the time line and expected outcome of that review?

Mr C.G. Weeks: The DIA has developed a draft policy and it is now working with the Office of Multicultural Interests, which is leading the process; therefore, I do not have an end time for that review.

Mr R.H. COOK: Surely the department has an idea about the expected outcome. Did the Office of Multicultural Interests say that that is an 18-month or two-year review, or did it just say that it will consider it at its leisure?

Mr M.J. COWPER: I will endeavour to find out that information for the member.

Mr R.H. COOK: Can the parliamentary secretary please provide the terms of reference for the review undertaken by the Office of Multicultural Interests on behalf of the Department of Indigenous Affairs?

Mr M.J. COWPER: My understanding is that OMI is not working on behalf of DIA.

Mr P.J. Walker: The Office of Multicultural Interests is looking at language policy across the board, of which Indigenous language is obviously a key part. The Office of Multicultural Interests is not doing the work on DIA's behalf; it is doing work to which the department is contributing.

Mr R.H. COOK: What is the department doing with Indigenous languages?

Mr P.J. Walker: If I heard correctly, I think Mr Weeks said that we drafted the Indigenous languages policy that is forming part of the work that OMI is doing.

Mr R.H. COOK: What do you guys do!

The appropriation was recommended.

**APPROPRIATION (CONSOLIDATED ACCOUNT) RECURRENT 2011–12 BILL 2011
APPROPRIATION (CONSOLIDATED ACCOUNT) CAPITAL 2011–12 BILL 2011**

The CHAIRMAN: The question is —

That the clauses, schedules and titles of the bills be agreed to.

Question put and passed.

Committee adjourned at 10.00 pm

Legislative Assembly

Thursday, 2 June 2011

ESTIMATES COMMITTEE B

The meeting commenced at 9.00 am.

Division 35: Education, \$3 926 611 000 —

Mr M.W. Sutherland, Chairman.

Dr E. Constable, Minister for Education.

Ms S. O'Neill, Director General.

Mr J. Leaf, Deputy Director General, Finance and Administration.

Mr D. Axworthy, Deputy Director General of Schools.

Mr C. Gillam, Executive Director, Workforce.

Mr B. Roach, Deputy Chief Finance Officer.

Mr J.F. Fischer, Acting Executive Director, Infrastructure.

Mr L.R. Hale, Acting Executive Director, Statewide Planning and Delivery.

Mr G. Metcalf, Acting Executive Director, Office of Early Childhood Development and Learning.

Ms J. Healy, Acting Executive Director, Statewide Services.

Mr M. Trifunovic, Director, Facilities Program Delivery.

Mr J. Lee, Acting Chief of Staff, Office of the Minister for Education.

Miss A. Walker, Principal Policy Adviser, Office of the Minister for Education.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof Hansard will be published at 9.00 am tomorrow.

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. This is the prime focus of the committee. Although there is scope for members to examine many matters, questions need to be clearly related to a page number, item, program, or amount within the volumes. For example, members are free to pursue performance indicators that are included in the *Budget Statements* while there remains a clear link between the questions and the estimates.

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 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 committee clerk by Friday, 10 June 2011, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers, and accordingly I ask the minister to cooperate with those requirements. 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 with the Clerk's office. Only supplementary information that the minister agrees to provide will be sought by Friday, 10 June 2011.

It will greatly assist Hansard if, when referring to the program statements volumes or the consolidated account estimates, members give the page number, items, program and amount in preface to their question.

I now ask the minister to introduce her advisers to the committee.

[Witnesses introduced.]

The CHAIRMAN: The first question is from the member for Victoria Park.

Mr B.S. WYATT: I refer the minister to page 399 "Capital Appropriations". The 2010–11 budget allocated \$889.9 million but apparently there will be an underspend of some \$420 million. Why is there such a significant

underspend in capital appropriations; and how much of the \$660 million allocation for 2011–12 is a rollover of that underspend for the current financial year?

Dr E. CONSTABLE: I thank the member for Victoria Park for his question. When we look at actual expenditure under that item there does appear to be a large amount of money unspent. I understand that a large portion of that difference is due to projects that have been delayed, but I am also assured that the finishing time for those projects will be on time. There have been delays up-front, but they are now on track to be finished on time. I will give the member some examples. The commonwealth government created delays in the Building the Education Revolution program, which pushed out the completion of BER projects worth \$168 million. A number of significant schools are nearing completion. Dongara District High School, Governor Stirling Senior High School, Ashdale Secondary College, Atwell College, Karratha Senior High School and Kununurra District High School are all underway. I understand the difference in the figures is because of the slow start, but the finish will be on time for those projects.

Mr B.S. WYATT: Can the minister confirm how much of the \$427 million that was not spent in 2010–11 has been recashflowed into 2011–12? If, as the minister stated, that is due to projects being delayed, then that \$427 million has been recashflowed into next year.

Dr E. CONSTABLE: It is not just projects that have been delayed, it is also the BER program, because the commonwealth government delayed projects. The member might remember that the commonwealth government delayed projects, which pushed the completion of projects out. For us that has resulted in an underspend of \$168.6 million of commonwealth funds for BER projects whose completion was pushed out by the commonwealth.

Mr B.S. WYATT: Therefore, of that \$889 million, \$168 million is delayed BER spending —

Dr E. CONSTABLE: Delayed by the commonwealth.

Mr B.S. WYATT: — so of that \$660 million in the 2011–12 financial year, how much of that is simply the \$420 million delay in spending?

Dr E. CONSTABLE: Mr Leaf.

Mr J. Leaf: In 2010–11 the budget included \$424.9 million for Building the Education Revolution projects. The actual estimated expenditure in 2010–11 is \$295 436 000. That is a variation in this current year of \$129 484 000. Of course, a considerable amount of that funding was carried forward into future years at the request of the commonwealth government through negotiation with all states around spreading the cash flow over a moderately longer period of time.

Ms R. SAFFIOTI: Mr Leaf said \$129 million of the 2010–11 underspend was BER. The minister just said it was \$168 million.

Mr J. Leaf: The \$168.6 the minister referred to is how much is left to complete on the BER program in total. Of that, about \$129 484 000 is the amount carried forward from the underspend in 2010–11. In 2011–12 there remains to spend in total \$168.6 million on Building the Education Revolution and then the program will be finished completely.

Mr B.S. WYATT: Through the minister to your adviser: of the \$660.5 million capital appropriation on page 399 for the 2011–12 financial year, how much is delayed money, whether it is federal or state, from 2010–11 year and how much is new appropriation for the 2011–12 year?

[9.10 am]

Dr E. CONSTABLE: We believe that the calculation is \$350 million, but we will try to get the member the exact number.

Mr B.S. WYATT: Is the minister answering the question now, or can the answer be provided as supplementary information?

Dr E. CONSTABLE: If the member is happy with supplementary information, we will get the member the exact figure.

Mr B.S. WYATT: I am happy with supplementary information. Is Mr Leaf clear on my question?

Mr J. Leaf: I am; we will come back with a precise number.

Mr B.S. WYATT: I seek information on what was delayed and how much of that \$660 million carried over from 2010–11.

[*Supplementary Information No B40.*]

Mr P. ABETZ: I refer to page 403 of the *Budget Statements*. The third paragraph in the asset investment program section mentions an allocation, and states —

... the program includes \$100.5 million for the state government's Royalties for Regions — Regional Infrastructure and Headworks Fund to fund priority projects at regional schools across the State.

Could the minister indicate which schools will receive that funding and what it will be spent on?

Dr E. CONSTABLE: An amount of \$100.5 million of royalties for regions funding has been brought into the capital works program for education. That funding covers 13 schools that over the next three years will have significant upgrades and new facilities. If we look around the state at the district high schools in particular, we see that many facilities in country areas and regional areas do not reflect the sort of changes that we have seen in schools or the sort of facilities needed to provide modern school programs. I will give the member some examples. Some upgrades will be completed in 2012, some in 2013 and some in 2014. For instance, there is appropriation of \$7 million for Carnarvon Senior High School, with planning to commence in 2012 and completion in 2014. That appropriation will provide a new library, cafe and textile room and refurbishment of the technology areas in the school. In a number of these upgrades we are trying to ensure the availability of technology, science, home economics and vocational education and training subjects that students might wish to take, so that regional students have the same opportunities as students in other places. These facilities will be provided to ensure that quality education is provided as close to home for as many of our country students as it can be. As the member would know, the history of the state is that many young people leave home to board and go elsewhere to school. The asset investment program tries to bring these facilities up to a modern standard.

Esperance Primary School is the only primary school involved in this program of 13 schools. Esperance Primary School will have a complete replacement to the value of \$10 million to be completed by the middle of next year. I will give the member a few more examples. Denmark High School will receive \$7 million for works, including a new library, to be completed by 2012. Given the circumstances in a number of fairly small country areas, some of these facilities will be shared facilities. The library will be a shared facility with the community so that we get the best value out of it. A new materials technology facility and a science laboratory will also be built at Denmark High School. Katanning Senior High School will receive \$2 million for an administration and student services area upgrade, to be completed by the middle of 2013. Derby District High School will receive a six-classroom block, a new home economics studio, a new science lab and performing arts and music facilities.

These upgrades mean that a number of regional schools will have the sort of performing arts and music facilities which we see in newer schools in the city and which have not been part of country high schools in the past to any great extent. Without going into too much detail of those upgrades, Broome Senior High School will receive a \$10 million upgrade. The member for the Kimberley has talked about an upgrade for Broome Senior High School for some time, so I am sure that that will be very welcome. That upgrade will cover performing arts, media, staff and student areas. Pinjarra Senior High School's new materials and home economics area upgrade will be completed in 2013. I visited that school and it certainly needs some work done in its technology areas. Hedland Senior High School will receive a \$6 million contribution for a fairly major upgrade, including major refurbishments and some new areas.

The CHAIRMAN: Can the minister please keep her answers short?

Dr E. CONSTABLE: I will quickly finish my answer. Collie Senior High School will receive a \$3 million upgrade. The member for Collie–Preston has been pressing for work to be done on his school, so I am sure he will be pleased about that. Karratha Senior High School will receive \$9.5 million. That is part of the major rebuild of Karratha Senior High School at the TAFE site, which was started under the previous government. Therefore, a lot of shared facilities will also be on that site. Merredin Senior High School will receive \$6 million; Northam Senior High School, \$10 million; and Narrogin Senior High School, \$7 million.

Mr B.S. WYATT: Who decided which schools will receive money allocated from the royalties for regions fund? Was it the Department of Education through the minister or the Department of Regional Development and Lands through Brendon Grylls?

Dr E. CONSTABLE: The Department of Education through me.

Mr B.S. WYATT: Did the Department of Education make the decision on which schools receive royalties for regions funds?

Dr E. CONSTABLE: It was the Department of Education's job to look at country schools to see which ones were in need. The department came up with a list, which was then discussed with the Department of Regional Development and Lands. That list is basically exactly the same as the list here. There was a little bit of tweaking with the amounts of money and so on, but it is basically the same list.

Mr B.S. WYATT: Some regional schools receive royalties for regions money and some receive Department of Education money. How does the minister decide which schools receive what from which bucket? Is there a policy or procedure or is it up to Brendon Grylls?

Dr E. CONSTABLE: At the moment we have a very active statewide planning unit, because we need to look at how we deliver education through technology and so on so that we deliver in the bush as best we can. The Department of Education sets the priorities through the statewide planning unit.

Mr B.S. WYATT: Is that unit within the Department of Education?

Dr E. CONSTABLE: Yes. Statewide planning of schools and delivery of education within the department always involves planning and looking at demographic changes. That area is constantly changing and moving; it is a very interesting part of the department. The decisions were made from that statewide planning.

Mr B.S. WYATT: Is it simply a matter of that unit deciding whether the funding comes from the Department of Education or from royalties for regions?

Dr E. CONSTABLE: That unit does all the research and has discussions with the director general and others at the corporate executive and then with me. Once the department has some recommendations, it comes to me with those recommendations. We go through that process and then make the decision.

Mr B.S. WYATT: Will we have another \$100 million next year for regional schools from royalties for regions?

Dr E. CONSTABLE: No, this is \$100.5 million over three years. Some of the projects will be completed in 2012, some in 2013 and some in 2014. This money will be spent over that time.

Mr B.S. WYATT: I can see that the statewide planning unit decides which schools get priority.

Dr E. CONSTABLE: No, the unit makes recommendations to the director general.

Mr B.S. WYATT: Does the unit recommend which schools get priority or get funding?

Dr E. CONSTABLE: Yes.

Mr B.S. WYATT: How does the minister decide where the money comes from?

Dr E. CONSTABLE: The statewide planning unit does not recommend funding.

Mr B.S. WYATT: Who recommends which schools are entitled to regional development funding and which schools are entitled to Department of Education funding?

Dr E. CONSTABLE: I ask Ms O'Neill to elaborate on that.

[9.20 am]

Ms S. O'Neill: As the minister suggests, the department undertakes demographic planning and future planning where there is a need for new schools, maintenance, and upgrades et cetera. That is a continuous process. That is quite separate from the money that is available to undertake those activities. The process involves a range of recommendations being put to the minister. In discussions with the minister as part of the budget process, we consider what funding is available and the sources of that funding. It happened that this year, we would have our own budget consideration and then some availability of royalties for regions money. In discussions with the Minister for Education and the Minister for Regional Development about the total plan, we consider what money will be distributed across the total.

Mr B.S. WYATT: Is the delivery of royalties for regions spending the minister's responsibility or does the Department of Regional Development and Lands deliver it?

Dr E. CONSTABLE: It gets appropriated through them to us.

Mr B.S. WYATT: Ultimately it is the Department of Education that does it?

Dr E. CONSTABLE: Yes, together with Building Management and Works of course, who are involved in those projects.

Ms R. SAFFIOTI: My question relates to "Structural Realignment of the Department of Education Budget" on page 399 of the *Budget Statements*. There are some varied reports about what the figure of \$361.6 million over five years includes. Could we get a breakdown of exactly how much is going to each item under that heading?

Dr E. CONSTABLE: The structural realignment of the education budget for 2010–11 and 2011–12 is the result of pressures on the education budget, which is not surprising. With 771 schools, 250 000 students and over 40 000 employees, it is not surprising we would have pressures on this budget. The pressures are mainly, quite interestingly, things like Government Regional Officers' Housing, increased insurance costs, and funding for children with special needs. The percentage increase each year of students with special needs receiving Schools Plus is something like seven per cent. It is not surprising we have those pressures.

The unavoidable cost pressures include \$14.2 million for school utilities. The cost of utilities, as we all know, has gone up. There is \$38.8 million for growth in insurance expenditure risk cover—Workers' Compensation insurance, of course—and \$15.4 million in additional accommodation costs for teacher housing. One of the big

pressures always, as members know, in staffing our schools in rural and remote areas is making sure we can attract people to go there. It is very difficult to employ people in places like Karratha unless housing is subsidised. There is an enormous expense for us in those subsidies. It is something that was done by previous governments and will continue to be done to make sure we properly staff our schools. There is \$20.2 million to provide additional resources to schools for growth in special-needs student enrolments, and \$1.6 million for the implementation of the very successful independent public schools initiative. When we look at the successes so far of independent public schools—I am sure it is an issue that will come up later—for an extra \$1.6 million on that budget, which is a very small budget indeed, it has been done extremely well by the department.

Ms R. SAFFIOTI: The minister gave us a breakdown of \$14.2 million, \$39.8 million, \$15.4 million, \$20.2 million and \$1.6 million—what year was that for?

Mr B.S. WYATT: That is not \$361 million either.

Mr J. Leaf: I did not quite hear the question.

Ms R. SAFFIOTI: I asked about the \$361.3 million additional funding over the five years for the structural realignment and a breakdown of where that funding was going.

Mr B.S. WYATT: That was for 2010–11, was it?

Dr E. CONSTABLE: I think 2011–12.

Mr J. Leaf: Those figures were for specific items over the forward estimates. The total amount is disclosed in the budget estimates itself for the annual amounts of the total realignment. It is on page 399 under “Major Spending Changes”. That cannot be a question because it is there. In 2011–12 the total realignment is \$149.083 million.

Ms R. SAFFIOTI: Maybe we are at cross-purposes here. We are looking at the total additional funding under structural realignment, which I understand is \$361.3 million over the forward estimates. The minister read out some items that maybe were the unavoidable cost pressures. There must be other things that comprise that \$361 million.

Dr E. CONSTABLE: I just gave the figures for 2011–12.

Mr B.S. WYATT: We are after a breakdown of the whole \$361 million.

Dr E. CONSTABLE: I can provide the 2010–11 numbers.

Mr B.S. WYATT: That was what the minister just gave us, was it not?

Dr E. CONSTABLE: No; I provided the 2011–12 numbers.

Ms R. SAFFIOTI: I do not think they add up to \$149 million.

Mr B.S. WYATT: They are less than \$100 million.

Dr E. CONSTABLE: I am sorry; I thought it was for 2011–12 because that was the number at the top of the list. Those amounts for those items are across the forward estimates.

Ms R. SAFFIOTI: I think they were the unavoidable cost pressures, but there must be other elements that comprise that \$361 million; that is how I understand it.

Dr E. CONSTABLE: I have a chart here that shows the numbers for 2010–11, 2011–12 and 2012–13, if the member would like me to go through those.

Mr B.S. WYATT: If they are the numbers on page 399 of the budget, the minister does not need to go through those, as I have them. We want to know what has been spent. For example, page 104 of budget paper No 3 refers to the teachers’ enterprise bargaining agreement. How much of that is going on anticipated costs in the teachers’ EBA? That \$361 million figure must have been arrived at by some process, I would have thought.

Dr E. CONSTABLE: Yes. I will ask the director general to answer.

Ms S. O’Neill: The numbers in the budget papers, if I can make sure we are talking about the same thing: in terms of structural realignment, there is \$103 million for the 2010–11 estimated actual and \$149 million for the 2011–12 budget estimate. The minister referred to the breakdown of the structural realignment components. They are the same components over each year in the forward estimates, because we do not stop and start, for example. The minister talked about growth in education assistants. That will be the same in each year—not the same amount, but the component will be across each of the years. In 2011–12 the components the minister referred to, for example independent public schools, will exist in 2012–13 and 2013–14. The components the minister read out are not the cost pressures. Obviously they are reflective of the cost pressures, but they are the components of the structural realignment—for example independent public schools. The structural realignment covers the increased cost of risk cover and increased cost of utilities et cetera. The components the minister read

out are the components of the structural realignment. The 2011–12 total of that was \$149 million, as represented in the papers. The total against each of those structural realignment components in 2012–13 is, as in the budget papers for 2012–13, \$70.879 million. They are the components of the structural realignment.

Ms R. SAFFIOTI: What was read out before was \$14.2 million, \$39.8 million, \$15.4 million, \$20.2 million and \$1.6 million—those figures were for what year?

Ms S. O'Neill: The 2011–12 year.

Dr E. CONSTABLE: It was 2011–12.

Ms R. SAFFIOTI: On a quick analysis, that does not add up to \$149 million.

Ms S. O'Neill: I will go through it line by line to add up. There was a realignment of general expenditure —

Ms R. SAFFIOTI: Sorry, can we clarify that? In the budget papers it says that part of that money was for the teachers' EBA—is that right or wrong?

Ms S. O'Neill: A component of the structural realignment is for ongoing wages growth. Given that we are coming out of the current EBA and teachers have recently received an increase, there is a component in the structural realignment for wages growth. That being said, EBA negotiations are underway as we speak. The current arrangement does not conclude until 7 July. There are continuing negotiations obviously between us and the State School Teachers' Union of WA, and us and the government and Treasury, around the component for wages growth.

[9.30 am]

Ms R. SAFFIOTI: Sure. But these budget papers say that there is money for the teachers' EBA. I am not making it up. Can we go through the 2011–12 numbers again, because I want to try to nail this? It is \$14.2 million for school utilities.

Ms S. O'Neill: I will start from the top. We are talking about 2011–12 here: realignment of general expenditure, \$45.057 million; independent public schools, \$1.597 million; risk cover insurance increases, \$38.615 million; increase in utilities, \$14.114 million; increased cost of education assistants, \$20.061 million; increase in GROH, \$15.390 million; and general provision for wages growth, \$14.249 million. That makes a total of \$149.083 million.

Ms R. SAFFIOTI: No disrespect, but that was not the list that we were given before.

Dr E. CONSTABLE: I had some of the major items on the list that I had. I did not have this full chart.

Ms R. SAFFIOTI: Okay. That is for 2011–12. The minister is saying that those items flow through the forward years. There are pretty much similar numbers throughout the forward years. But why in 2014–15 does it drop away so much, if those items have been carried through the forward years?

Ms S. O'Neill: Some of the figures do change over the forward estimates, because they are exactly that—forward estimates. We are continuing, with our demographics, to look at student growth, for example. Also, for example, the number of education assistants fluctuates from year to year. There are forecasting demographics about the number of students with disabilities. Hence the forward estimates are based on some of those projections. So, the numbers are not necessarily flatlined. They vary from year to year. We are, as we speak, continuing work on our demographics, and some of that will continue to be negotiated with Treasury for the forward estimates.

Ms R. SAFFIOTI: In relation to the EBA component, Ms O'Neill said \$15.4 million for 2011–12. What are the forward estimates figures for the EBA component?

Dr E. CONSTABLE: I will ask Ms O'Neill to answer that question.

Ms S. O'Neill: Just to clarify, I did not give a component for the 2010–11 wages.

Ms R. SAFFIOTI: No; 2011–12.

Ms S. O'Neill: For 2011–12, it is \$14.249 million. But that is not only the EBA.

Ms R. SAFFIOTI: It is general wages growth; I understand.

Ms S. O'Neill: What was the rest of the question?

Ms R. SAFFIOTI: What is the component across the forward estimates?

Dr E. CONSTABLE: We need to underline that this is just a forward estimate, and no more than that.

Mr B.S. WYATT: Did Colin Barnett just walk into the room?

Dr E. CONSTABLE: That is what they are. They are forward estimates. The member knows as well as I do that things can change.

Mr B.S. WYATT: Does that mean the royalties for regions spending across the forward estimates is just rubbish, minister?

Dr E. CONSTABLE: The only thing that we are voting on today —

Mr B.S. WYATT: Then why did the minister just spend 20 minutes answering the member for Southern River's question about royalties for regions going to Katanning and Collie, and they are all across the forward estimates?

Dr E. CONSTABLE: I will ask Ms O'Neill to answer the member's question.

Ms S. O'Neill: In 2012–13, the estimate represented for the wages growth—being general wages—component is \$29.496 million. As the minister indicated, negotiations are still underway. So that is an estimate. But the negotiations with the union, and therefore the government, will produce whatever number at the end of the day that produces.

Ms R. SAFFIOTI: What is the figure for 2013–14?

Ms S. O'Neill: For 2013–14, it is \$50.955 million. For the final year, 2014–15, it is \$52.611 million.

Ms R. SAFFIOTI: I want to go back to the utilities charge, the figure of \$14.2 million. Am I to take it that that is because of the increase in electricity prices?

Dr E. CONSTABLE: Generally speaking, that is true.

Ms R. SAFFIOTI: Is it a similar figure across the forward estimates—that \$14.2 million?

Dr E. CONSTABLE: I will ask Mr Leaf to answer that question.

Mr J. Leaf: In putting together our cost and demand pressures for this year's budget cycle, we took a number of issues that we regarded as being somewhat outside the control of the Department of Education in managing expenditure, and utilities was, indeed, one of those. The government agreed to fund for two years that increase in utilities, but sought the Department of Education to come back in the next budget year with opportunities for, I guess, achieving efficiencies in utilities management. The utilities increase includes not only the general cost of water and power, but also added significant additional floor space from the Building the Education Revolution program, and that obviously requires utilities spending. So part of the reason that we need to revisit that in future budget years is to get a clearer picture of our total spend when we have completed all of that major building works program.

Ms R. SAFFIOTI: So that is about \$30 million over the next two years—that is, about \$14 million in each financial year—for utilities?

Mr J. Leaf: For utilities, we have \$6.375 million in 2010–11, and \$14.114 million in 2011–12.

Ms R. SAFFIOTI: So, you have some for this financial year, too?

Mr J. Leaf: Yes.

Ms R. SAFFIOTI: In relation to the efficiency dividend that was applied to the Department of Education as part of the initial budget, how much of that for 2011–12 has been met, because that does impact on the structural alignment issue? I think that for 2011–12 it was estimated that \$92.7 million would be delivered through the efficiency dividend. Does the minister have any information about how much of that has been met by the Department of Education?

Dr E. CONSTABLE: The efficiency dividend does not appear in the budget papers any more, so I am not exactly sure what the member's question is.

Ms R. SAFFIOTI: The question is: money was deducted from the budget of the Department of Education in the first year of government of about \$90 million per annum. We are now in the third year of the budget, and money has been injected back, called a structural realignment. One could say that the structural realignment is basically just reinjecting the efficiency dividend into the budget.

Dr E. CONSTABLE: Go on. What is the question?

Ms R. SAFFIOTI: Is it?

Dr E. CONSTABLE: I will ask Mr Leaf to answer this question.

Mr J. Leaf: The three per cent efficiency dividend last appeared in the budget estimates papers in, I believe, 2009–10. We actually ceased to manage our expenditure in line with the targets set more than two years ago. The structural realignment was based upon a complete revisiting, from the bottom line up, around where our cost and demand pressures are. So what the member has had provided to her through the minister and the director general is a breakdown of where our current cost pressures and demands are in the education business, which has moved on since the efficiency dividend numbers were first struck. As the member knows, that was referred to colloquially as a three per cent salami slice. The work that we did several years ago is now history; and, to be

frank, we have actually expressed those views both verbally and in writing. So we simply do not have the information available because we are not tracking it any more.

[9.40 am]

Ms R. SAFFIOTI: Sure. To the minister: the Treasurer stood last week and said that 90 per cent of the efficiency dividend was being delivered. I am not sure; does the Department of Education provide information to the Treasurer so that he can make that claim?

Dr E. CONSTABLE: I do not know how the Treasurer came to that conclusion. I presume he has —

Ms R. SAFFIOTI: Obviously, he —

Dr E. CONSTABLE: — advice right across government to come to such a conclusion.

Ms R. SAFFIOTI: Pardon?

Dr E. CONSTABLE: It is historical information.

Ms R. SAFFIOTI: No; I think he is saying that 90 per cent of the efficiency dividend over the budget and the forward estimates was being delivered. However, the minister is saying that the Department of Education no longer reports on that issue.

Dr E. CONSTABLE: I do not know how the Treasurer came to that number. I am sure it is historical information that he has gone back through, with the help of Treasury, to come to the conclusion that 90 per cent is being delivered.

Mr B.S. WYATT: Without speaking to the Department of Education!

Ms R. SAFFIOTI: One of the biggest departments! Okay.

Dr E. CONSTABLE: I think that it is really important to remember, when we are discussing this, just what the expenses and cost pressures are in education. When we look at the percentage spent on salaries, on schools and on resources for schools, we are up into the 90 per cents. Salaries are 70 per cent, and then up to 95 per cent of the entire expenditure in education is on children in schools, salaries of staff, resources and schools. So it leaves very little in the budget to find a three per cent efficiency dividend. I make no excuses —

Mr B.S. WYATT: You should tell that to the Treasurer, not to us, minister.

Ms R. SAFFIOTI: Yes; I mean that money —

Dr E. CONSTABLE: Members opposite have raised the issue. I am giving them an explanation.

Mr B.S. WYATT: That is a discussion for cabinet, minister, and —

Ms R. SAFFIOTI: I am raising the issue that the —

The CHAIRMAN: We are not going to get involved in a cross-chamber exchange. Member for Bassendean.

Mr M.P. WHITELY: I refer to the chart at the top of page 403, and the line item “Employees (Full Time Equivalents)”. The budget for 2010–11 was for approximately 10 700 FTEs, down approximately 900 from the previous year’s actual figure. However, the estimated actual for 2010–11 is about 1 000 more than the budgeted figure. Can the minister explain the difference? Can she also explain, referring to 2011–12, the cut of 300 positions?

Dr E. CONSTABLE: I am not exactly sure which line the member is referring to; is the member referring to the “Secondary Education” chart?

Mr M.P. WHITELY: Yes; and the line item “Employees (Full Time Equivalents)”.

Dr E. CONSTABLE: These numbers are calculated. They include not only teachers, but all employees. If the member also looks at the full-time equivalent chart for “Primary Education”, he will see that together the total comes to, I think, around 32 000. I will ask Mr Leaf and Mr Roach to give the member a more technical breakdown of this in a moment, but it is an estimate of FTEs across the whole department. There will be a percentage of people from the central office and from the regional offices. It is a percentage of all employees. It does not represent only teachers.

Mr M.P. WHITELY: My question is: why is it so wrong?

Dr E. CONSTABLE: I will ask —

Mr M.P. WHITELY: The estimate was decreased by 800-odd and the actual was —

Dr E. CONSTABLE: I will ask Mr Leaf to talk about the technical aspect of apportioning these FTEs in this way.

Mr J. Leaf: Every year, when we look at casting the budget split between the two service outputs of primary and secondary education, we look at our projections for student enrolments. At the time we do the budget, those figures are not known. When we estimated the 2010–11 budget for secondary students, we were anticipating a more significant reduction in the enrolments in secondary schools. As members would appreciate, there has been some change in enrolments in year 8 in our public secondary schools as some students have moved to private sector schools. When we constructed the secondary school number—the member is quite right; there was a significant reduction—that number of 10 680, when added to the 21 953 primary FTEs, gave the FTE total of 33 426 indicated at item (c) in the income statement at page 410. When we set that number and divided between the primary and secondary components, we were looking at broad estimates of enrolments. It is not altogether a science; to some extent, it requires quite a significant amount of prediction. We freely recognise now that with regard to the 10 680, we were overconservative in the predicted reductions in enrolments in secondary education, and the actual estimated number is now 11 646. I would like to stress that the calculations are complex. When we allocate numbers to primary and secondary schools, we must take into account that district high schools have both primary and secondary students. We have to allocate not only the teachers and the education assistants, which are specific, but also a share of the principal, the deputy principal, the cleaner, the gardener and the registrar. We also then in head office allocate a share of every person who works within the department, within shared services, including part of my time, part of the director general's time —

Mr M.P. WHITELY: All of those things are not as sensitive to student numbers as are actual teachers. I am struggling to understand the volatility—that the department could get it so wrong. The explanation that I am hearing is that student numbers were not as the department expected. Therefore, what was the expected number of students at secondary level and what was the number in terms of actuals? I would have thought that it would have to be a massive—about 20 per cent—error to get that sort of movement.

Dr E. CONSTABLE: I defer to Mr Leaf.

Mr J. Leaf: I think that the use of the word “error” is quite misleading. I freely acknowledge that when we prepare these estimates for the budget, we are looking, at the time, at information that is ahead of the census numbers—by how many months, I do not know. We are saying that we got that estimate incorrect.

Mr M.P. WHITELY: Incorrect; wrong—it does not really matter!

Dr E. CONSTABLE: I will add that for 2009–10, training department figures are included as well, because for four months of that year the —

Mr M.P. WHITELY: I read that footnote, but the minister would have known that that was going to happen at the time the budget was prepared.

Dr E. CONSTABLE: But Training was still a part of Education at that time, so it had to be a part of the Education estimates.

Mr M.P. WHITELY: But the minister would have known that at the time the budget was prepared. I would like from the minister, perhaps as supplementary information, the estimate of secondary students. The minister has said that the major explanation is that the department underestimated the number of students who stayed; it thought more would leave. So I would like to have the information about the estimate of secondary students and the actual number of secondary students. More importantly, what explains the difference between the actual for 2010–11 and the decrease of just under 300 for 2011–12? Why is there going to be a decrease in 2011–12?

Dr E. CONSTABLE: Again, I think that is tied to the very complicated way this is worked out, and also to a drop in student numbers. We have estimated that there will be a drop in student numbers in secondary schools next year, while we have an increase in the number of primary students.

Mr M.P. WHITELY: Could we have that information as well—that is, the estimated secondary number?

Dr E. CONSTABLE: I can ask the director general to give a breakdown of that.

Ms S. O'Neill: For the 2011 full-time equivalent students, taken from first semester data for this year, we had a reduction in the number of secondary students of 1 168. In fact, for 2011, we had quite a reduction in the number of secondary students overall, remembering that —

Mr M.P. WHITELY: What number are there overall? I am sorry; I am just trying to get an idea of the proportion.

Ms S. O'Neill: Okay—for 2011. Obviously, the number changes from day to day, but as of the census, this year we have 76 270 secondary students. The year before, 2010, there were 77 438. We have to consider the cohort difference, with the half cohort going through secondary school, which actually makes quite a big difference. In one year we will have half of a cohort—this year it is in year 9—or it may be slightly more than half a cohort. In the time period that we are considering, we need to consider the half cohort. The estimate would have been for around half a cohort. Over time we have discovered that there might be slightly more than half not in schools

during that cohort period. Therefore, there is an overall reduction in the number of secondary students during the time in question. A large part of that can be quantified as a result of the half cohort.

[9.50 am]

Mr M.P. WHITELY: What was the estimate figure for 2010–11? We have been told that the actual figure was 76 270 students; what was the estimate?

Ms S. O'Neill: Just so I am clear, for 2011, this year, the actual is 76 270.

Mr M.P. WHITELY: I have that figure; what was the estimate?

Ms S. O'Neill: I do not have a concrete figure for the estimate, but we would have thought that the forecast would have been much the same, taking into consideration the half cohort. Our forecast would be for slightly less growth, taking into account half of the general cohort. Let us take year 8 in 2010 as an example. A full cohort for year 8 is historically about 16 500 students. In 2010 that number dropped to 9 100 and was restored this year to just over 16 000 students. Our forecasts based on full cohorts are generally fairly stable. We know that over the years there has been a decline in secondary students, and when that half cohort is also taken into account, a forecast takes in roughly half of a general cohort. Mr Leaf has already indicated that the estimate did not land exactly where we thought it would. We took into consideration the normal things we would take into consideration and the number landed slightly differently from where we thought it would; there is volatility in student numbers.

Mr M.P. WHITELY: My question is: what was the estimate for 2011? What I have distilled from all this is that there were not as many secondary school students as expected. I know the actual number of students this year and I know what it was the year before, but I do not know what the estimate was for 2011. I am trying to make sense of why the number could be so out. The other question that has still not been answered, to my mind, unless I have misheard, is why there is a decrease in full-time equivalent staff numbers between 2011 and 2012 in the estimated actual result and the budgeted result. Why is there another planned reduction of 251 staff?

Mr J. Leaf: First, I am more than happy to provide the information the member is asking for on specific estimates in years gone by, but we move on from estimates to look at actual figures when we get census results. For example, year 8 student enrolments in 2010 totalled 9 188. That number compared with year 8 enrolments in 2009 of 16 666 students. The 2010 figure is the half cohort moving through. The number of year 8 students this year has gone back up to 16 115 students. We have also experienced improved retention for years 11 and 12 —

Mr M.P. WHITELY: I feel we are going around in circles. Could we perhaps get the information that I requested, which was the estimate for 2011?

Dr E. CONSTABLE: The estimated number of secondary students?

Mr M.P. WHITELY: The estimated number for 2011 —

Dr E. CONSTABLE: Secondary students?

Mr M.P. WHITELY: Yes, the estimated number of secondary students for 2011. I have the actual number.

Dr E. CONSTABLE: For this school year?

Mr M.P. WHITELY: Yes, the financial year that is just finishing.

Dr E. CONSTABLE: The figures do not relate to financial years, they relate to school years.

Mr M.P. WHITELY: Sorry; the academic year that is finishing. We know that the actual number of secondary students is 76 270; what was the estimated number?

Dr E. CONSTABLE: Can I just be clear? The member said “the academic year just finishing”. We are only in the second term.

Mr M.P. WHITELY: Sorry; I was wrong. We have been told that the actual number of secondary students for the 2011 academic year is 76 270. I want to know what the estimate was.

Dr E. CONSTABLE: What we estimated?

Mr M.P. WHITELY: Yes.

Dr E. CONSTABLE: We have to bear in mind that that estimate was made for the budget in February 2010. Therefore, the estimate was made before we had received the census results for 2010.

Mr M.P. WHITELY: That is the challenge; that is what the department has to do every year. I understand that.

Dr E. CONSTABLE: I just want the member to bear in mind that there is some art in this as well as technology. It is a very complicating factor in our budget. It might seem easy to the member, but it is complicating.

Mr M.P. WHITELEY: But there is a massive difference in numbers that has not yet been explained, and that is what I am asking for an explanation of.

Dr E. CONSTABLE: The supplementary information we will give the member is that estimated number of students for this year.

Mr M.P. WHITELEY: I have still not heard an answer about why there will be 251 fewer —

Dr E. CONSTABLE: Can I clarify what the member is asking for? Does he want staff FTE numbers or student numbers, because they are different.

Mr M.P. WHITELEY: No; the staff FTE numbers. There is a fall in FTE numbers from an actual figure for 2010–11 of 11 646 to a budget target for 2011–12 of 11 395. What is the reason for that? Why is there a decrease of 251 FTEs?

Dr E. CONSTABLE: Is the member referring to teachers when he says “251 FTEs”?

Mr M.P. WHITELEY: Yes.

Dr E. CONSTABLE: That figure does not refer to 251 teachers.

Mr M.P. WHITELEY: It refers to 251 full-time equivalent employees.

Dr E. CONSTABLE: Yes, employees. Mr Leaf explained that that number covers employees in the whole department, not just teachers.

Mr M.P. WHITELEY: I understand that, but why is that number decreasing?

Dr E. CONSTABLE: The main reason is that student enrolments are down.

The CHAIRMAN: I understand that there will be some supplementary information given; is that correct?

Dr E. CONSTABLE: We are not clear about what the member is asking for, because he has spoken about a number of things.

Mr B.S. WYATT: The supplementary information relates to the student estimates.

Mr M.P. WHITELEY: There are two different issues.

The CHAIRMAN: We have understood that some supplementary information is to be provided; let us clear that up before we move on to anything else.

Dr E. CONSTABLE: I will say what I think the requested information is, and the member can tell me whether I am right. Does the member want an estimate of the secondary school student enrolments for the school year 2011?

Mr M.P. WHITELEY: Yes.

Dr E. CONSTABLE: The estimate that the figures were based on.

Mr M.P. WHITELEY: Yes.

[Supplementary Information No B41.]

Dr E. CONSTABLE: Now we move to the issue of the 251 FTEs the member talked about. As Mr Leaf said, we have to bear in mind that that figure is calculated in a very complex way because it covers the entire department. A little bit of every person working in Royal Street will be included in those FTE figures. They do not relate just to teachers; they relate to everyone employed, and there are 41 000 people employed in the department.

Mr M.P. WHITELEY: I understand that; the figure is for FTEs.

Dr E. CONSTABLE: The drop of 251 FTEs is, in the main, related to a drop in student numbers at the secondary level.

Mr M.P. WHITELEY: If that is the explanation, can I have that same information for this year’s budget as well. What is the estimated number of students for the 2012 academic year as well?

Dr E. CONSTABLE: For 2012?

Mr M.P. WHITELEY: Yes, for both 2011 and 2012.

The CHAIRMAN: I thought that the figures did not relate to a financial year, but rather an academic year. Does the member perhaps want some idea of what student numbers will be in 2012? Is that the question?

Dr E. CONSTABLE: I understand the question; the member is now asking for the estimated number of students for this school year and the estimated number of students for 2012.

Mr M.P. WHITELEY: Yes, because the minister has explained that there has been a decrease in student numbers.

The CHAIRMAN: That supplementary information will be about estimated student numbers for the year 2012.

[*Supplementary Information No B42.*]

Mr F.A. ALBAN: I refer to page 400 of the *Budget Statements* under “Significant Issues Impacting the Agency”, and the last dot point on independent public schools. It is an initiative that has been well received in my electorate. Can the minister advise on the response to the call for expressions of interest in the third intake of independent public schools? Can the minister please provide an update on the experience of the schools in the first and second uptakes? Can the minister also provide information about the promised independent evaluation of IPSs?

Dr E. CONSTABLE: We all realise that, up to this point, the number of schools that have put up their hands to be part of this independent public schools initiative has been quite remarkable. In the first year, when we called for expressions of interest, there were 104 applications. A small number were chosen—just 34.

[10.00 am]

Mr B.S. WYATT: Chairman, I take a point of order. The Chairman’s earlier instructions were to keep to the point. I am aware the minister has already spoken about this by way of ministerial statement a week or two ago. Before she reads off all the figures and facts again, perhaps she could quickly give her view on how the IPS initiative has gone. I daresay we know, but she does not need to read the numbers, because she did that two weeks ago in a brief ministerial statement.

The CHAIRMAN: I do not think I can add anything further. Can the minister just keep it as brief as possible.

Dr E. CONSTABLE: It is a very big subject, Mr Chairman.

The CHAIRMAN: I know, minister. We are all very interested in it.

Dr E. CONSTABLE: I know you are very interested in it, Mr Chairman.

The CHAIRMAN: I am very interested.

Dr E. CONSTABLE: There were 196 applications for the third intake, which will be looked at by an independent group. Those that are deemed ready to be independent schools will be selected by that group of people. What we can conclude from this is that we know that independent public school status is highly sought after. I think the crux of the success of independent public schools is their voluntary nature. I think that if a system tried to impose autonomy, empowerment and flexibility of this sort on every school, it would not be a success. It is the voluntary nature of it that is extremely important.

Part of the member’s question was to ask me about the experience of the schools in the first two intakes. To this point we have had an internal qualitative review of the first 34 schools to look at those schools and to get responses from principals in particular but also the school communities about how successful that has been and the sorts of comments that we might take on board in the future. Next year each school has a delivery and performance agreement that is signed by the principal, the chair of the school council or the school board and the director general. Those are three-year agreements. Those reviews for the first 34 schools will finish at the end of next year.

Mr B.S. WYATT: Is that \$1.8 million a supplementary allocation for the review? Is that what that is?

Dr E. CONSTABLE: No, that was not for review. That was just for independent schools in general. These reviews will be done by the Department of Education Services, looking at those delivery and performance agreements and, with the principals, reviewing the schools, and the goals that were set to see the extent to which each one of those schools has reached those goals. There is a third layer to evaluation. The first layer is the anecdotal case study review that has taken place for the first 34 schools. The second layer of review is the review through the Department of Education Services. Bear in mind that that is the department that reviews and registers and makes recommendations to me about registering non-government schools, so that is an area they are very practised in. The third layer of evaluation will be an independent review of IPS. I understand the tender documents for that are being prepared at the current time. We are looking to make sure we review this thoroughly at all possible levels—at the individual school level as well as across the initiative.

Mr B.S. WYATT: What is the time frame for the independent review?

Dr E. CONSTABLE: I will ask the director general to elaborate on that in a moment. As I understand it, the tender documents for that are being prepared at the moment.

[Ms L.L. Baker took the chair.]

Ms S. O’Neill: It is planned for that evaluation to run across the two-year period, 2012–13 inclusive. Within the tender we will give consideration to whether we ask for the option for an extension for a more longitudinal

arrangement. The purpose of the evaluation obviously is to look at the effectiveness and efficiency of the independent public schools as they are participating and the impact they are having on the broader education system. The evaluation will look at a range of areas including how the independent public schools are demonstrating greater flexibility and autonomy—in other words, how they are using the choice; how that affects the efficiency and effectiveness of the schools; the position of accountability; and the impact that independent public schools have on school boards. So it is quite broad-ranging. That evaluation proposal is with procurement as we speak.

Ms J.M. FREEMAN: Koondoola is one of those independent schools. Can the minister confirm that the integrated services centre at Koondoola will continue operating for the next 12 months and that there is funding for it into the future?

Dr E. CONSTABLE: The funding for the integrated service centre, as I understand it, is through the Department of Health, not through the Department of Education. It is on the school site, is it not?

Ms J.M. FREEMAN: Yes.

Dr E. CONSTABLE: So it is not within these budget papers.

Ms J.M. FREEMAN: In relation to the school site, is it the minister's understanding that the funding will continue?

Dr E. CONSTABLE: It is not part of what we are doing. That is a question for the Minister for Health.

Ms J.M. FREEMAN: I have asked the question of the Minister for Health, and he has confirmed that, from his point of view, that is continuing. I suppose I just want to know —

Dr E. CONSTABLE: I would hope that would be the case, because there are two integrated service centres—one at Parkwood and one at Koondoola—which have been very successful and provide those range of services for people who have recently arrived.

Ms J.M. FREEMAN: Yes, but is it the minister's understanding that it will continue?

Dr E. CONSTABLE: I would it to continue; I would hope so.

Mr B.S. WYATT: Minister, the last dot point on page 403 under “New High Schools” states that construction will also continue on the \$63.0 million replacement of Governor Stirling Senior High School. At page 407 there is \$30 million allocated for Banksia Grove and \$30 million for Byford and an amount of \$92.5 million for as yet unnamed new high schools. In respect of Governor Stirling Senior High School specifically, is that going to be from years 7–12, or years 8–12? In respect of the \$92 million for unnamed new high schools, are they all years 8–12, 7–12 or a mixture?

Dr E. CONSTABLE: I will ask Milan Trifunovic to elaborate on Governor Stirling Senior High School. I understand it is being built as a year 8–12 school, as are the others.

Mr M. Trifunovic: That is correct. Governor Stirling Senior High School is being constructed, and it will be a year 8–12 school, yes.

Mr B.S. WYATT: Through the minister, in respect of the \$92.5 million allocation for unnamed high schools, has that funding been calculated on all those schools being year 8–12 schools?

Dr E. CONSTABLE: Is the member asking me the question?

Mr B.S. WYATT: I said through you, minister.

Dr E. CONSTABLE: So far it is unallocated, so decisions about whether they are years 8–12, 6–12 or 7–12 would not have been made.

Mr B.S. WYATT: There is an allocation of \$92.5 million. That must be arrived at by some process.

Dr E. CONSTABLE: It is a general amount of money. A decision about the configuration of those schools will be made —

Mr B.S. WYATT: Okay; \$30 million for Banksia Grove—is that a year 7–12 school or a year 8–12 school?

Dr E. CONSTABLE: It is a year 8–12 school, as I understand.

Mr B.S. WYATT: Is Byford the same?

Dr E. CONSTABLE: Yes.

Mr B.S. WYATT: Has any money been allocated to any of the specific year 7–12 schools?

Dr E. CONSTABLE: Not that I am aware of, no; they are all year 8–12 schools.

Ms R. SAFFIOTI: My question relates to page 404 and the dot point entitled “Miscellaneous Programs” and the expenditure of \$40 million over two years for capital maintenance at priority schools. Could we get a breakdown

of how much was spent in 2010–11 for maintenance and how much was forecast for maintenance over the budget years and forward years?

Dr E. CONSTABLE: Can the member repeat the question?

Ms R. SAFFIOTI: How much was actually dedicated to maintenance in 2010–11 and how much was forecast, excluding the \$40 million for 2011–12 and the forward years in the forward estimates?

Dr E. CONSTABLE: Yes, I will get that information for you. For 2010–11 the total amount, including \$5.3 million of BER National School Pride money, was \$75 673 000 as at 19 April, so we do not have the full financial year. As at 19 April this year, the total amount that had been spent was \$75 673 000. Of that, \$5 336 000 was BER funding. A total of \$70 million had been spent by April. Obviously that number will grow throughout the financial year. As well as that, there was concrete cancer work, power supply upgrades, roof replacements, air conditioning replacements, gas heater replacements, toilet replacements, other school facilities and preventive maintenance, which was an extra \$20 million on top of that \$75 million.

[10.10 am]

Ms R. SAFFIOTI: The second part of that question was: how much is budgeted for in 2011–12 and the forward estimates, excluding or including the \$40 million, whatever the minister has on hand?

Dr E. CONSTABLE: I am not sure whether the chart I have excludes that. I will ask Mr Leaf to interpret this chart for the member.

Mr J. Leaf: I think the question was: how much of the preventive maintenance money that has been allocated was spent in 2010–11? Some of that is always classed as preventive maintenance. That is what the minister has read out. The new money does not begin until 2011–12. There is an allocation of \$15 million in 2011–12 and \$25 million in 2012–13.

Ms R. SAFFIOTI: Is that preventive maintenance?

Mr J. Leaf: This is new money allocated for additional preventive maintenance on top of the program that the minister read out.

Ms R. SAFFIOTI: Does the minister have figures on how much the existing program was budgeted for in 2011–12 and the forward estimates?

Mr J. Leaf: In the budget estimates themselves, we have not thoroughly worked out how we want to spend that new money. What we have in the budget estimates is contained within a line “Infrastructure power upgrades”, which is certainly where we will spend some of those funds. There is \$7.5 million. The other significant area in which we identified a real pressing need was roof replacements. We have a further \$7.5 million in 2011–12. In 2012–13, those amounts go up, so the infrastructure power upgrades are \$12.5 million and the roof replacement program is \$12.5 million. That is the breakdown as it stands in the budget estimates. We have some latitude to spend money where we think it is most appropriate, and it could be outside of power upgrades or roof replacement.

Ms R. SAFFIOTI: The question related to how much was going to be spent regardless of the \$40 million. In relation to the existing program—the existing maintenance—how much was budgeted for in the 2011–12 budget year and the forward estimates?

Dr E. CONSTABLE: Is the member asking about preventive maintenance only?

Ms R. SAFFIOTI: No. For example, the minister described a \$75 million program in 2010–11, including \$5.8 million in BER. What is the comparable figure in the budget for the budget year and the forward estimates?

Dr E. CONSTABLE: The figure for the budget year includes maintenance from recurrent funds and minor works, school grant maintenance and a BER component. For 2010–11, the total I have is \$97 037 000, \$10 million of which is National School Pride money. Then we go to the other things that I read out, which include the concrete cancer repairs and so on, which is \$33 million. The total across those two sections of maintenance and minor works is \$126 million, and this year it was \$90 million. Does that help answer the member’s question?

Ms R. SAFFIOTI: Does \$126 million relate to 2010–11?

Dr E. CONSTABLE: That is the forecast for 2010–11. As I said, the figures I had were up to April. The forecast for 2010–11 is \$126 million, and if we go forward to the totals in 2011–12, it is \$168 million.

Mr B.S. WYATT: What does that include?

Dr E. CONSTABLE: It includes all those things that I have indicated.

Mr B.S. WYATT: And the extra spending of \$40 million?

Dr E. CONSTABLE: I assume that the extra spending of \$40 million is in that as well because that will be spent on concrete cancer and roof replacements.

Ms R. SAFFIOTI: How much commonwealth money is included in that 2011–12 figure?

Dr E. CONSTABLE: A total of \$6.6 million.

Ms R. SAFFIOTI: Does the minister have the figures for 2012–13, 2013–14 and 2014–15?

Dr E. CONSTABLE: Yes, I do. They are very much estimates; there is no BER funding in this. The figures are \$79.6 million for the maintenance work, without anything from the BER funding, and at this stage \$57 million for concrete cancer and so on, bearing in mind that by then the \$40 million would have been spent. They are very much estimates. This is one thing we know we have to continue to rejig.

Ms R. SAFFIOTI: Just to clarify, it is \$79.6 million in 2012–13 and around \$50 million in 2013–14.

Dr E. CONSTABLE: No; the total is \$79 million for maintenance in 2012–13 and the same figure runs through 2013–14 and 2014–15; and then there are minor works, which includes concrete cancer repairs and power upgrades, which is another amount.

Ms R. SAFFIOTI: How much is that?

Dr E. CONSTABLE: For 2012–13?

Ms R. SAFFIOTI: Yes.

Dr E. CONSTABLE: It is \$57 million. They are quite small amounts after that—\$29.9 million and \$28.9 million. We should bear in mind that the programs for concrete cancer and so on will have worked their way through the budget by then and I am sure there will be other areas such as toilet upgrades. New things come in all the time.

Ms R. SAFFIOTI: In relation to the \$40 million that is being spent over the next two years—the additional money—the budget paper notes that it will be spent on priority schools. Does the minister have a list of those schools, or could we get it by way of supplementary information?

Dr E. CONSTABLE: I do not have it with me now. I understand from Mr Fischer that the analysis of the Building Commission assessments that I tabled some weeks ago will set the priorities for where the priority schools are. That is being worked through at the moment.

Ms R. SAFFIOTI: Can that be provided by way of supplementary information?

Dr E. CONSTABLE: The work is still being done so there is no list at this point. Perhaps I could undertake to table that list when it is available.

The CHAIRMAN: The member may want to put that question on notice.

Mr B.S. WYATT: If the minister is going to table that document in Parliament, I will wait for the tabling of it.

Mr P. ABETZ: I refer to the fifth dot point on page 404 of the *Budget Statements*. Amongst other things, I note there is an allocation of \$4 million for electronic whiteboards. I recently visited a school in which they were being used and I was quite impressed with the technology. Could the minister advise on the educational benefits of providing these whiteboards or are they just a fad? Also, for teachers who, like me, are not that techno savvy, is training provided for teachers to use them?

Dr E. CONSTABLE: This \$4 million over four years has my fingerprints on it. I think I have made 350 school visits since I became minister. One of the things that has struck me as being quite revolutionary in classrooms is the use of electronic whiteboards. All our new schools have them and all the BER buildings have them. They are a very important tool for teaching and learning. I am sure the member has walked into a classroom and seen a group of children sitting on the floor with the teacher working on some project on the electronic whiteboard. I think they are really important. Many schools have used funds from their school grants, as they are able to do, to purchase electronic whiteboards but some schools do not have them in every classroom. I thought it was important to have a project over the next four years to help schools purchase those electronic whiteboards for the very purpose for which they are designed, which I think the member has seen, as I have, in schools.

I am sure some training in the use of these electronic whiteboards is given. In fact, I could give an example of the extension of the use of the electronic whiteboard. We have a cluster of independent public schools in the Mid West—in Coorow, Perenjori and Three Springs—and another IPS school at Beaumaris Primary School in the northern suburbs of Perth in which the teachers communicate with each other through their computers using their whiteboards. There are a number of spin-offs from having those whiteboards in classrooms. I understand that the department does run some training in this area. I would like to ask Mr Metcalf, a principal, to elaborate on the worth of having these in classrooms.

[10.20 am]

Mr G. Metcalf: My current school is Roseworth Primary School, where we have fitted out the entire school with electronic whiteboards from kindergarten all the way through to year 7. The application of whiteboards is entirely across the curriculum, so we can have our kindergarten children sign themselves in in the morning. It is drag-and-touch technology, so children can go to the screen, drag their names and they are linked to our information system. It gives the school a log-in point for the children. With an interactive world, we have the use of internet and technologies, and every child has an opportunity to interact with these in the classroom, children can communicate with each other, teachers can highlight text and they can draw from the entire web to add to their curriculum program. In the tender process, when the school accepts a tender, training is a part of that tender so the school can call the company that has provided the equipment. There is ongoing support and they will come out and offer professional learning for staff, and as teachers progress through the IT world—as we know, some are at the beginning and some are at the end—we can do structured professional learning for people. It is very much like using a laptop or a computer, and once they have keyboarding skills, they are right, and the rest of it is drag-and-touch technology operating within two screens. As I said, our children from kindergarten on use this technology on a daily basis. It is pretty much that if we do not have them in classrooms, parents would like to have them, kids want to use them and staff are keen to increase their skills. It is a natural progression from where we have come from in teaching in the information technology world.

Dr E. CONSTABLE: To summarise, it provides so many more opportunities for collaboration in the classroom, and problem solving and discussion. We see a lot more discussion in those small groups of children working together like that and it increases student engagement and motivation. I understand a lot of research has been done in Britain on the positive aspects of whiteboards that has come up with some very positive results in student learning.

Mr M.P. WHITELY: I have a very specific question. I refer the minister to page 399 under “Major spending changes”. The very last line refers to voluntary separation for education assistants and allocates \$3.2 million in 2011–12 and in all the out years. Can the minister specify how many education assistants will be required to accept voluntary redundancy to make these savings? Are any particular areas targeted for redundancy; and if so, what are they?

Dr E. CONSTABLE: No one is required to take voluntary redundancy. That is a contradiction in terms obviously.

Mr B.S. WYATT: How many do you need to get the \$3.2 million in savings?

Dr E. CONSTABLE: The number that has been targeted is around about 150. Because it is an amount of money, it depends on the level that person is at. I understand education assistants working with disabled students, for instance, are generally at a higher level than some other ed assistants because of the skills they have needed to develop. It is an amount of money. The notional number is 150 FTEs, but it could be fewer than that if the whole package is taken up by ed assistants.

Mr B.S. WYATT: As a follow-up to that, will the minister target particular areas in offering those redundancies?

Dr E. CONSTABLE: We have a surplus of education assistants, strange as it might seem. I will get the director general to elaborate on this in a moment. After education assistants have been employed for two years, they automatically become permanent. We end up with a situation, for instance, in regional areas in particular, where a child with a disability in a primary school requires an ed assistant—quite properly so, through Schools Plus—and if that child leaves that town or moves on, then the ed assistant is permanent and remains at the school. It may be that in a small area that ed assistant cannot be redeployed at a reasonable distance from where they live so, in a sense, that person becomes supernumerary to the needs of the school. I understand when schools are amalgamated they often get this situation. As has happened in a number of instances, for instance, when Hainsworth and Montrose primary schools were amalgamated under the previous government and the new school was opened—I think last year—there were about 20 supernumerary ed assistants, and over time they were redeployed. It does happen that we get supernumeraries, in particular in rural areas.

Ms S. O’Neill: The voluntary separation offer closes and needs to be finalised by 29 September. As the minister said, it is 150 education assistants or thereabouts. We have various categories of education assistants. In the first instance, we will consider—it is only the department’s recommendation that goes to the Public Sector Commissioner—and give analysis to supernumerary education assistants. In that, we have various categories of education assistants, including those for disabled students, junior primary education assistants and in the same category we have Aboriginal and Islander education officers and ethnic assistants. We have a full range of people to whom we can give consideration for voluntary separation. The minister is quite right and in the first instance we will look at those who are supernumerary. It is quite a complex task, because we have some education assistants who may work three days a week, but are only surplus for one day a week. That happens, for

example, with a child with education support needs who from one year to the next may require a different amount of support. The assistant may be in one year required four days a week and in the next year required three days a week, so the supernumerary component is not a full FTE. We are in the middle of that process right now, with people indicating to us, those who are surplus to need at the moment, their willingness or interest in a voluntary separation scheme. That being said, obviously it is a complex endeavour because at the same time we have increased numbers of students with disabilities. That does not necessarily convert to whole FTEs, so there is a fluctuation in the fractional amount of time that education assistants work. In the next month or so we have to finalise some recommendations for the voluntary separation offer.

Mr B.S. WYATT: Has any consideration been given to removing the right to permanency after two years?

Dr E. CONSTABLE: Not that I am aware. That is an industrial matter, and perhaps the director general can comment.

Ms S. O'Neill: That is not policy or legislation that we set. We are governed under the industrial legislation set by other departments, so the matter of permanency is not one that we can decide on one way or another.

Mr F.A. ALBAN: I refer again to the fifth dot on page 404, referring to playground equipment for schools. It is only a small budget allocation, but a great initiative. My electorate has many primary schools situated in lower socioeconomic areas such as Herne Hill and Gidgegannup in the hills. What are the criteria for the allocation of this funding, and is there a priority list for these schools that is available already?

[10.30 am]

Dr E. CONSTABLE: This is another one of those small parts of this budget that has my fingerprints on it as well. I was in Broome sometime last year and I had a discussion with members of a school community about some very old playground equipment. I am particularly keen to give older schools, particularly schools where parents do not have a lot of resources available to them to raise funds, the opportunity to have their playground equipment upgraded. If we look at our new schools or some of the Building the Education Revolution buildings, particularly in the early childhood area, we see that some really, really good modern equipment is available. We will provide \$2 million over four years to assist primary schools with replacing playground equipment. I am not sure whether the criteria has been worked out, but my view is that this funding is particularly for older schools in low socioeconomic areas that have not had the capacity to replace older equipment as many other schools have been able to do. These schools need safe playground equipment. We need to promote healthy lifestyles and activity in our young children. As we all know, almost every day an article in the newspaper refers to children who are inactive or obese. Therefore, it is very important to make playground equipment available to students. Modern playground equipment is much better than the old rusty metal equipment that we can see in older schools.

I acknowledge the P&C at Broome Primary School for drawing this issue to my attention. I listened and translated their needs into this funding. I am sure there is not a list, but criteria will be developed so that schools can apply in much the same way as they apply for other upgrades, but with low socioeconomic status schools as the prime targets.

Mr B.S. WYATT: How many schools does the minister expect will take advantage of the \$2 million?

Dr E. CONSTABLE: The funding is over four years, \$500 million a year —

Mr B.S. WYATT: It is \$500 000 a year.

Dr E. CONSTABLE: It depends what the schools ask for. I imagine that sometimes there would be partnerships with schools providing some and this fund providing some, but I understand \$15 000 to \$20 000 buys a fairly nice selection of playground equipment. I see quite a few schools benefiting from this over the four years.

Mr B.S. WYATT: I refer to Indigenous education on page 401 of the *Budget Statements*. Why has the position of the Director of Aboriginal Education been made obsolete?

Dr E. CONSTABLE: As minister I have no part to play in the appointment or otherwise of members of the department —

Mr B.S. WYATT: Not very much. I am not interested in the minister's role; I am interested in why. If the minister cannot answer, I dare say that the director general can answer.

Dr E. CONSTABLE: Just let me finish. Calm down and let me finish.

Mr B.S. WYATT: I am very calm, but I have had this answer from the minister in question time and I prefer to hear from the director general.

Dr E. CONSTABLE: The member has asked me the question.

Mr B.S. WYATT: Yes, I know what sort of answer the minister will give: "I had nothing to do with it. I had no idea." So why not flick it to the person who made the decision?

Dr E. CONSTABLE: No, I had not finished. I was mid-sentence and the member interrupted me. Can we start again and can the member calm down?

Mr B.S. WYATT: Come on, it is an important issue.

Mr P. PAPALIA: The minister cannot dodge it.

Dr E. CONSTABLE: I can see that the member is getting really worked up about this.

Mr B.S. WYATT: Funnily enough, I am.

The CHAIRMAN: Minister and member, this is not an occasion for a toing and froing across the floor. Is the minister clear about the question asked? Would she like the question repeated?

Dr E. CONSTABLE: I would like the question repeated.

Mr B.S. WYATT: Why has the Department of Education made the position of the Director of Aboriginal Education obsolete?

Dr E. CONSTABLE: The member understands that there has been a major restructuring of the department with the regionalisation of our schools across the state. Through that restructure a number of positions have been restructured in this area of Aboriginal education, which is an area in which I have taken a great interest.

Mr B.S. WYATT: But the minister has made no decisions, apparently.

The CHAIRMAN: Is that a further question, member?

Mr B.S. WYATT: No, I am quoting what she said before.

Dr E. CONSTABLE: What is the question now, member?

Mr B.S. WYATT: It is the same question. Is the minister confused again? Should I ask it again?

Dr E. CONSTABLE: I am not the least bit confused.

The CHAIRMAN: Is there a further question?

Mr B.S. WYATT: It is the same question.

Dr E. CONSTABLE: I ask the director general to give the member detail of this, because these decisions are made by the director general, not by me. Two people now work within the higher levels of the department in the area of Aboriginal education. I ask the director general to elaborate.

Ms S. O'Neill: A range of changes have been made to the structure of the central office and a number of director positions abolished as a result. One of the positions is the former Director of Aboriginal Education position. I might add that the contract period of that position came to a conclusion the day before yesterday and so the position no longer exists in the organisational structure.

We are undertaking our management and oversight of Aboriginal education functions in a different way. We will maintain the delivery of Aboriginal education delivery programs as they exist now through a similar structure of a directorate, but through a branch. We have introduced a fresh approach to Aboriginal education innovation by appointing, temporarily in the first instance, an Assistant Executive Director of Aboriginal Education Innovation, which is at a higher level than we have had in the department for some time. Further to that, we introduced an executive principal position for a senior Aboriginal leader in the department to bring hands-on, concrete school leadership experience to our new approach to Aboriginal education. Recently, Weston Jackson, principal of Millars Well Primary School in Karratha, joined our team to lead the new Aboriginal education plan released by the minister and, specifically, the Aboriginal education network schools initiative through which schools will have the opportunity to access a greater range of flexibility to do different things in Aboriginal education. It is well documented that, although modest, we are continuing to make improvements in the area of Aboriginal education. However, we know the gap remains significant. While we continue to do the same things in the same ways year in and year out, we will not get the quantum of change that we not only have signed up to but that we also believe is absolutely necessary for young people into the future.

Coming back to the original question, yes, the position came to the end of its contract period. Yes, the position has been abolished along with a number of other director positions in the central office. We are very keen to move educators from the central office into schools and that has been part of the restructure. We have also minimised the amount of administration and management levels in the office, which has been a criticism of the central office for some time.

Mr B.S. WYATT: Where is the Assistant Executive Director of Aboriginal Education Innovation position based?

Dr E. CONSTABLE: As I understand, that position is based in the central office.

Mr B.S. WYATT: The position is not based in schools.

Ms S. O'Neill: That position is located in our school innovation and reform unit, which is directly related to innovation and school improvement at school level. The position sits in the central office, but both that position and the executive principal position are about schools and will spend the greater proportion of their time in schools.

Mr B.S. WYATT: The director general said that the assistant executive director has already been appointed on a temporary basis. Who has been appointed and when will the position be made permanent? I assume there will have to be some form of advertising. Will the Aboriginal executive principal also maintain his role as principal of their school in Karratha; and, if so, what resources are allocated to that position?

Dr E. CONSTABLE: To answer the second part of the question, an acting principal will be in that school until the end of the year. I refer the first part of the question to the director general.

Ms S. O'Neill: I think the member asked who has been appointed Assistant Executive Director of Aboriginal Education. The person in that position in an acting capacity is Ms Janine Milton, who has good experience through her former work as not only a director of schools but also a principal in her own right and curriculum leader in regional and remote areas working specifically with Aboriginal students. Ms Milton has been appointed for a six-month period. Under the public sector standards we are able to “tap on the shoulder” for six months and then the job will be advertised. We intend to advertise that position, which is initially for three years, for the life of the Aboriginal plan that the minister announced the other day. We intend to do that in the very near future. The other position, the executive principal position, the minister is quite right: Mr Jackson will maintain it. He will be seconded from his school in Karratha. As is often the case in these situations, he will work with us until the end of the year in central office but primarily out in schools. At that point he will return to his school.

[10.40 am]

Mr B.S. WYATT: And resources for that role, which was part of my question?

Dr E. CONSTABLE: What was the question?

Mr B.S. WYATT: The resources allocated to the Aboriginal executive principal?

Ms S. O'Neill: If I could clarify: resources in what way?

Mr B.S. WYATT: Travel—I assume the department wants that principal to spend a fair bit of time in regional schools.

Ms S. O'Neill: That position, like all of our positions on a senior executive basis, will be given a small allocation to ensure they are able to undertake their duties, including travel; stationery; accommodation, if needed; attending conferences, if that is absolutely needed; and a car. General costs to undertake the role will be provided to that position, and any other position in the department that needs it.

Ms R. SAFFIOTI: My question relates to accommodation expenditure. I refer to the “Income Statement” on page 410, specifically “Other expenses”. In relation to the Hale House move, 40 staff moved out. Where are they now and what are the long-term arrangements for those staff?

Dr E. CONSTABLE: I am not sure where the number 40 comes from.

Ms R. SAFFIOTI: The Premier said it.

Dr E. CONSTABLE: It is more than that—it is about 100.

Ms R. SAFFIOTI: A hundred staff?

Dr E. CONSTABLE: A hundred staff. They are in accommodation at Beechboro until the end of the year. The member may be aware that Padbury Senior High School is closing. The numbers at Padbury got down to 296. The decision was made to close that school given the best education for children cannot be provided in a school that small. Staff will be located at Padbury Senior High School, which is in a really good location and also has very, very good buildings. That will bring together under one roof not only the Hale House people but also people from other locations. There is almost an equal number of people at central office who will move to Padbury, to provide direct services to schools. Altogether, there will be about 300 people, in all sorts of areas, including early childhood; literacy and numeracy; English as a second language, and dialect; behaviour management; student disability, including deaf and hard-of-hearing; speech and language development; curriculum; and vocational education. They will all be based there, bringing together all services provided to schools. It is a home base for visiting teachers as well. Many of those people will be out in schools at any one time. They will be working together. For the first time we are bringing all those services under one roof. This is part of our reform to put services closer to schools and more available to schools.

Ms R. SAFFIOTI: What is the cost of upgrading Padbury? Is there a cost in upgrading to accommodate 100 staff?

Dr E. CONSTABLE: I understand it is estimated at about \$2.5 million.

Ms R. SAFFIOTI: In relation to central office, the minister noted that some people will move out of central office and go to Padbury, and also of course the Department of Training and Workforce Development is moving out. What will happen to the vacant space in central office?

Dr E. CONSTABLE: It is quite a complicated answer. I will ask Mr Leaf, the deputy director general, to answer that. There are approximately 400 people in another location, in Bennett Street. They are part of our shared services and other support to the department. Some planning is underway to see who will move into Royal Street. Again, we will bring as much of the department under one roof as we can, rather than having people spread around different locations. It will be more efficient and effective in running the administration of the department. I will ask Mr Leaf to give the detail.

Mr J. Leaf: At Bennett Street at the moment there are 444 full-time equivalents, the majority of whom are engaged in the Education and Training Shared Services Centre. We have not made a decision about exactly what we will do with that component of staff. Also at Bennett Street there are 22 FTEs in financial support services, 22 FTEs in audit and risk management, 20 FTEs in the employee support bureau and 40 FTEs who support information technology services to schools. We intend to move those people progressively into Royal Street. Just over 100 FTEs will move in. We will still have some remaining space in Royal Street following that change. At the moment we do not want to make a decision because, depending on the future of shared services across the whole of government, that could have an impact on our shared services centre. It also depends on our future relationship in providing services to the Department of Training and Workforce Development, and the colleges. As yet there has been no decision. We are waiting to see what the future is.

Ms R. SAFFIOTI: In relation to 100 staff in Hale House, how much notification was the Department of Education given to vacate that building?

Dr E. CONSTABLE: It has been planned for some time. It was not short notice. We had been planning Hale House anyway. Aside from any other uses of Hale House that were planned, we want to see these services together under one roof to provide a more coordinated service to schools. It has been in our discussions for quite some time.

Ms R. SAFFIOTI: Would the minister agree the timing was rushed?

Dr E. CONSTABLE: No, it was not. I do not think the planning and timing of it was rushed. I will ask Mr Axworthy, deputy director general, to answer the detail of the question.

Mr D. Axworthy: Our tenure at Hale House has been tenuous, shall we say, for a number of years. We have known that we would need to move out of Hale House at any time. Two years ago, we commenced a process of re-evaluation of how we deliver services, particularly services to children with sensory disabilities—that is, hearing and vision—and the other services at Hale House for children with intellectual disabilities, and autism. We wanted a longer term educational plan for these children before we talked about locations and design structures. For some time the staff at Hale House had been involved in helping to develop a plan and came to the conclusion that co-location was the ideal way to move forward, particularly for the early intervention programs involving parents with children who do not have just one disability, they may have several disabilities. Parents spend extra time taking their children to experts at different locations. We developed a plan some time last year to locate the services together. The issue then was to find a suitable location and a budget for us to do those things. As it became more noticeable that student numbers at Padbury Senior High School were declining and it was likely that Padbury would close at some stage, we earmarked Padbury as the site we wished our services to go to.

Ms R. SAFFIOTI: Ideally that would have been a move at the end of 2011 to Padbury, rather than an interim move to Beechboro?

Mr D. Axworthy: There was always going to be a staged process for this. As it happens, we still have our Cottesloe School for Deaf and Hearing Impaired Children. It was always going to be a timing thing involving moving people from one site to another.

[10.50 am]

Ms R. SAFFIOTI: I refer to a briefing note that we obtained. It is a briefing note from Treasury, or Building Management and Works. The briefing note was to advise the then Minister for Finance—it was in February this year—that the Department of Education had advised that its proposal was to relocate the current occupants to existing accommodation in a metropolitan high school; and that, as this could not occur until the end of 2011, funding would be required to lease a premise for up to 12 months. From that, I understand that it would have been ideal to have been in Hale House until the end of 2011.

Dr E. CONSTABLE: If I can just comment, with the move to Beechboro, that was accommodation that the department had anyway, so there was no extra cost in that, other than for the move. We were paying rent there anyway, so it was not a great additional cost to move there temporarily.

Ms R. SAFFIOTI: What was the time period between when the decision was made about moving people out of Hale House, or the announcement about moving people out of Hale House, and when they left?

Dr E. CONSTABLE: I do not have the answer to that, member.

Ms R. SAFFIOTI: Could we be given that by way of supplementary information?

Dr E. CONSTABLE: Yes, we can give that by way of supplementary information.

The CHAIRMAN: Can the minister please clarify what information she will be providing, and I can allocate a number to it?

Dr E. CONSTABLE: The member wants to know —

Ms R. SAFFIOTI: The time between when the staff were informed that they had to leave, and when they left.

Dr E. CONSTABLE: That is a different question from the one the member asked. The member is now asking when the decision was made public that the Department of Education employees working in Hale House would be moving.

Ms R. SAFFIOTI: Yes, and when they moved.

Dr E. CONSTABLE: And when they moved; so, two dates—when the staff were advised, and when the public announcement was made?

Ms R. SAFFIOTI: Were they at different times?

Dr E. CONSTABLE: I do not know.

Ms R. SAFFIOTI: Does the minister want to provide all three dates?

Dr E. CONSTABLE: Okay. We will provide all three dates—when the staff were advised, when the announcement was made, and when they moved.

The CHAIRMAN: For the benefit of *Hansard*, I think we should have a more succinct version of that on the public record.

Dr E. CONSTABLE: The member wants to know when the Department of Education employees working in Hale House were informed that they would be leaving Hale House and moving out of Hale House; then she wants to know the date on which that was publicly announced; and then she wants to know the date on which they actually left Hale House.

The CHAIRMAN: Terrific. Thank you very much, minister.

[*Supplementary Information No B43.*]

Meeting suspended from 10.52 to 11.03 am

[Mr J.M. Francis took the chair.]

The CHAIRMAN: Member for Victoria Park.

Mr B.S. WYATT: I refer to page 401, the fourth dot point, headed “Services to Students”. There is no specific line item in the budget for Schools Plus. What is the total expected budget for Schools Plus in the 2011–12 financial year?

Dr E. CONSTABLE: We do not have a discrete budget for Schools Plus.

Mr B.S. WYATT: No, but there must be an expected —

Dr E. CONSTABLE: I am told by Mr Roach that it is around \$200 million.

Mr B.S. WYATT: How many students applied for Schools Plus funding in the academic year 2010?

Dr E. CONSTABLE: In the academic year 2010, the number of children who received Schools Plus—I do not have the number of applications —

Mr B.S. WYATT: I have that from the annual report. How many applied?

Dr E. CONSTABLE: I do not have the number of applications for Schools Plus. Mr Axworthy has those figures, so I will pass over to him.

Mr D. Axworthy: If the question was how many applied, I am sorry, we do not have that information here, but we can provide it as a supplementary. I can tell the member how many students have been deemed eligible and how many are currently on the Schools Plus books.

Mr B.S. WYATT: With respect to that supplementary, what I am keen to know is: how many students applied for Schools Plus funding in the academic year 2010?

Dr E. CONSTABLE: So, as a supplementary: how many students applied in the academic year 2010?

Mr B.S. WYATT: Yes. I will put this question on that supplementary as well: how many students have applied so far in the 2011 academic year?

Dr E. CONSTABLE: Is that up to 1 June or 31 May?

Mr B.S. WYATT: The most recent figures.

Dr E. CONSTABLE: That might be quite hard. Let us set a date.

Mr B.S. WYATT: Let us say at the end of May.

Dr E. CONSTABLE: If we can do that in a week, we will.

Mr B.S. WYATT: Okay.

Dr E. CONSTABLE: It is just that that is very recent information. Therefore, the supplementary is the number of applications for Schools Plus during the school year 2010 and the number so far, and we will put a date on what that is, for this —

Mr B.S. WYATT: For 2011.

Dr E. CONSTABLE: Yes—for 2011. Of course, children do not apply.

Mr B.S. WYATT: No, but applications on behalf of children.

Dr E. CONSTABLE: Applications on behalf of children.

The CHAIRMAN: I am sorry, member for Victoria Park, but can I deal with this one?

Mr B.S. WYATT: Sorry?

The CHAIRMAN: Can I allocate a supplementary information number?

Mr B.S. WYATT: Yes, thank you.

[Supplementary Information No B44.]

Mr B.S. WYATT: I move to my final question on this matter. I dare say the minister may have this information here. The expected budget for Schools Plus in 2011 is about \$200 million. To get to the figure of \$200 million, there must be an assessment of how many students the department is expecting to fund in 2011.

Dr E. CONSTABLE: I can give the member the answer to his question.

Eight groups for disability are included, and for this year, year 2010, the number was 7 675. I am sorry, that figure includes other children—it is 7 185.

Mr B.S. WYATT: I am sorry—7 185?

Dr E. CONSTABLE: Yes—7 185.

Mr B.S. WYATT: For 2010? Is that figure for 2010?

Dr E. CONSTABLE: I do not have a date on that. I am advised that Schools Plus provides targeted funding to public schools. It is current; the figure 7 185 is current.

Mr B.S. WYATT: For what year? Is that the assessment for —

Dr E. CONSTABLE: As at this time it is 7 185. Of course, during the school year that number would change. And they all get varying amounts of assistance so we cannot do a direct calculation.

Mr B.S. WYATT: I understand that.

Ms R. SAFFIOTI: I refer to page 401 and the third dot point “Behaviour and Attendance”. My question is about school-based police officers. Although an election promise, I understand that the reinstatement of school-based police officers is not happening. My question is: will that happen?

Dr E. CONSTABLE: There are no school-based police officers, but there are a number of activities and discussions around that space and I will ask the director general to speak about that. However, the member needs to keep in mind that even if there were school-based police officers, they would not be a part of this budget; they would be a part of the police budget.

Ms R. SAFFIOTI: Yes. However, it was promised, as part of the better behaviour in public schools election commitment, to reinstate school-based police officers. I will wait to hear from the director general.

Dr E. CONSTABLE: I will ask the director general to elaborate.

Ms S. O’Neill: The relationship that we have with police, particularly in the area of behaviour, is that a police sergeant has been seconded to the role of police schools safety liaison officer. The police officer, who is located

in central office, liaises with schools and regions to support initiatives that prevent and manage violence in schools. In addition to that, we have been working with WA Police on a number of major initiatives, including the keeping our workplace safe strategy, the Crime Stoppers in school pilot and a program for internet safety. We have been working alongside Crime Stoppers, police from the major crime division and regional police officers. We piloted the Crime Stoppers in schools initiative with police in two schools, Kinross College and Southern River College, and this program certainly increased students' awareness of the Crime Stoppers initiative and fostered better relationships between WA police and school students. Further to that, we have been working with the police and citizens youth clubs, along with the police, and we are looking at being in partnership with the PCYC to develop programs that assist those students, young people in particular, who are disaffected and are at risk of offending, or have indeed offended. We have some of these already in place; therefore we are building on good practice. Although we do not have school-based police officers in place, the Commissioner of Police and I have worked together on the PCYC initiative, as have police officers, over the past 12 months, to develop a partnership plan and look at how we will be able to make greater use of PCYC centres. Police officers will be working with students and some already do. Just recently we have looked at, with the police, how we can best maximise the use of the PCYC in a school-related initiative, that although not based in schools, will provide the same sort of programs and support that school-based police officers previously provided through the PCYC.

[11.10 am]

Ms R. SAFFIOTI: That police officer working from the central office is mentioned in last year's annual report from the Department of Education. Has funding been allocated in 2011–12 to continue that role?

Ms S. O'Neill: Yes, that secondment continues.

Ms R. SAFFIOTI: In relation to the government's election commitment to reinstate school-based police officers, has the government abandoned that commitment?

Dr E. CONSTABLE: That commitment was made through policing. More recently we have looked at the sorts of things that the director general has just outlined—partnerships with police that are appropriate rather than a blanket notion that police officers should be in schools. I do not see too much benefit in having police officers in schools; I would rather see police officers working with targeted groups of students who may be at risk of offending or maybe have offended, and working on particular programs in schools such as those that the director general has outlined. In the end, that will be far more valuable to help at-risk students than simply having police in schools providing a policing type of activity, which I see, quite frankly, as quite negative.

Ms R. SAFFIOTI: The minister's view sounds perfectly reasonable, but has the government abandoned —

Dr E. CONSTABLE: I have not been involved in any discussions that suggest that the government has abandoned that commitment, because that commitment is part of the police portfolio; it is not part of education. However, we have been working as closely as we can with police in order to develop some of these programs—travelling the ideas—to see what will work best with students at risk. I am most interested in helping kids who are at risk; I want to see them complete school and have an opportunity. If working with the Commissioner of Police, the Minister for Police and PCYCs will help those kids, we should be doing it.

Ms R. SAFFIOTI: Those are all valid comments, but is anyone in government actively pursuing this election commitment?

Dr E. CONSTABLE: I have not been involved in any discussions about that commitment in recent times.

Ms R. SAFFIOTI: I have a particular issue in relation to Ballajura Community College, about which I have written to the Ministers for Education and Police a number of times. In the Minister for Police's reply in 2009, he wrote that the Commissioner of Police would meet with the Minister for Education to discuss the proposal of school-based police officers. Has the minister met with the commissioner?

Dr E. CONSTABLE: I have probably had three discussions with the commissioner over the past couple of years about the relationship between education and WA Police that covered topics along the lines of those mentioned a moment ago—ways in which we can work together to support young people at risk. Those ideas have been translated into the sorts of programs and pilot programs we are testing out, which the director general has commented on.

Ms R. SAFFIOTI: Therefore, the minister does not support the election commitment to reintroduce school-based police officers.

Dr E. CONSTABLE: I support ensuring that young people who are at risk have the best opportunities. Can the member show me a line in this division that says anything about this matter? It is not part of —

Mr B.S. WYATT: Come on! The minister has been answering this question for ten minutes; she cannot fall back on that now.

The CHAIRMAN: Thank you members!

Dr E. CONSTABLE: I have given my point of view on how we should proceed; I think that is good enough.

Ms R. SAFFIOTI: This is the estimates committee, and this is a major election commitment from the government of which the Minister for Education is a part. It was a major election commitment of the education portfolio. There is a section in the *Budget Statements* that addresses behaviour and attendance. From all perspectives, my question is a legitimate one. I ask again: does the minister support school-based police officers?

Dr E. CONSTABLE: There is no funding in this budget for them.

Ms R. SAFFIOTI: But does the minister support them?

Dr E. CONSTABLE: I support a strong relationship between education —

Ms R. SAFFIOTI: Is the minister saying that she does not support the government's election commitment?

The CHAIRMAN: This debate is going around in circles; we will move on.

Mr F.A. ALBAN: I refer to page 403 of the Budget Statements, "Asset Investment Program", and the third last dot point addressing the provision of air conditioning for schools. Has the policy been amended so that all new public schools, both under construction, but also in the future, will have air conditioning as standard; and, can schools choose to install refrigerated air conditioning if they undertake to cover the extra costs?

Dr E. CONSTABLE: I thank the member for the question about air cooling. I point out that there are two parts to this answer. There is the air cooling of the Building the Education Revolution program buildings and I compliment those in the department who have been involved in the BER program. As we know from the national report, it has been executed extremely well and in many cases under budget. It has been executed so well that some funds are left over from projects done up until about February this year. When we found those available funds—I think they totalled \$23 million—we applied to the commonwealth government to use them to air cool all of those BER buildings. I think I am correct in saying that we hope to have all of those buildings air cooled by the end of this calendar year; therefore, those buildings will be ready for next year.

At the same time, we have looked at the air cooling of schools in general. As the member knows, the process of air conditioning and air cooling in schools goes back to the 1970s when it first happened. Schools in various parts of the state have gradually become air conditioned or air cooled. Not surprisingly, with the heat we had last summer, there was a lot of discussion about the air cooling of schools. It was something we were looking at anyway; we were trying to see if we could move that air-cooling zone closer to the coast so that in the next two years there will be air cooling of all schools up to a line that approximates the freeway. There will be a few schools air cooled on the other side of the freeway. The total amount being spent in the next two years will be \$23 million from the BER program and \$22 million from the state government's project. The \$22 million will be spent over two years and the \$23 million will be spent by the end of this year. I understand that that will push to capacity the supply and the installation of that air cooling. We cannot do any more than that in that time. In the following two years, the rest of the schools through to the coast will be air cooled. Therefore, all schools will be air cooled. Geraldton, parts of the Mid West and parts of the south of the state are also included in that plan. I think the member asked me about —

Mr F.A. ALBAN: Ongoing schools; new construction —

Dr E. CONSTABLE: All newly constructed schools will have air cooling as part of their construction brief.

Mr F.A. ALBAN: I have already asked this, but I will mention it again. I have been asked by some schools whether it is possible for them to choose refrigerated air conditioning in parts of their schools if they provide the funding required for it.

Dr E. CONSTABLE: At this stage, there is no facility to do that because we are concerned about the ongoing costs of the utility; that is an expense that would be borne out of school grants. We believe that evaporative air cooling is very efficient in most classrooms because in classrooms windows and doors are often open; therefore, evaporative air cooling is more appropriate for those schools. At this stage there is no facility for schools to be able to do that. If there are special individual cases, I am sure there could be discussion about those. The recurrent cost is the problem.

[11.20 am]

The CHAIRMAN: If members may allow me, I might undertake my right as the Chairman to ask a further question on this issue. It is great news, but when I see the weather reports, the hottest part of Perth in summer and the coldest part in winter is always in Jandakot in my electorate. In the middle of winter it is always the coldest part of Perth, and it is always the hottest part in summer. My electorate faces the extremes of seasons. I am happy that most of the schools in my electorate have received heating and cooling in round one. Can the minister alleviate the concerns and the criticisms of some members on the way that the schools were selected and the order in which they were done? I am confident they were done on a scientific basis.

Dr E. CONSTABLE: Are we are just talking about the metropolitan area now, Chair?

The CHAIRMAN: Yes.

Dr E. CONSTABLE: The idea was just to move that line towards the coast. So the line, the relative strain index that is calculated by the Bureau of Meteorology, indicated that that is the way it should go—just move towards the west. When we looked at the number of schools involved, an easy line on the map was the freeway in the metropolitan area. We then looked at that line on the map—I will get one of the officers to elaborate if necessary—and we saw that there might have been schools that were very close together. Schools on the western side of the freeway were included as well, because it would not have made sense to have two schools very close to each other but one was air cooled and not the other. That was taken into account as well. That has covered everything that needs to be covered.

Mr B.S. WYATT: A letter the minister received from Senator Chris Evans on 4 January stated —

As you may be aware, the BER Guidelines do not prevent Education Authorities allowing School Communities to provide the necessary funding for the installation of air cooling in BER buildings.

It is a pity this issue was not thought about previously. The air conditioning would have been installed when the premises were built.

Dr E. CONSTABLE: If I could just I comment on that —

Mr B.S. WYATT: The minister can comment when I have got my question out. Can parents and citizens associations that have raised the money for air conditioning themselves—there are plenty of them—seek through this program to install the air conditioning, whether it is pursuant to the minister’s guidelines, and seek reimbursement from the government through this particular policy?

Dr E. CONSTABLE: On the first question relating to Senator Evans, let me point out that originally the rules for BER buildings were that they were to be built according to local policies and state government policies. That is exactly what happened. It was after the savings were made that we were then able to apply to the commonwealth to use those funds.

Mr B.S. WYATT: The point I make is that, if it was thought about before, the policy could have been changed—or the minister—and the air conditioning could have been installed as each BER building was constructed.

Dr E. CONSTABLE: The policy was according to the air cooling zones, which were the air cooling zones that were left in place from the previous government. The member could have changed it when he was in government.

Mr B.S. WYATT: But there was no BER funding then, the minister may realise. The minister could have just done it. Never before has there been that sort of spending.

Dr E. CONSTABLE: It is not possible to just do it, member. He is being very simplistic.

Mr B.S. WYATT: The minister has just done it recently.

The CHAIRMAN: The member for Victoria Park will get all the opportunity to ask all the questions he wants. I just ask that he does not talk over the top of the minister when she is answering questions.

Dr E. CONSTABLE: Member, the change in the air cooling zone requires a lot of research and a lot of thought.

Mr B.S. WYATT: It is moving it to the coast, is it not?

Dr E. CONSTABLE: I understand that when Labor was in government between 2001 and 2008, the air cooling zones were reviewed and the policy did not change.

Mr B.S. WYATT: We certainly would not have missed out on having the commonwealth fund it as they were being built.

The CHAIRMAN: Did the member for Victoria Park not hear a word I said?

Dr E. CONSTABLE: I understand that the commonwealth did fund some buildings over that time, and air conditioning was not put in—air cooling was not put in either. There does not need to be BER funding to have the commonwealth fund buildings.

Mr B.S. WYATT: What about my question about reimbursing P&Cs that have already raised money for air conditioning?

Dr E. CONSTABLE: I think the short answer to that is yes, but I will ask Mr Trifunovic to elaborate for us.

Mr M. Trifunovic: Can I just say that previously installed air cooling into BER buildings will be reimbursed. That is in the process of being arranged now.

Dr E. CONSTABLE: I am not sure that that was the question. Did the member say in the future or those that have spent the money already?

Mr B.S. WYATT: Those that either have spent it or are spending that money.

Dr E. CONSTABLE: I thought the member said in the future, originally.

Mr B.S. WYATT: One final question, minister: The e-newsletter that recently went out from Hon Michael Mischin states on the issue of air conditioning —

This decision by Mr Barnett will make sure all new schools are air conditioned and that existing schools are fitted with air-conditioning before next summer.

Have I somehow got the minister's policy wrong? This is a four-year policy.

Dr E. CONSTABLE: The air cooling program is over the next four years.

Mr B.S. WYATT: Right; I thought he had that wrong.

Mr A.J. WADDELL: I refer to the third dot point, entitled "Behaviour and Attendance", on page 401 of budget paper No 2. The minister put out a press release on 23 May entitled "Campaign to boost school attendance focuses on the positives, not punishment". In that press release the minister indicated that there is a \$450 000 campaign, which will include a grassroots campaign as well as an advertising program in 10 metropolitan schools to boost attendance. How much will be spent on the advertising campaign, and how much will be spent on the actual grassroots recognition program within the 10 schools?

Dr E. CONSTABLE: I will just get that information. The advertising campaign is television, radio, cinemas and buses. There is a lot of very good research done targeting the sort of TV programs the children and parents watch and so on. It was very carefully researched. I think the member is running together more than one thing—the advertising campaign and the other things we are doing, which the member mentioned.

Mr A.J. WADDELL: Yes—the grassroots recognition program. I would not think there would be much change out of \$450 000 if the advertising is going to television, radio, buses and cinemas.

Dr E. CONSTABLE: I will get this checked for the member, but it is my understanding that the advertising campaign itself is \$450 000. There are other funds being spent on other aspects of the campaign. This all comes out of a report written by the Auditor General in which he recommended that there be a campaign of this sort to alert parents and students about matters of attendance. It was a straight recommendation from him to do this. There are other aspects of that campaign as well. I will ask Mr Axworthy to elaborate on other details of that campaign. I think that is what was mentioned in the media release—some of the other things that are happening as well.

Mr D. Axworthy: The campaign in its total has a number of aspects, including the publicity campaign that we have just spoken about. At the grassroots level, it is a campaign of talking to parents, involving communities around their school and looking at things so that we get the message out that it is important that children attend school every day, that they do not take days off and that every day off is a day that they are not benefiting from schooling. The total package of programs that was announced last year exceeds \$6 million over the course of this program to benefit children and to see that they attend school regularly. A large amount of this is being committed not through the public media campaigns but at the grassroots level, with local P&Cs and local community groups joining with local shopping centres to run campaigns that reinforce the message that children should be at school during school time.

[11.30 am]

Dr E. CONSTABLE: I have picked up a couple of interesting things in my discussions with schools that I think are worth mentioning as they are quite worrying. There are a number of reasons why children do not go to school: they may be ill or there may be family reasons. The children who are being targeted are obviously kids who should be at school but are not going to school; that is, they are truanting. It is a small part of attendance but a very important part for us to get a handle on. We usually think of truanting as the cause of non-attendance but a couple of new causes have come to my attention lately that I suppose we could relate to parents' way of life. For instance, it is not unusual for children of fly in, fly out workers to take time off when their parent who is a fly in, fly out worker is at home. The impact on the lives of those people is such that they want to be with their kids or they want to go fishing for a few days so they take their kids. That is a new area of non-attendance that we have to deal with, and we have to work with those parents. I am particularly concerned about that happening with children in primary school and lower primary—those early years when children learn to read.

The other group of parents who are taking their kids out of schools are parents buying low fares to travel to places such as Bali during school time. I have raised this issue with a number of principals to try to get at least an anecdotal handle on it because I think we should be looking at it more deeply. In one school the principal said

that one family of children was taken out of school three times during school term to go on such holidays. I can see why it is tempting to families. They want to have a family holiday and the fares are not expensive, so they think that a couple of weeks will not hurt their kids but if they do that regularly, it adds up to a large chunk of a child's school life. Six weeks a year is a lot of time off. We have some major issues to look at.

Mr A.J. WADDELL: I think I have both categories in my electorate—the fly in, fly out workers and the occasional holidays—given that my electorate has a large concentration of fly in, fly out workers. That is of considerable concern to me. I would be interested in a little more detail, particularly how much of this \$6 million that has been outlined has been allocated to each of the 10 schools listed in the original press release? Perhaps the minister could provide that by way of supplementary information if it is a bit difficult to get now.

Dr E. CONSTABLE: I think the member is talking about the attendance improvement measure schools. Forty were identified last year, and I think 10 of them were mentioned in the media release. We will see whether we have information on the amount of money budgeted for the AIM schools.

Mr D.A. TEMPLEMAN: While the minister's advisers are looking for that information, can I ask a follow-up question?

Dr E. CONSTABLE: Certainly.

Mr D.A. TEMPLEMAN: When was the last time a parent was formally charged under the act for their child not attending school?

Dr E. CONSTABLE: It has not happened in my time as minister. It is a very rare occurrence. Steps are taken to work with parents before they are charged. I am sorry; the last time a parent was charged was last year. It happens so infrequently that I could not remember the last time it happened. A lot of steps are taken to work with parents before we get to that point. I am concerned from time to time when I receive letters from a grandparent worried that their grandchild is not attending school and we discover there are all sorts of reasons for that. It is very rare to find occurrences of children not going to school at all. The director general may like to come to that in a moment.

Going back to the earlier question, the total funding to AIM schools in the school year 2011 is \$2 027 096. Last year almost exactly the same amount of money was provided; in the school year, it was \$2 058 246. The schools were chosen because of low attendance, so schools could use those funds in the way they saw fit to increase attendance. We have seen some good increases in the number of attendances.

Mr B.S. WYATT: To follow up, the minister's media release states —

The \$450,000 campaign includes advertising and a grassroots recognition program in 10 metropolitan secondary schools to boost attendance.

Does that grassroots recognition program in the 10 metropolitan secondary schools fall within that allocation of just over \$2 million?

Dr E. CONSTABLE: This was just for the AIM schools, and they are AIM schools.

Mr B.S. WYATT: What will each of those 10 secondary metropolitan schools receive to implement the grassroots recognition program?

Dr E. CONSTABLE: I do not have the list of those 10 schools. I have an entire list of schools. If the member can mention a couple of names, I will give him some examples.

Mr B.S. WYATT: This is from the minister's media release.

Dr E. CONSTABLE: I do not have the media release in front of me.

Mr B.S. WYATT: The minister can provide those figures by way of supplementary information. The schools include Swan View Senior High School, Gilmore College, Belmont City College —

Dr E. CONSTABLE: Gilmore College received \$140 420 last year and \$95 450 this year.

Mr B.S. WYATT: Can the minister provide those figures for those 10 schools by way of supplementary information so that we are not sitting here for the next 10 minutes going through figures?

Dr E. CONSTABLE: I would be happy to read them to the member.

Mr B.S. WYATT: Is the minister happy to provide that information if she has the figures?

Dr E. CONSTABLE: Yes, of course. I will provide information on how much funding the 10 schools mentioned in the media release received towards the attendance program.

[Supplementary Information No B45.]

Dr E. CONSTABLE: I ask the director general to clarify the answer given to the question asked by the member for Mandurah. In fact, two parents were prosecuted in 2010.

Ms S. O'Neill: In 2010 two parents were prosecuted for failing to ensure that their children met the requirements of school attendance under the legislation. It was the first time that action had been taken since the legislation came into effect in 1999. We also initiated six responsible parenting agreements relating to student attendance.

Mr D.A. TEMPLEMAN: I understand that there is a process and I understand that that is the best way of working through it rather than clogging the courts. Given that we have such a rampant problem with non-attendance, particularly in some of our high schools, surely the trend would be towards perhaps following a more stringent process for having some of these parents front up. When I first moved to the Peel in the 1980s, the truant officers, as they were known then, would be at the court with a parent quite regularly saying, “Your kid isn’t going to school and you are responsible.” I am all for working with parents but if we have a tsunami of parents abdicating their responsibility, why are we not pursuing more of them?

Dr E. CONSTABLE: I am not sure about the member’s comment that we have a rampant problem because we are gradually improving attendance. The efforts that we are taking are improving attendance. There are some serious attendance problems, and that is why we have recognised it by providing funds to the AIM schools. At the same time, the overall attendance rate is very gradually starting to turn after a fall during the past few years. We see an improvement not only generally across the state, but also in Aboriginal children’s attendance. It is small but we are starting to see it move in the right direction. On the other part of the member’s question, we have to put in place a series of steps before we get to prosecution. We might be able to assume, at least in some of those cases, that going through those steps gets kids back to school, and we prosecute in only a very few cases. We are required to go through those steps; we cannot just leap in and prosecute. When non-attendance is drawn to the department’s attention, we have to go through all those steps.

[11.40 am]

Mr D.A. TEMPLEMAN: We know that last year there were two prosecutions. Since 1999, when legislation was enacted, how many formal court proceedings have we had?

Ms S. O'Neill: Two.

Mr D.A. TEMPLEMAN: Is that since 1999?

Ms S. O'Neill: Yes, that is right.

Mr D.A. TEMPLEMAN: I find that remarkable.

Dr E. CONSTABLE: The member needs to hear the background to understand it.

Ms S. O'Neill: To get to the point of prosecution, which is outlined as a strategy of last resort, schools work tirelessly to keep at school the few students who are not attending regularly. They undertake a range of initiatives, including in some country areas—although not only country areas—picking the kids up themselves. Schools are very committed to ensuring that students are in schools. They work very closely with parents, as they are required to do. Many of the students we are talking about have a range of issues in their lives, and non-attendance is a manifestation of those issues. They are very often involved with school psychologists, counsellors and other care agencies apart from our own and, very often, so are the parents. In some cases, of course, the parents are not involved at all, so schools work directly with parents. We have school attendance agreements with parents. With the Department of Health, we run the positive parenting program courses to supplement what we are doing in this space. We translate all of the material into languages for the full range of people who are impacted. An enormous amount of effort goes into getting students into school and making sure they are attending for the time required by the legislation. Certainly, prosecution is available to us, but when we prepare the cases for prosecution we are required to outline the full range of strategies we have put in place to achieve better student attendance. It is the case that we have taken some measures with some families to achieve better attendance and their attendance has improved. For a time it does improve, but it might go back into a cycle and we start the process again. It is simplistic to suggest that prosecution is the only mechanism available to us. There have been some fairly high-profile cases, as we saw last year, on this issue.

Mr D.A. TEMPLEMAN: But only two in 13 years have been prosecuted. I put it to the director general, through the minister, or perhaps to the minister, that that figure of two is low, given that we know—I accept that the department, teachers, support staff and student services are working absolutely wonderfully in doing all the hard work—that we have a major problem with truancy or lack of school attendance in a number of schools. I believe that that is particularly a problem in secondary schools, but not always. Nevertheless, the minister is telling me that under the legislation we have only got to the courts two successful prosecutions in that 12 years. I find that remarkable. Minister, do not worry; I am not a rampant right wing, big stick advocate, but I find it remarkable that only two cases have appeared before the courts.

The CHAIRMAN: I ask the member to come to his question.

Mr D.A. TEMPLEMAN: I do not want to identify the schools because that is not going to help. I am aware that some schools in my electorate have 70 per cent non-attendance, which is under the 90 per cent target. We have

to come back to parent responsibility in this matter. I am asking: when does it get to the point that the department goes down the line of formally charging a parent under the act for their child's non-attendance?

Dr E. CONSTABLE: I will get the director general to give the member the detail in a moment. It is also remarkable that two prosecutions happened under this government, and there were none under a Labor government. We need to look at the process we go through, which might be what the member is asking. Given it is fairly long process involving a number of steps, it seems to me that students who are being managed in that way would be attending school for a while, as the director general said a moment ago, and then maybe they slip back, and we start the process again. We do not continue the process if we get them back to school. It is hard to get to the point of prosecution, from what the director general has been telling us, but I ask her to comment.

Mr D.A. TEMPLEMAN: I will not ask any more questions on it.

Dr E. CONSTABLE: It is a very important issue.

Ms S. O'Neill: Obviously, there are students whose attendance is insufficient for their progress in school. That is well established. It is true to say that over some years we have not pursued, necessarily, a prosecution right until the end point, because it is punitive, and as we engage with those families, a lot of the relationships and the developments in the attendance with those families is productive along the way. That is not to say it continues to be entirely productive towards the end. Some of the problems we have are engaging with the families and finding the responsible parent. As the member already indicated, we are trying to work with particular families to take much greater responsibility for attendance. We are responsible for dealing with the kids when they get to school, so it has to be a shared undertaking. As a final measure with prosecution, over many years we have tried to work with families, because the families that are being prosecuted are the families that can least afford to pay the fine. It is not a huge fine. It may assist in that student coming back to school; it may not, as well. A recent high-profile case has resulted in one of the children from the family being more engaged, and the other not so engaged, with one student considering leaving school altogether. From the education department's perspective, we have drawn a line in the sand, I guess, over the past few years and we are doing exactly what the member is asking us to do and pursuing the cases much more vigorously than ever before since 1999. Hence, there have been two prosecutions in the last year and none previously. We are in furious agreement with the member: where a prosecution is necessary and where we can demonstrate that we have exhausted every other avenue available to us—as we are required to do; otherwise it does not proceed—we are doing that now.

Mr A.J. SIMPSON: I refer the minister to page 403 of the *Budget Statements*, and the line showing a total of \$849.9 million to improve infrastructure for public schools throughout the state. I am excited to see in the budget that the new West Byford primary school is in line to start building and will be open in 2013, and also the first stage of the Byford high school, which is great for my community. Can the minister update us on other achievements of the government in infrastructure build?

Dr E. CONSTABLE: Was the member's question about the \$68.7 million?

Mr A.J. SIMPSON: I refer the minister to the first line of the asset investment program on page 403 of the *Budget Statements*, "... improving infrastructure for public schools throughout the state".

Dr E. CONSTABLE: We had a discussion earlier about the capital expenditure for 2011–12, which is \$849 million. This relates primarily to improving infrastructure in schools throughout the state. There is always an ongoing need for new schools. In the metropolitan area, when we look to the northern suburbs, the Wanneroo area particularly, we find an enormous need to build new schools. In fact, a number of primary schools there are now full, so there is a need to build. Pearsall will be one of the new primary schools. There is enormous pressure in the member for Darling Range's area in the southern part of the city. I have been down there with the member and seen the developments, and when driving around it is obvious that we will need to build new schools there. I am pleased that the member is pleased with Byford West because I think that it will take pressure off Marri Grove, which I visited with the member. All these schools—Baynton West in Karratha, East Dalyellup, Pearsall and Byford West—will be open for the beginning of 2013. Those four schools will cost \$65.7 million. Through our statewide planning, we are constantly looking at developments in demographics to see where those new schools will be needed. A new primary school is being built at the new developments at East Dalyellup in the member for Collie–Preston's electorate. The second stage of the high school is also underway. Ashdale and Atwell are also underway in the northern and southern parts of the metropolitan area respectively. We have a constant need to monitor population growth and where the developments are being built, to ensure we are ahead of the game to provide schools for children living in those new areas.

[11.50 am]

Mr B.S. WYATT: The first bullet point on page 400 of the *Budget Statements* states —

Integrated children's service centres being located at or near schools servicing identified low socio-economic communities.

I note the Premier's comments in *The West Australian* in December last year —

Schools will get big increases in resources to add nurses and dental clinicians, daycare and kindergarten classes for children as young as three to their services.

...

... the next Budget would include money for capital works to begin turning schools into parenting hubs.

What is the total amount in the education budget for resources to add nurses and dental clinicians, day care and kindergarten classes? How much money has been allocated for capital works to begin turning those schools into parenting hubs?

Dr E. CONSTABLE: Could the member repeat those things that he just listed?

Mr B.S. WYATT: The article states —

... resources to add nurses and dental clinicians, daycare and kindergarten classes for children as young as three ...

...

Mr Barnett said the next Budget would include money for capital works to begin turning schools into parenting hubs.

How much money has been allocated to do those things?

Dr E. CONSTABLE: I cannot comment on dental clinics and nurses in schools because that is part of the Department of Health budget and the figures do not appear here. I do not have those figures.

Mr B.S. WYATT: I presume there would have to be some consultation with the minister about this process.

Dr E. CONSTABLE: There may well be, but it is not in this budget, so I cannot comment on it.

Mr B.S. WYATT: What about the capital works?

Dr E. CONSTABLE: A number of different terms are being used. The Premier talked about integrated children services.

Mr B.S. WYATT: He said “include money for capital works to begin turning schools into parenting hubs”. How much money is in the budget for capital works to do that?

Dr E. CONSTABLE: A number of centres are planned and some will be finished this year. The children and family centres will be located in five locations with particularly high enrolment of Aboriginal children. I will give the member the dates that the centres are being built. The children and family centre at Halls Creek is being built and will be completed in September–October. The Fitzroy Crossing centre is scheduled for completion in January next year. The Kununurra centre will be built by December 2012, slightly away from the school, but on the same block. Centres in Roebourne and in the old education district of Swan will be built by December 2013.

I understand that 16 schools have a range of integrated services. We are looking at those schools to see what they are doing, and doing well, for our future planning. I ask Mr Metcalf to comment on that. Roseworth Primary School is one of those schools. Challis Early Childhood Education Centre is also often quoted as doing a wonderful job. Wyndham Park Primary School and Neerigen Brook Primary School —

Mr B.S. WYATT: I am aware of those. The question is: how much money in the 2011–12 budget will go into which schools to create parenting hubs? I quoted the Premier's own words; there must be money here somewhere.

Dr E. CONSTABLE: The money that the member is talking about will be spread across a number of portfolios —

Mr B.S. WYATT: To turn a school into a parenting hub must involve education capital works. How much money is in the budget for that?

Dr E. CONSTABLE: The member should let me finish my answer before he interrupts again. We already have 16 schools with the sorts of services the member is talking about. We are building the children and family centres. Another four centres, which include childcare services, are being built in low socioeconomic status areas.

Mr B.S. WYATT: Which schools is the minister referring to?

Dr E. CONSTABLE: I will get those names for the member in a moment. While all that is happening and a number of schools have dental clinics and child health nurses, we are in a planning phase. There is no money in this budget specifically —

Mr B.S. WYATT: When the Premier said the next budget would include —

The CHAIRMAN: Member for Victoria Park!

Dr E. CONSTABLE: I have not finished my sentence. I see to the end of this year as the planning phase —

Mr B.S. WYATT: Does the minister mean to the end of 2011–12?

Dr E. CONSTABLE: I see to the end of this school year as a planning phase so that we can then move into the next stage of what we want to do. A lot is happening now and has happened. We want to see what is good about it before we commit funds to the next area. The early learning and childcare centre at Tambrey Primary School in Karratha has opened on the school site. On the drawing board we also have early learning and childcare centres at Ashdale, Warriapendi and Port Hedland. All those early learning and childcare centres are being planned along with the children and family centres. Altogether nine centres associated with schools —

Mr B.S. WYATT: Are those centres on school sites and turning schools into parenting hubs?

Dr E. CONSTABLE: What does the member mean by “parenting hubs”?

Mr B.S. WYATT: I am quoting the Premier when he said the 2011–12 budget would include “money for capital works to turn schools into parenting hubs”. How much money has been allocated for that capital works? Someone must know.

Dr E. CONSTABLE: No specific amount of money —

Mr B.S. WYATT: Thank you.

Dr E. CONSTABLE: The member should let me finish my answer. Nine centres on school grounds are in the planning or building phase that cover that age range from birth onwards, including child care and integrated services. I will ask Mr Metcalf to talk about the integrated services at Roseworth Primary School.

Mr G. Metcalf: When Roseworth Primary School was constructed—the building program finished last year—part of the services on that site included a dental clinic, the provision of a child health nurse and six additional officers inside the school to cater for cross-services for the school to collaborate with its local community. That brought into the school non-government agencies and services from within the local community that could add to the education program. My particular school was part of a significant building program to add integrated services into the school. That allowed us to use the program for 0–3 programs and to draw a number of agencies into the school to help the school.

Challis Primary School is also an integrated services site, and a number of other schools are using existing facilities to bring services into the school. We are looking at how those facilities work in the school, because this needs to work at a very community-based level. We cannot put a model into each school and tell them that that is how the community will interact. It is up to the school to grow that service. We are getting some exhibition models of what works really well in the communities and putting that up to say that if we progress this model, this is the best way to move forward in a community consultative fashion.

[12.00 noon]

Dr E. CONSTABLE: The member for Victoria Park asked a question about money in the budget. In this budget, approximately \$9.8 million in total will be spent on the five child and family centres and the early learning and child care centres.

Mr B.S. WYATT: Capital works?

Dr E. CONSTABLE: Capital works to build those centres.

Mr P. PAPALIA: I have a further question relating to integrated children services, particularly in low-socioeconomic communities. It also links to the dot point on the next page headed “Behaviour and Attendance”. Until recently, schools in low-socioeconomic communities, like schools in my electorate of Wambro, could tap into a program operated by the family intensive team. Prior to that, it was called an intensive supervision program. It dealt with the most difficult children. It linked a range of services that predominantly supported difficult children and their families. That program has been cut by this government. Firstly, how does the minister justify cutting that program, which was the only system to provide integrated services and support to schools faced with the most difficult children? Secondly, was the education department consulted prior to that program being cancelled?

[Mr M.W. Sutherland took the chair.]

Dr E. CONSTABLE: Could the member give me the name of the program again, because I do not think it is in Education.

Mr P. PAPALIA: The name was changed just before it was cancelled. It was called the family intensive team. The Department of Corrective Services operated the program. It worked with the Department of Education, WA Police and non-government agencies, and focused on the most difficult children and their families. It was a 24/7

support mechanism. The program was used in my electorate. It was highly valued by schools in my electorate, and now it is not available.

Dr E. CONSTABLE: It is not part of the education budget so I cannot comment on the cutting of it or what might have replaced it. What has been highlighted by the member is something that is really important to look at in the services we already have in the 16 schools I previously mentioned. In order for these services to work well, they have to be across agencies and across departments.

Mr P. PAPALIA: That is what this did. It employed multi-systemic therapy. It was the only system in the country that used this mechanism. It did all of the things the minister spoke about. This government cut it last year within Corrective Services but the education department used to benefit from it.

Dr E. CONSTABLE: Only the Department of Corrective Services can comment on that. I cannot comment on —

Mr P. PAPALIA: So, the education department was not consulted prior to it being cut?

Dr E. CONSTABLE: I will ask the director general to comment.

Ms S. O'Neill: I am not aware that we were consulted.

Mr P. PAPALIA: If the minister is looking for a program to utilise, she might consider re-establishing the family intensive team and maybe even placing it within the auspices of Education rather than Corrective Services, who did not value it as highly as some of the schools in my electorate did.

Dr E. CONSTABLE: I take the member's comments on board. The member also mentioned the dot point relating to behaviour and attendance. With our behaviour and attendance programs, of course we are working across agencies as well, particularly with the Department for Child Protection, but also with Corrective Services, juvenile justice, Communities, and probably others as well. There was money for this across a number of years in the 2010–11 Education Services budget—which we may or may not get to—that is, funding for curriculum and re-engagement schools for disengaged students. We want to keep those students in the system. They are independent schools, but the government is supporting them with extra funds so students who need one-on-one attention might enrol in a CARE school. There are a number of places in CARE schools for government school students if that seems to be the right place for them.

Mr P. PAPALIA: The approach is good but it will not replicate the work of the family intensive team. As I say, if the minister is looking for a system to fill the gap created by that system being cut by corrective services, I suggest the minister look at it for the education department.

Dr E. CONSTABLE: I understand the comments the member is making, but we have strong partnerships with those other agencies in many of the things we are doing around the issues the member talks about. I think we are agreeing.

I have a point of order. This is one of four divisions; we have one hour to go. I am not sure what members wish to do.

The CHAIRMAN: I was told by the previous Chairman that they did not want to deal with division —

Mr B.S. WYATT: It probably depends how the next half-hour goes.

The CHAIRMAN: We will carry on as is. Does anybody need a break?

Dr E. CONSTABLE: We had a break.

The CHAIRMAN: I do not want any accidents happening in this chamber!

Mr A.J. WADDELL: I refer to the dot point on page 415 relating to reviews of independent public schools. Does the government have any plans, within this review, to expand the capacity of independent schools to move into the “select” categories? As the minister would know, I have a specific interest in gifted education. Is there any feasibility within the IPS program for a school to declare itself as a select school for a particular —

The CHAIRMAN: The member is dealing with division 36.

Mr A.J. WADDELL: Am I in the wrong division? My apologies.

Dr E. CONSTABLE: I could not find the page. I was wondering what the member was talking about.

The CHAIRMAN: We will move on to the member for Victoria Park.

Mr B.S. WYATT: I refer to the fourth bullet point headed “Services to Students” on page 401, particularly “programs, services and funding models to support students with disabilities”. Does the Department of Education still accept the Disability Services Commission diagnosis of “vulnerable” for children who may have global developmental delay as a criterion for allocating additional education assistance?

Dr E. CONSTABLE: I will ask Mr Axworthy to answer the question.

Mr D. Axworthy: Yes, we do. Global developmental delay is a category, yes.

Mr B.S. WYATT: When the DSC categorises a student as vulnerable, that attracts assistance support, does it not?

Mr D. Axworthy: The category “global developmental delay” is in fact a basket category that takes children who are young, usually, before the full diagnosis of other things can be shown and properly diagnosed. Yes, we use that as a category for young children who are not meeting their developmental milestones, as it were.

Mr B.S. WYATT: Correct me if I am wrong, but as this relates to kids under six years of age, my understanding is that DSC in some cases will not yet make a diagnosis of global developmental delay but it will categorise a child as “vulnerable”. More often than not those children categorised by DSC as “vulnerable” go on to be categorised “global developmental delay”. Those children diagnosed as vulnerable currently attract funding for education assistance. Is that still the case in the 2011–12 budget?

Mr D. Axworthy: Yes. There has been no change to the categorisation we use.

Mr B.S. WYATT: Can the minister provide the resources required within the allocated budget figure? How much of the 2011–12 figure is for those children? I am happy to take this by way of supplementary information.

Mr D. Axworthy: Yes, we will be able to, in the sense of the percentage of cases we have.

Mr B.S. WYATT: I want to know how many children the department expects to be diagnosed as vulnerable and what the approximate resource allocation is.

Dr E. CONSTABLE: We will get that to the member by way of supplementary information.

[Supplementary Information No B46.]

The CHAIRMAN: Do we know exactly what is required?

Mr B.S. WYATT: How many children in the 2011–12 budget has the department estimated will receive funding for the diagnosis of “vulnerable” and what is the estimated allocation in the 2011–12 budget for the resources allocated to those children.

[12.10 pm]

Dr E. CONSTABLE: The term that we use is “global developmental delay”, which includes the children the member is talking about.

Mr B.S. WYATT: Yes; which includes children diagnosed as “vulnerable”.

Dr E. CONSTABLE: No. It is global developmental delay. Within that, there would be children—it looks as though the member is using a DSC term and definition—who would be vulnerable.

Mr B.S. WYATT: Yes, so long as it includes that category of children that DSC categorises as vulnerable and that, as Mr Axworthy said, currently attracts education support.

Dr E. CONSTABLE: We will make sure the answer clarifies that for the member.

Mr P. ABETZ: I refer to the fourth dot point on page 401. This question follows on to some extent from the question asked by the member for Victoria Park. Can the minister advise how students with particular needs, such as disability, and also English as a second language—I have a lot of those children in my electorate of Southern River—and how children who are gifted, are supported in public schools? Some extra funding for this area was made available as a result of the Education and Health Standing Committee inquiry into English as a second language for children of 457 visa holders. Can the minister give some indication of how that is progressing? I am also interested in how children with disabilities are supported in private schools, because I also have a number of private schools in my electorate. Can the minister comment on how that works?

Dr E. CONSTABLE: To start with the last part of the member’s question, that is part of another division. That comes under Department of Education Services. I will start with English as a second language. The member mentioned that in the last budget there was new funding for that. Funding for students with English as a second language will continue in this budget. That funding is used in at least two obvious ways. One is when students are placed in a centre for intensive English; the other is when funding goes directly to schools, to be used for students with English as a second language.

There is a diverse range of services for students with disabilities. Those services come under statewide specialist services. They are the services that will be provided at the Padbury site from next year. That includes a range of services, such as the Centre for Inclusive Schooling. Hospital School Services will not be at Padbury; they will still be, of course, at Princess Margaret Hospital for Children. The Vision Education Service and the WA Institute for Deaf Education will be at Padbury, along with other services, and will be working directly with schools.

School Psychology Services of course provides a specialist service as well. Until quite recently, school psychologists had as their home base their district office. With the regionalisation, school psychologists will now either be based and have their home within a particular large high school, where they might be a full-time psychologist, or they will be based in a school and deal with a network or cluster of schools from that school base. That is part of the service as well.

The member asked also about gifted children. Again, there is a range of possibilities for gifted children. At the high school level, as members would know, under the former government, Perth Modern School became a selective high school; again, as it had been previously. The first group of students is in year 12 this year at that school. Those students are selected when they are in year 6—as they are selected for the other programs in our senior high schools—to go into Perth Modern in year 8. There are 103 specialist programs across the high schools. That represents 57 of our senior high schools. But they are not all for academically gifted students. There are 17 schools that have a gifted and talented program. That includes Bunbury. I announced quite recently that we would have a gifted and talented academic stream in Bunbury. This is the first time that a school outside the metropolitan area has had a gifted and talented stream. That will start in 2013, because students in this year's year 6 are being selected for that program. That will add greatly to the offerings in that area. It will mean that students who live in Collie and in Busselton will be able to bus to that program. It will serve quite a wide area. I think the Bunbury program is a good addition to what we are doing in that space.

In the primary area, the standard program has been the primary extension and challenge program, known as PEAC. I know the member for Forrestfield's views on PEAC. I think it is time, as does he—I have been talking about this now for some time as minister, and the member knows my interest in this area—that we look very carefully at how we can provide for very bright academic students in primary schools. I think we can learn quite a lot from the other jurisdictions. We can learn particularly from New South Wales, which, ever since I was a little girl growing up there, has had opportunity schools and opportunity classes—that is an interesting term to use—for children who are academically bright. I am not saying we are going to do that in Western Australia, but it is the sort of model that we could be looking at. In other models, the school has an extension teacher. Just as we have teachers who help students who are struggling with numeracy and literacy, they have an extension teacher who works with smaller groups, or across grade groups, of gifted children. We are looking at a range of things to see how we can increase the offerings at the primary school level.

Mr B.S. WYATT: The minister referred to school psychologists. How many of the 50 new psychologists that were part of the Liberal Party's election platform have been employed up until now?

Dr E. CONSTABLE: The last time I was told, it was 45.

Mr B.S. WYATT: Is that employed?

Dr E. CONSTABLE: Yes, employed. So, we are ahead of what the schedule was originally, because it was going to be 50 over four years, and, in less than two and a half years, we have 45. That is really good news for schools that need those supports.

Mr B.S. WYATT: How many of those school psychologists are provisionally registered?

Dr E. CONSTABLE: We will take as a supplementary the number of provisionally registered school psychologists.

Mr B.S. WYATT: And as a percentage of the entire complement of school psychologists, please.

Dr E. CONSTABLE: Yes.

[Supplementary Information No B47.]

Dr E. CONSTABLE: Before we go on, apparently there is a new registration process. I will ask Mr Axworthy to give the member some information about that.

Mr B.S. WYATT: I know; and that may pose a problem with the Psychology Board of Australia.

Mr D. Axworthy: We have moved from a Western Australian to a whole-of-Australia registration process. But everything that we are doing is compliant with the requirement that new graduates from university who join us as psychologists be provisionally registered. So, there are no problems for us.

Mr B.S. WYATT: Are there any provisionally registered psychologists who are working less than 0.47 FTE, which is the requirement from the Psychology Board of Australia?

Mr D. Axworthy: We are ensuring that we are meeting the requirements so that all our employees will be able to be registered at the end of their period of employment.

Mr B.S. WYATT: Did that require an extra allocation of money and resources?

Mr D. Axworthy: No. We have managed that from within our existing budget. There is nothing in this budget that is an extra allocation for that.

Ms R. SAFFIOTI: In relation to the 45 new psychologists who have been employed, in FTE terms, are they all full time? What is the FTE equivalent of those 45 psychologists?

Dr E. CONSTABLE: It is 45 FTE.

Mr F.A. ALBAN: I refer to the sixth dot point on page 401 headed “Growth, Student Demographics”, which explains that the combination of population growth and urban sprawl are contributing to the pressure to build new schools, and to replace, refurbish and maintain existing schools.

It very much describes City of Swan areas such as West Swan and Ellenbrook, and anticipates growth in Bullsbrook and Giddegannup to double in the immediate future. Will the minister advise on the broadening student demographic and what it means for public education?

[12.20 pm]

Dr E. CONSTABLE: Thank you for the question, member.

In 2011, 261 624 full-time students are enrolled in government schools and we expect that number to grow to a projected number in 2021—I do not know how we get such an exact number—of 309 447, which is pretty exact for a projection. Obviously, we see a growing number of students and a growing level of diversity amongst our school population. Part of that growth can be attributed to the growth in the mining industry; therefore, we will see growth in the major regional towns that support mining. Interestingly, Directions 2031 shows increasing densities around transit hubs such as Stirling, and north of my electorate in the area around Innaloo—where a large number of people will be housed in quite different types of housing to what we have now—as well as at other hubs in the inner suburbs. Growing the population in those suburbs will make a difference to how we deliver education and to the sorts of schools that we will have. We have opened three new schools this year and we will open four new primary schools in each of 2012 and 2013.

I talked about the pressures of population growth in certain areas just a moment ago. I refer also to the regional areas; part of that growth will be in Mandurah—there will be a new school at Meadow Springs—as well as at Karratha and Dalyellup. We are also seeing pressures outside the metropolitan area. New secondary schools will be built at Butler, Baldivis and Byford over the next few years. We have to cater for a changing demographic, not only in size, but also education area; that is, we are seeing a huge growth in the demand for early childhood, kindergarten and preprimary education. In trying to understand that increase in demand, the only answer we have come up with is that the baby bonus has made a difference to the birth rate. There does not seem to be any other explanation for it. Of course, all our kindergarten-age children are guaranteed, through universal access, a kindergarten year, and we are increasing kindergarten offerings to three-year-olds, particularly where there are high numbers of Aboriginal students. That is another interesting thing we are looking at. I think we need to do some more work around gifted and talented education. One of the areas that I know many members will be noticing in their schools is the changing demographic for English as a second language. The increase in the number of children who do not speak English and who come with their parents to live in Australia is changing how we manage what we do in our schools.

Mr B.S. WYATT: Minister, who is on the dyslexia working group, how often does it meet, and has it made any recommendations to the department?

Dr E. CONSTABLE: I am not sure which working group the member is referring to.

Mr B.S. WYATT: The dyslexia working group.

The CHAIRMAN: What page in the *Budget Statements* is the member referring to?

Mr B.S. WYATT: The fourth dot point on page 401, headed “Services to Students”.

Dr E. CONSTABLE: I will ask Mr Axworthy to comment. If we do not have that information, we will get it to the member by way of supplementary information.

Mr D. Axworthy: I will have to provide that as supplementary information. There are a number of working groups —

Mr B.S. WYATT: I want to know who are the members of the dyslexia working group, how often it meets, and any recommendations it has provided to the Department of Education.

Dr E. CONSTABLE: We need some more clarification, member, about the dyslexia working group. Different agencies have such groups.

Mr B.S. WYATT: The one that the minister established.

Dr E. CONSTABLE: I have not established a —

Mr B.S. WYATT: I am just referring to correspondence that the minister has written in the past.

Dr E. CONSTABLE: We probably have —

Mr B.S. WYATT: Or any staff members from the Department of Education on that working group and when they meet and whether any recommendations have been provided to the Department of Education from that working group.

Dr E. CONSTABLE: I will ask the director general to comment so that we can be sure to get what the member is asking for.

Ms S. O'Neill: Officers in our department could be on a range of dyslexia working groups. We have our own working groups on various disability areas and sometimes they serve on Disability Services Commission groups. I am wondering whether the member is referring to a specific dyslexia working group.

Mr B.S. WYATT: I will refer to a letter from the minister dated 21 October 2010 and addressed to Mr Paul Omodei, in which she states —

An intra Department working group is being established, to provide future recommendations on policy and planning on how the Department can best meet the needs of students with dyslexia into the future.

And in another letter, the minister states —

I have been informed that the Dyslexia Working Group, established to make recommendations to the Department on how to best meet the needs of students with dyslexia, is considering the *Independent review of the teaching of early reading 2006*.

Ms S. O'Neill: There is more than one dyslexia working group. We could provide detail about the working groups our people are on. There is more than one interagency working group and we could provide details of the different groups and our membership on them.

Mr B.S. WYATT: And when they meet and any recommendations made to the department.

Dr E. CONSTABLE: We will do our best.

[*Supplementary Information No B48.*]

Dr E. CONSTABLE: Point of order, Mr Chair. We now have less than 35 minutes and three other divisions. I think that the member for Victoria Park wanted to reassess at half past twelve.

Mr B.S. WYATT: We will finish with that division and go to the next—education services.

Dr E. CONSTABLE: I ask if the member has questions about country hostels, whether we can, for the convenience of the director general, do that division first.

Mr B.S. WYATT: Yes, that is fine. We will do country hostels first.

The appropriation was recommended.

Division 38: Country High School Hostels Authority, \$6 762 000 —

Mr M.W. Sutherland, Chairman.

Dr E. Constable, Minister for Education.

Ms S. O'Neill, Acting Chief Executive Officer.

Mr J. Hopkins, Director.

Mr D. Smith, Finance Manager.

Miss A. Walker, Principal Policy Adviser, Officer of the Minister for Education.

[Witnesses introduced.]

The CHAIRMAN: Member for Victoria Park.

[12.30 pm]

Mr B.S. WYATT: I refer to page 431 of the *Budget Statements*. An amount of \$19.4 million has been allocated from the royalties for regions fund to the Esperance and Merredin Residential Colleges. Will that funding increase the bed capacity of each college; and, if so, by what amount?

Dr E. CONSTABLE: First, Esperance Residential College currently has 72 beds in its original design, and the boarding capacity will increase to 114 beds.

Mr B.S. WYATT: And Merredin?

Dr E. CONSTABLE: I do not have those figures. In Merredin, old dormitories will be replaced; therefore, the number of beds will not increase. One thing that we are doing in both of these colleges is ensuring that a couple of small units—bed-sits, if you like—are incorporated into the design for teachers in training, so that we can

encourage young people or others who are training to be teachers to do some of their practical work in country centres. We are using this opportunity of the upgrading of the buildings at these two colleges to make sure we have a couple of bed-sits so that student teachers can have the opportunity to gain experience in country centres. They are then more likely to go back to rural centres when they get their first teaching positions. It is really important for us to have a range of programs in place to encourage that.

Mr B.S. WYATT: On the same page of the *Budget Statements*, an allocation for \$29.5 million is listed for as yet unannounced capital works for regional residential colleges. I would have thought that at this stage the minister would at least know which residential colleges will receive that funding. Therefore, I ask: Which colleges will receive that funding? Will that funding increase the number of beds at each of those colleges, whichever ones there are? Is there any proposal within that funding allocation to have any residential colleges based in the metropolitan area?

Dr E. CONSTABLE: At the moment we are still in the planning stage, so the decisions about where that money will be spent have not yet been made. From the discussions that I have been involved in with the acting CEO and the director, I can say that there is no plan for a residential college in the metropolitan area to be built with this funding. Having said that, we currently have a 72-bed facility on the old City Beach Senior High School site, which was built by an international school some years ago and has been used by country students attending Perth Modern School and John Curtin College of the Arts, and occasionally a few students undertaking the music program at Churchlands Senior High School have been there. There are also places run by Rotary. I will ask Mr Hopkins to talk about those places that exist now.

Mr J. Hopkins: The Rotary Residential College is a boarding facility that was established utilising both commonwealth and state capital funding, with a contribution from the private sector. It provides almost entirely for students attending public sector schools in the metropolitan area. At present, it has 80 students boarding there, with a capacity for 96; it is a bit under capacity at the moment.

Dr E. CONSTABLE: That college is run by an independent board, not by the Country High School Hostels Authority.

Mr B.S. WYATT: I am familiar with that college. With respect to the \$29.4 million allocated for capital programs, do we not know whether that funding is for refurbishment or replacement of colleges at this stage; and, do we not know which residential colleges that is allocated to?

Dr E. CONSTABLE: No; planning has been done and recommendations are yet to be made.

Mr P. ABETZ: I refer to the first line item on page 430 of the *Budget Statements*, “Establishment, Operation and Maintenance of Residential Colleges”. What is the demand for use of these boarding facilities by Indigenous students from places such as the Ngaanyatjarra lands? To what extent do Indigenous people make use of these facilities?

Dr E. CONSTABLE: I thank the member for the question; it is a very important one and grows in importance as more Aboriginal students stay on at school. I spoke to the people at the Broome Residential College recently, and they see years 10, 11 and 12 as being the ones in which we might attract more Aboriginal students to hostels, because Aboriginal students often want to stay in their remote communities until they are a little older than the usual age at the time of the change from primary school to secondary school. Over the past five years, the number of Aboriginal students enrolling in hostels has increased from 47 to 81; therefore, we are seeing an increase. That is probably tied to a lot of things, but it is very encouraging that more Indigenous students want to access the senior high schools close to them and to reside in these colleges. Eighty per cent of the students boarding at the Broome Residential College, which was established in 2007, are Aboriginal. I have had people say to me that we need to increase the capacity there as well. I think in the coming years we will see some pressure on the Broome college as more and more Aboriginal students want to take up places. An Aboriginal secondary hostel was established by the commonwealth government in Kununurra in 2008, and it provides 40 places. I am not sure whether it is full; we do not run it. When I visited it 18 months ago, very few students were there, but it had not been open for very long.

There are Country High School Hostels Authority residential colleges that attract Indigenous students in our eight regional centres, and there is some private boarding in Coolgardie, and also near Meekatharra and Esperance. The Aboriginal Student Accommodation Service is run by the Department for Child Protection, and the Catholic Education Office is looking to build an Aboriginal college at Clontarf. There is a lot of activity in this area to support Aboriginal students, which is remarkable and very important. I am also aware that quite a lot of Aboriginal students from the north of the state go to Darwin, and I have even heard of others going to Alice Springs and across to Queensland. There are a lot of opportunities for Aboriginal students, and we have to ensure that we provide enough opportunities for them.

The appropriation was recommended.

Division 36: Education Services, \$382 452 000 —

Mr M.W. Sutherland, Chairman.

Dr E. Constable, Minister for Education.

Mr R. Strickland, Chief Executive Officer.

Mr B. Parkin, Executive Director, Corporate Governance and Non-Government Schools.

Mr M.R. Brown, Director, Education and Training Regulation.

Mr R. Willis, Chief Finance Officer.

Mr T. Werner, Director, Higher Education and Legislative Review.

Ms J. Taggart, Principal Adviser, Office of the Minister for Education.

[Witnesses introduced.]

[12.40 pm]

The CHAIRMAN: The member for Forrestfield.

Mr A.J. WADDELL: I return to my aborted question. It relates to the first dot point on page 415 of the *Budget Statements* and the review of the independent public schools. It encompasses \$1.4 million that has been allocated for the review. It indicates that the consultation needs to be very broad and the department needs to look at all the different stakeholders involved. I would be interested to know who those stakeholders are. I would like to put that in context. I am interested to know what prospects there are for any independent school to break ranks with the system—for example, if it was in an area with a low local intake—and say that it was going to set itself up as the first gifted primary school. What prospect is there in the IPS program for that to occur and would the appropriate stakeholders therefore be consulted in this review process?

Dr E. CONSTABLE: We have had a question about the reviews, which is in this division, but the question about whether they could take that course of action was in the last division. We are a bit caught. We will do our best to deal with that question. I mentioned earlier today that there are three levels of review and evaluation of IPS, starting with a qualitative case study type of review that has recently been done on the first 34 schools. Individual reviews are being done independently of the Department of Education by the Department of Education Services. This is the department that reviews and regulates non-government schools. It has been in that space for a long time and it is used to reviewing schools. We thought it was really important that that be done independently of the department. Next year is the third year for the first 34 schools. Each school signed an agreement with the director general. Based on those agreements and the goals that were set, a whole lot of work is being done to establish how those reviews will take place. I will ask Mr Brown to elaborate on where we are at present. That has been worked out with the schools. The principals are involved in the development of how those reviews will take place. As I understand it—I may be corrected—the schools themselves will do a review and that review will be looked at and expanded on by the Department of Education Services. The schools will have an opportunity to examine what they have done, where they have been and where they might like to go on a range of variables and goals. Central to all of that will be looking at student performance as well as a range of other things such as staff satisfaction and views of principals and communities. I will ask Mr Brown to bring the member up to date with where we are at the current time.

Mr M. Brown: We consulted with the school principals and the school boards of all 34 schools towards the end of last year on what they would like to see in the overall review process. We took their advice. We have taken further advice through research analysis on school effectiveness that we have undertaken and also effective reviews. We have put that together into a draft that is currently being consulted again with the school principals and the school boards. We have sought local and interstate academic expertise in school effectiveness and we have even gone international in looking at the range of review processes used around the world to come up with a process for Western Australia. We hope to complete our consultation on the final nature of the reviews within the next month or two and bring that to the minister and the schools by about September this year. We will then develop the communication process with schools and put the whole process in place during 2012.

Dr E. CONSTABLE: I think that answers part of the member's question. The member also asked about what the IPS may be able to do.

Mr A.J. WADDELL: That review would limit itself to the way things were operating now. If an IPS school simply decided that there was an opportunity within the market to specialise in something and become a select school, let us say in music, for instance, because it had a low intake within its own catchment area, what prospect is there within the IPS program for a school to simply break ranks and become a select school in that respect?

Dr E. CONSTABLE: Every independent public school—this is going back to the last division but I am sure members will bear with me—is subject to the legislation, policies and so on of the department. I am now just

speculating. If such a situation arose and a good case could be put and if it gelled with our statewide planning, I am sure there would be an opportunity to at least discuss that with the director general because another three-year agreement would presumably come into place once the review is done. The review might be a time to discuss other opportunities for a school. As we said earlier, there are over 100 specialist programs in schools, and many of those are music, taking the member's example, because students have chosen to study it.

I think we have a very broad mind when it comes to independent public schools but it would have to be part of the general and statewide planning of the department; it could not just be something that the school could pick up and do without going through that process with the department. Again, I think an open mind is really important.

Mr B.S. WYATT: I wish to follow that up, and I guess it flows from the question just asked. Similarly, if an IPS high school is of the view that it has the facilities available, could it start taking year 7s?

Dr E. CONSTABLE: Again, as part of statewide planning, if that was the view of the IPS and its board and principals, that would be something that they would be very open to bring to the director general's attention. In making such a change, it would need to be in the context of other things as well, not just their own context.

The appropriation was recommended.

Division 37: Curriculum Council, \$28 851 000 —

Mr M.W. Sutherland, Chairman.

Dr E. Constable, Minister for Education.

Mr A. Blagaich, Acting Chief Executive Officer.

Mrs R. Smith, Acting Director, Curriculum and Assessment.

Ms Y. Seetoh, Manager, Financial Services.

Ms J. Taggart, Principal Adviser, Office of the Minister for Education.

[Witnesses introduced.]

The CHAIRMAN: The member for Victoria Park.

Mr B.S. WYATT: I refer to page 425. The first paragraph refers to the \$5 million funding for the national curriculum. Is that the same \$5 million that was allocated in last year's budget for 2010–11? It does not appear to have been spent.

Dr E. CONSTABLE: It is an additional \$5 million. I am not too sure why that was left out of these papers. The member would have to ask that question of Treasury. There is \$5 million in 2010–11 and \$5 million in 2011–12.

Mr B.S. WYATT: So \$5 million was spent on the national curriculum in 2010–11.

Dr E. CONSTABLE: It is being spent.

Mr B.S. WYATT: I am assuming that some of it is still being spent. The same paragraph states —

The remaining 2% of the funding included in the total cost of service ... is for the Curriculum Council to coordinate the State's participation in national curriculum development and consultation for phases 2 and 3, and for national curriculum senior secondary courses.

That two per cent is \$100 000. What is the nature of the consultation and what level of coordination will be required?

[12.50 pm]

Dr E. CONSTABLE: We all remember the implementation of the curriculum over the past few years in Western Australia. That was very much a centrally directed process. One of the things that we have learnt from this is that the best way to implement a new curriculum is at a school level, not through a centrally based implementation where teachers have to come in and be talked at by that central body.

The money will come through the Curriculum Council and then will go out to the sectors—the Department of Education, the Catholic Education Office and the independent schools—to be used by the schools, and groups of schools in particular, to implement the curriculum. We are doing it in an entirely different way, and I will get Mr Blagaich and Mrs Smith to give some more detail on how that is being done. In order for the Curriculum Council to do its part in overseeing that implementation, a small amount of money will be used by the Curriculum Council itself and the rest will go directly to schools for the principals and staff to use in the implementation and development of their work with the curriculum. Before we go any further with this, can I say that I have been adamant from the beginning in all the discussions at a national level that Western Australia will not begin implementation of the national curriculum until we have everything in place. The mistake made last time was that we did not have resources and standards validated; that it was done on the run. We are not going to begin the

full-on implementation of the first four areas until we have the curriculum itself—which we now have—and we have the resources in place and the standards validated. We do not have all the resources in place or any validated standards and work samples for the teachers to use in order to plan for what they are going to teach in classrooms. We are meant to have those validated standards by October. Given the record of the national body that is doing this, the Australian Curriculum, Assessment and Reporting Authority, I have my doubts whether we will see acceptable validated standards by October; and if we do not, we will not be in a position to implement the national curriculum in the first four areas next year. Teachers have to be certain that they have all those things before they can implement this. We cannot run a system without its becoming chaotic, if we do not have all those things in place. We want to provide all those things for teachers and when they are provided, we will be ready to implement. Victoria is beginning to say the same thing, and I have been saying it ad nauseam in ministerial council meetings that that is our bottom line. We are not going to put teachers or schools through what happened with the implementation of the curriculum more recently. We have learnt from that lesson. I am not directing that comment at anyone. We have learnt our lesson and we will do it properly and systematically. It is really very much wait and see until the end of the year about whether we will in fact be ready to say to teachers that they can go ahead. In the meantime, there is a lot of enthusiasm for the national curriculum in Western Australia. Last year a lot of schools were involved in trialling the curriculum, which was very good because then we were part of its development. This year, I do not know how many schools, but quite a number of schools want to be involved in the validation of the standards. Our schools are being very professional and involved about this. However, we cannot ask small country schools, for instance, to implement a curriculum that is not properly set in all the places that need to be set. I will ask Mr Blagaich to add any comments he might wish.

Mr A. Blagaich: The role of the Curriculum Council is to facilitate the development of the way in which this state will address the process. The question was in relation to the \$100 000 that has been allocated to the council. We used that to fund a position and the role of that officer is to work across the agencies—the Department of Education, the Catholic Education Office and the Association of Independent Schools of Western Australia—so that we can lever off each other and there is no duplication of effort, which has been the case in the past. We are finally getting good strong collaboration between all three sectors to share resources and materials. The role that the council is playing is to facilitate it through that officer, and also then distribute the money. The decisions around how professional learning et cetera would occur is the responsibility of the systems sector, but our part is to make sure the money is distributed and that it is acquitted back to us, and to facilitate the sharing of information. We have two bodies in place—a steering committee that involves the Director General of Education, the chief executive officers of AISWA and the Catholic Education Office, and me; and below that we have a working committee established, which works directly back out to identify teachers and schools that will be able to assist.

Dr E. CONSTABLE: I will add that when we talk about sharing of resources and collaboration, this becomes very important in small areas outside of the metropolitan area. If we go to a town like Karratha—or anywhere—it is really important when there are two high schools—a Catholic high school and government high school—that they work together. They will do a much better job in implementing the curriculum if they share their resources and work together with their professional development, and so on. We see that collaboration is very important on the ground to do this well.

The other thing is that lot of consultation still needs to be done with ACARA on phases 2 and 3—this will go on for many years, so we do not need to be in a rush to start it—and the senior secondary courses. Last year we just got in place exams for year 12 for all our 51 courses, and we are going to have a whole lot of new year 11 and 12 courses develop out of the national curriculum. At the moment, it is K to 10, so we have consultation still to go on stages 2 and 3 when other subject areas come in. Then we have the senior secondary courses too. The Curriculum Council will be coordinating that implementation for Western Australia with ACARA as well. What we have done, which is very different to last time, is that the three sectors have a shared business plan on how they want to see this curriculum implemented and put into place. I am really impressed with the way they are working together and collaborating. They have resources and expertise they can share, and that will bode well for the implementation when it happens.

Mr B.S. WYATT: Following up on those issues of resources and expertise, a bunch of the 100 central office staff whose contracts are not being renewed are working on the national curriculum. How does that bode well for the Department of Education side of things?

Dr E. CONSTABLE: The member is asking the question in the wrong division. The member's assumption may well be wrong.

Mr B.S. WYATT: The minister said there were nine.

Dr E. CONSTABLE: I am in a difficult situation because Mr Blagaich, I think, knows the answer to the member's question. They are not being put off.

Mr B.S. WYATT: I said that their contracts are not being renewed.

Dr E. CONSTABLE: I do not know that the member's number is correct.

Mr B.S. WYATT: The minister said nine in the media, so let us go with nine. Why is the minister getting rid of nine people within the department whose role that is?

Dr E. CONSTABLE: A large number of the 100 people that the member is referring to came to the department in acting positions and will be going back to their schools, where their substantive positions are.

Mr B.S. WYATT: Many of which no longer exist. That is the problem.

Dr E. CONSTABLE: They will be going back to schools. They are permanent employees of the Department of Education. Their jobs are there and they will be returning to those jobs. We have to be very careful. We are talking about matters in another division and the director general is not here to comment.

Mr B.S. WYATT: In respect of the nine the minister referred to in the media who were dealing directly with the national curriculum—as the minister said, a lot of consultation needs to be done in phases 2 and 3—why would the minister let them go?

Dr E. CONSTABLE: To be fair, because the Director General of Education is not here, the member should ask that question on notice so that he gets the full answer, and I am properly advised on the answer, because I am not sure what the member saying is correct.

Mr B.S. WYATT: This was topical during the week in the media.

Dr E. CONSTABLE: This is estimates and we are dealing with a particular division.

The CHAIRMAN: That is the answer that has been given, so the member can ask that question on notice.

Ms R. SAFFIOTTI: I refer the minister to page 423, “Service Summary” and line item “2. Student Assessment and Certification”. I refer to the mistakes made last year at the end-of-year exams. What mechanisms has the minister put in place to ensure similar mistakes are not made in this year's end-of-year exams?

Dr E. CONSTABLE: This is a very important question for us all. The first error was drawn to my attention back at Easter time last year. The member may recall problems with one of the practical examinations in 2009 and the statistical analyses of students' results. Then at the end of last year, there was a range of errors with exams, and so on. Following the first error that occurred back in 2009, we implemented a full review of the processes. That was going to be done during last year before these other errors were found.

The appropriation was recommended.

Meeting suspended from 1.00 to 2.00 pm

Division 59: Child Protection, \$452 215 000 —

Ms A.R. Mitchell, Chairman.

Mr J.H.D. Day, Minister for Planning representing the Minister for Child Protection.

Mr T.M. Murphy, Director General.

Ms K. Benham, Executive Director, Policy and Learning.

Ms J. Waylen, Director, Non-government Policy and Funding.

Mr J.T. Peckitt, Acting Director, Business Support and Coordination.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

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. This is the prime focus of the committee. Although there is scope for members to examine many matters, questions need to be clearly related to a page number, item, program, or amount within the volumes. For example, members are free to pursue performance indicators that are included in the *Budget Statements* while there remains a clear link between the questions and the estimates.

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 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 he 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 committee clerk by Friday,

10 June 2011, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers, and accordingly I ask the minister to cooperate with those requirements. 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 with the Clerk's office. Only supplementary information that the minister agrees to provide will be sought by Friday, 10 June 2011.

It will greatly assist Hansard if, when referring to the program statements volumes or the consolidated account estimates, members give the page number, items, program and amount in preface to their question.

I now ask the minister to introduce his advisers to the committee.

[Witnesses introduced.]

The CHAIRMAN: Member for Maylands.

Ms L.L. BAKER: I refer to "Outcomes, Services and Key Performance Information" on page 718. The first of the three dot points on the bottom of the page is about the demand for care services remaining a significant issue for the department, the increasing number of children entering care and the rates of growth that are expected. Can the minister tell me what the expected growth rate is for the number of children coming into care over the out years?

Mr J.H.D. DAY: As indicated on page 718, in February there were 3 507 children in the care of the department. That was an increase of 5.2 per cent over the previous eight months. In November last year the revised calculations for the department's expected growth in the number of children in care for 2010–11 was 5.3 per cent. I expect the trend line to be similar in the out years, given the two percentage increases I have mentioned of 5.2 per cent and 5.3 per cent. I will ask Mr Murphy to add more information.

Mr T.M. Murphy: I will be fairly quick. The minister indicated the trend line. In 2011–12, the Department for Child Protection is expecting an increase of 5.4 per cent in the number of child protection cases and an increase of 5.22 per cent for children in care.

Ms L.L. BAKER: What is the projected number of children coming into the department's care in the out years? Is that the same for each year?

Mr T.M. Murphy: The figures I mentioned are 5.4 per cent for child protection cases and 5.22 per cent for children in care in 2011–12.

Ms L.L. BAKER: What is the projected increase in 2012–13?

Mr T.M. Murphy: We do not calculate 2012–13 because it is on a linear-trend basis for the preceding years. We will make the next estimate during the next budget process. We revise those figures continually, based on the existing activity.

Ms L.L. BAKER: That trend line was 5.3 per cent and 5.3 per cent.

Mr T.M. Murphy: We believe that the trend is pretty steady. It is in line with the long-term growth rates and is not greatly over the population increase percentage, in contrast to some years ago when the growth in the number of child protection cases and the number of children coming into the department's care was significantly higher at well above 10 per cent.

Mr A.P. O'GORMAN: The director general said that the projected growth rate for the number of child protection cases was 5.4 per cent and 5.2 per cent for the number of children in the department's care. Is that an overall growth rate of 10.6 per cent? What is the difference between children in care and the number of child protection cases?

Mr T.M. Murphy: They are segmented. Essentially, we divide our services into children in care, child protection and family support. We measure each of those separately. They are not cumulative; they are separate.

Mr A.P. O'GORMAN: Can the director general explain the difference between child protection cases and children in care? I want to determine that the true figure is not 10.6 per cent.

Mr J.H.D. DAY: They are two different categories based on different criteria, to some extent. I will ask Mr Murphy to elaborate.

Mr T.M. Murphy: It is quite a distinct activity. Child protection cases include the notification that there is a concern for a child and the assessment of that concern. That notification may or may not lead to an investigation and an intervention, of various sorts, with the family. Child protection cases include everything up to the point at which a child is brought into the department's care. The point at which children come into the care of the department to be looked after, and all matters pertaining to working with and supporting them, is when children

are classified as children in care. The difference is the progression of the management of the case and the point at which we provide a different service.

Ms L.L. BAKER: What are the drivers for children coming into the department's care? Family domestic violence, drug and alcohol abuse and mental health used to be the main drivers. Are they still the key drivers?

[2.10 pm]

Mr J.H.D. DAY: Mr Murphy will answer that question.

Mr T.M. Murphy: It certainly is the ugly trinity in child protection of drugs and alcohol, mental health and domestic violence.

Mr M.P. WHITELY: I refer to the fifth dot point on page 719, which refers to stronger partnership and coordination between government human service agencies and to an interagency memorandum of understanding being signed. Could the minister outline how this relates to practical, on-the-ground support for families in crisis and children at risk?

Mr J.H.D. DAY: I will provide the initial overview and then ask Mr Murphy whether he can elaborate. Partnership is being achieved through cooperation, including with the Child Safety Directors' Group and regional interagency groups. There are also some memoranda of understanding at the statewide and local levels. Particular initiatives include rapid response, health and education planning for children in care, pre-birth planning, and pre-hearing conferences. The partnership will contribute to improved outcomes for children and young people. That is the obvious desire. For more detail on how it is achieved, I will ask Mr Murphy to comment.

Mr T.M. Murphy: There is coordination in joined-up service delivery and whole-of-government responses. We have worked through these over the years and they are the holy grail of making human services most effective. As the minister indicated, there are a number of strategies to achieve that—joining up committees, memoranda of understanding and formal arrangements. How does that impact on the ground? I will give some examples. The Department of Health has committed to provide health examinations and the joint development of a plan for each child who enters the care of the department. A documented education plan is similarly prepared for each child in the care of the department. This plan is normally something that the Department of Education, the Catholic system and the independent schools apply to those of their children who are vulnerable in some way. All our children are so classed and have that planning. In addition to those mechanisms, at each regional level the police, our department, health and the non-government service providers meet and collaborate on case management for domestic violence and jointly plan and execute what each of us does to manage a family and to keep the perpetrator in line. As the minister mentioned, pre-birth planning is a process we go through with King Edward Memorial Hospital for Women. We are rolling that out to all other maternity hospitals. Under this process, the Department for Child Protection is notified at the six-month point of a pregnancy if there are concerns for a mother. We then go into a joint assessment and planning process with the maternity hospital and other human service providers. This approach has resulted in a lot fewer children coming into care when their mothers give birth.

Mr M.P. WHITELY: My electorate has fairly high levels of social disadvantage. All of this is news to me. I have one specific example of a family about whom I have written letters to five different ministers, beginning with the Premier in June last year and followed up by a letter in April this year. After a while in this job one begins to build instincts about who can be trusted and who cannot. A variety of sources have told me about this case in which 22 people live in a three-bedroom house in my electorate. There are 15 children living at this house and they do not attend school on a regular basis. When I raised the issue with the Minister for Education, she said that because the children are enrolled in a private school, the department cannot follow it up; it just takes the school's word that the children are attending. Neighbours have told me that the school bus rolls up to pick up the kids and none of them gets on. They have told stories of horrific living conditions, including the kids using —

The CHAIRMAN: The member must ask a question.

Mr M.P. WHITELY: I am coming to the question. How does this program relate to this family or this series of families? Twenty-two people are living in a three-bedroom house. The kids use their neighbours' front yards as a toilet. I have written to the Premier, the Minister for Education, the Minister for Child Protection and the Minister for Housing, and I cannot get a coordinated response. How is this memorandum of understanding benefiting these children? I am sure the minister can identify this family by going back to my correspondence. If a member of Parliament comes into the Parliament —

The CHAIRMAN: The member for Bassendean has raised a question and should give the people a chance to respond.

Mr M.P. WHITELY: If a member of Parliament has come into the Parliament to raise this issue and has written to five ministers and cannot get a response, what good is the MOU doing?

The CHAIRMAN: The member for Bassendean has asked a question; we need to give people a chance to respond.

Mr J.H.D. DAY: Is the member saying that he has not received any response, or that he has not received a response to solve the problem?

Mr M.P. WHITELY: I have not received a response that solves the problem. I have written five detailed letters to the Premier and the relevant ministers. The response that came back was that the matter had been raised with the Midland office of DCP. There is no action. Nothing is happening. These are the people who should be benefiting from these MOUs. What has happened, other than signing an MOU?

Mr J.H.D. DAY: Obviously, the government cannot fix every problem. There will always be some unfortunately intractable problems.

Mr M.P. WHITELY: Twenty-two people are living in a three-bedroom house.

The CHAIRMAN: Thank you, member!

Mr J.H.D. DAY: I am sure that this department and others are doing what they can to try to resolve it. I am happy to ask Mr Murphy to comment on the general issues. The specifics can be followed up, perhaps. I do not know whether this is something Mr Murphy is aware of in particular, but we all obviously want a better outcome.

Mr M.P. WHITELY: I would have thought, after five letters to the Premier down, that somebody might be aware of it.

The CHAIRMAN: Thank you, member!

Mr T.M. Murphy: I would be very happy to re-look at that correspondence and to see what information has been provided. I am also quite happy, with the minister's agreement, to discuss a particular case offline. I repeat the minister's comment, though, that the provision of services and intervention does not always result in what we are trying to achieve in terms of changed behaviour in complex family circumstances.

Mr M.P. WHITELY: It is about a week short of a year since I first wrote to the Premier about this and these kids are still in that same situation.

The CHAIRMAN: Member for Bassendean, a response is being given and it is polite to wait until that has finished before asking a further question.

Mr T.M. Murphy: The member has set out the situation as he sees it. I cannot recall or muster at this point in time the interventions that have gone into that household. I am more than happy to revisit that correspondence and/or to have an offline conversation with the member about it. I will put it a different way from what I had been going to: I would be very, very surprised if the Department for Child Protection, the Department of Housing, the police and others have not been involved. However, getting a result in changing family behaviour and perhaps the family accepting the help that is offered, whether it is accommodation or another sort of assistance, can be different, unfortunately, from making sure that those interventions go in. Once again, I am more than happy to look at that individual case.

The CHAIRMAN: The member for Bassendean will follow that through with the department. The member for Maylands has a further question.

Ms L.L. BAKER: Not on this case, no. My further question relates to the original question about the efficacy of the stronger partnership and coordination between government human service agencies, which comes under the fifth dot point on page 719 of the *Budget Statements*. How much does DCP spend on finding short-term emergency housing for homeless adults and children if they cannot be accommodated in various other places, such as refuges? What amount are we spending on that at the moment?

Mr J.H.D. DAY: I am aware that the capacity has been increased in recent times. I will ask Mr Murphy whether he can elaborate on that. I am not sure whether a specific amount can be identified as being spent in this area, but I will ask him to advise if that is possible. Perhaps he can also outline the expansion that has occurred.

[2.20 pm]

Mr T.M. Murphy: This does need to be preceded by understanding the additional strategies that have gone into addressing homelessness. As part of a national partnership agreement on homelessness, some \$135 million over four years has been put into tackling the issue of homelessness, \$68 million of it being state funds. It is a 50–50 proposition. This has resulted in the employment of 110 full-time equivalent positions in non-government sector agencies throughout Perth and regional areas with a view to helping people maintain or gain tenancies; assisting them with the support services they need, whether they be drug and alcohol or mental health services; addressing the issues that keep them out of tenancies; and, expanding accommodation. What occurs nevertheless in our community, particularly with rising rents and so forth but most often due to the behaviour of tenants, is that

people find themselves between houses or without a house; hence we have a strategy on homelessness. The first port of call for many people in an emergency situation can be the Department for Child Protection district office. In that case, if children are involved, we will provide at least 24 hours' accommodation, as well as linking them to the necessary services to achieve longer term, stable accommodation, and we will on a case-by-case basis expand the level of support we provide. Those services are provided on a case-by-case basis and are funded through our emergency financial assistance moneys, the pool of which is \$1.3 million. I can say, though, that we stretch that pool.

Mr M.P. WHITELY: I have a further question on this dot point. Given that Homeswest has a stated eviction policy that there will be a greater number of evictions of difficult tenants and that many of these will involve children, is there any extra funding in the budget for DCP, or whomever, to house kids who are dislocated?

The CHAIRMAN: I am not quite sure that that question is particular to that dot point. It is a long bow, member for Bassendean, but I will ask the minister to respond to it.

Mr J.H.D. DAY: My understanding is that there is no specific additional allocation in this department's budget as a result of a policy within the housing portfolio, but as Mr Murphy just outlined, there has been an expansion in the number of beds available for other reasons.

Mr M.P. WHITELY: I have one last follow-up question.

The CHAIRMAN: I am not sure that you are on the mark at the moment, member for Bassendean.

Mr M.P. WHITELY: I think I can relate it to the dot point.

The CHAIRMAN: I am sure the member can, but I am not sure whether it is being asked when it should be.

Mr M.P. WHITELY: The question is: what protocols are in place between DCP and Homeswest, or at least theoretical protocols in place, when neighbours report children at risk in homes, or antisocial behaviour in homes, when children are perceived to be at risk? Relating to the example I gave before, what protocols are supposed to be in place?

The CHAIRMAN: Mr Murphy?

Mr T.M. Murphy: We have longstanding protocols in place with the Department of Housing. We are not the department's first port of call, however. The first port of call for a public tenancy that is showing problems is the supported housing assistance program—SHAP—which is public tenancy support funded through the Department of Housing. These days, that program forms part of a network of services. Those 110 additional FTEs I mentioned that are going into the government sector comprise the rest of that network. The first port of call therefore is the department's own SHAP services and for the department to try to manage the situation internally. If there are children at risk, that will be brought to our attention and we will assess whether or not to be involved. Certainly, though, the existing protocol indicates that if somebody is at severe risk of eviction, we will have prior warning of that. We will have the opportunity to intervene, provide whatever support is needed, make whatever difference we can with the family and, if necessary, pre-plan for accommodation if they lose their public tenancy. With the introduction of the three-strikes policy, the Department of Housing, our department and other agencies are reviewing and revising those protocols. I met with the Director General of the Department of Housing only last week because that work is coming towards an end and there will be quite a robust system. Our department will be notified of the first strike and we will have the opportunity to check whether any one of those families is an open case to the department—that is, whether we are already involved—and whether there are children in the family, which will provide us an early opportunity to liaise and be involved with the department. If there is a second strike, again at that point our local district office will be advised and there will be consultation between Housing's local manager and our local manager, and predictably the level of intervention and support to the family will go up at that stage. The Department of Housing has a very centralised process for notification of a third strike, which means that its central unit will know of it. Although there is no discretion for what happens at the point of a third strike, there will be, once again, maximum notification to us so that we can pre-plan and link to those alternative services to the maximum extent possible.

Mr M.P. WHITELY: So, is reporting based on the strike system, rather than —

The CHAIRMAN: Member for Bassendean, you have not sought the call for a further question, and I would like to move on to give other members an opportunity to ask questions. The member can bring this one back.

Mr A.P. O'GORMAN: I refer to the sixth dot point on page 719 of the *Budget Statements*. Can the minister tell us the current number of women's refuge beds in the state funded by DCP?

Mr J.H.D. DAY: We do not have specific information on the number of beds, but I am advised that there are 37 refuges across the state. I do not know what the average number is roughly in each refuge.

Mr A.P. O'GORMAN: I have a further question. Can we get that information?

Mr J.H.D. DAY: They generally provide for up to five families at a time, I understand. In a lot of these cases it appears that there is not just usually a single person, but also a mother with one or more children involved. It is therefore more a case of accommodating families rather than specific individuals.

Mr A.P. O’GORMAN: I have a further question. Back three years ago, a new refuge was announced for the northern suburbs. Can the minister tell us where that is up to now? Has it been built; is it being staffed; or is the department using alternative accommodation? If it is using alternative accommodation, how much is that costing a year, rather than building a new refuge?

Mr J.H.D. DAY: I will ask Ms Waylen to answer this one.

Ms J. Waylen: That particular refuge is run by the Patricia Giles Centre and is known as Damara House. It is operating, and has done for a number of years now, out of a private rental property while we are waiting for the land to be released, for planning to go through and for the property to be built. I understand that it is progressing reasonably well at the moment and, as far as I can recall, I think the land has been approved. I therefore do not think that it is too far away from actually going through to commencing the planning for the construction.

[2.30 pm]

Mr A.P. O’GORMAN: I have a further question. What is the issue with the land? Why are we waiting for the land to be released? It is in the northern suburbs, where it is pretty easy to get land released. Can the minister tell us the issues around getting this land released? I know it is a reasonably sized piece of land and the Patricia Giles Centre runs a pretty good operation, but can we be told how much has been spent on using private rentals, and how much has been taken out of the budget for the final built form of the refuge?

Ms J. Waylen: The land and construction issues are the responsibility of the Department of Housing; the funding we provide is for the support services. I understand that the rental component of that private property is taken out of that overall support funding.

Mr A.P. O’GORMAN: Do we have a date when that refuge will be available for use? There is a big need out there at the moment.

Ms J. Waylen: The estimated date depends upon the construction, I suppose, which is up to the Department of Housing, but I can endeavour to find out for the member.

The CHAIRMAN: Is that supplementary information?

Mr J.H.D. DAY: We are happy to provide that supplementary information, as far as it is available.

Mr A.P. O’GORMAN: Minister, I am asking for a full update on the progress of the new women’s refuge in the northern suburbs, and when it is anticipated that it will be available for use.

Mr J.H.D. DAY: Yes, okay; we will provide that.

[*Supplementary Information No B49.*]

Ms L.L. BAKER: If family and domestic violence is still one of the three key drivers for the Department for Child Protection, can the minister show me the allocation in this budget for new beds for women and children who have had to leave family and domestic violence situations?

Mr J.H.D. DAY: I will ask Mr Murphy to comment on that.

Mr T.M. Murphy: This budget does not provide any new beds for victims of family and domestic violence; however, there is a lot of activity underway in that service area, and, we think, a lot of really positive improvements. We have talked about the joint state-commonwealth homelessness funds that came into the department in last year’s budget. Those funds provided for two major programs that were strongly advocated for by the domestic violence sector, and supported by the department based on work done in other states, but also looking at our own needs.

Ms L.L. BAKER: What are those two programs that Mr Murphy is talking about; is one of them the homeless shelter in the inner city?

Mr T.M. Murphy: No, these are initiatives out of last year’s budget that are in place and developing at the current time. The first is called Safe at Home, and is essentially an initiative through which women who have suffered domestic violence are supported to stay at home. The perpetrator is removed under police powers, a security check is done on the house and the necessary upgrades are provided, and the emotional and other supports that the woman needs to stay safe at home are provided.

Ms L.L. BAKER: So do we not need any more beds, minister?

Mr T.M. Murphy: I do not recall saying that.

The CHAIRMAN: Member for Maylands.

Mr T.M. Murphy: I do not recall saying that. I was in the midst of describing a program that was advocated by the domestic violence services and run by, and in conjunction with, the existing providers of refuge beds.

Ms L.L. BAKER: But are there no new beds, minister, at the moment?

Mr J.H.D. DAY: There are no specific new beds for this precise purpose, but as we outlined earlier, there has been expansion of the number of beds within this portfolio generally. Mr Murphy is outlining, I think, the fact that it is not only a matter of relying on beds for accommodation, but it is also important to try to approach the problem of domestic violence holistically, and therefore a number of other approaches are used as well.

Mr A.J. SIMPSON: My question refers to the first dot point on page 719 of the *Budget Statements*, and it is in regard to the opening of a secure-care facility. I refer to an article that was printed in *The Sunday Times* on 22 May that raised concerns about the locking up of children who have not been charged with anything. Can the minister assure us that these concerns have been properly addressed?

Mr J.H.D. DAY: It is the case that children and young people can be admitted to secure care if the chief executive officer of the department, or his or her delegate, is satisfied, firstly, that there is an immediate and substantial risk of the child causing significant harm to him or herself or another person; and, secondly, that there is no other suitable way to manage the risk and ensure that the child receives the care that he or she needs. Those powers are contained in section 88C of the Children and Community Services Act 2004. Those provisions are intended to ensure that children and young people are placed in the secure-care facility for their own protection, and only once it has been determined that there are no other suitable ways to manage the situation.

A number of safeguards have been put in place, because of the nature of the intervention, to ensure that the rights of the child or young person are protected, including the Children's Court providing oversight for children in provisional protection and care, and there are reconsideration and State Administrative Tribunal review provisions for children under a protection order that is time limited or a protection order until the age of 18 years. Legal representation is also available to children. There is a charter of rights for children in care and an advocate for children in care. There is a quite comprehensive range of protections for children who are admitted to a secure facility without being charged. I think we would all share the view that, for their own protection, it is sometimes necessary for children to be put into such a facility where they can, hopefully, be given assistance and guidance to re-enter the community in a way in which they will not be at risk to themselves or cause risk or harm to anybody else. I will ask Mr Murphy if he wants to add anything more to the way that this facility, or the policy, works in practice.

Mr T.M. Murphy: I just note two points. Firstly, the facility is new; it only opened for business this week and we have not made any admissions as yet. It has nine beds only, and will hold young people, under the legislation, for only 21 days, with only one additional 21-day period available in exceptional circumstances. This is not a facility that we want to use as a first choice and it is best used sparingly; however, at times it may be necessary. Secondly, the other safeguard—because it is important that there are safeguards—is that a child can at any time ask for consideration of an external assessment of the facility. We have appointed external assessors, provided for under the act, and they will conduct both periodic inspections and inspections following a request.

Mr F.A. ALBAN: I refer to the final dot point on page 719 of the *Budget Statements*, which relates to emergency management services. The paragraph makes reference to “an unprecedented number of fires”, which has relevance to my electorate. Can the minister explain the department's role in emergency management, and provide a breakdown on what was spent on responses to emergencies over the past 12 months?

Mr J.H.D. DAY: It is the case that under the Emergency Management Act 2005 and the emergency management arrangements in place for this state, the Department for Child Protection is responsible for coordinating the provision of welfare support services to people affected by an emergency or disaster. We can all recall recent examples where that has occurred. The Roleystone–Kelmscott fire and the Carnarvon floods in particular come to mind, but there are no doubt other examples in which the department has been involved. In answer to the member's question, I ask Mr Murphy to elaborate on the role that the department has played over the past year.

[2.40 pm]

Mr T.M. Murphy: This is a very substantial role that the department undertakes. The department can undertake this role because it has a reasonable quantum of staff throughout the state and a degree of flexibility in deploying those staff; we deploy people both locally and from an on-call team when necessary. We have been involved in 26 significant emergencies over the past year. The total cost that we incurred for those emergencies was \$1.6 million, which goes toward providing emergency financial assistance, food, clothing and accommodation. Over time, those costs increase because we also provide a substantial—some \$10 500—re-establishment grant for families who need to repurchase whitegoods, make housing repairs and the like. In a situation such as the floods that wiped out the whole Warmun community, located between Kununurra and Halls Creek, the costs are significantly greater again because that entire community of 300 people has to be rehoused in Kununurra on a

temporary basis. Obviously there are no cooking or other facilities, so what we have essentially at the moment, and will have until about the end of June when temporary accommodation is rebuilt in Warmun, is a full-blown camp on the outskirts of Kununurra with all necessities provided for 300 people. This incurs substantially greater costs. Fortunately when a natural disaster is declared by the state and commonwealth governments, we can access substantial commonwealth funding under natural disaster legislation and arrangements. That has applied to a number of the incidents, but the Warmun and Carnarvon floods and the Perth bushfires stand out in that respect.

Mr A.P. O’GORMAN: I have a question on what Mr Murphy mentioned about the Kununurra refuge site, if we like, for the people of Warmun. My understanding is that that site is a work camp that was established for contractors working on the Ord River development. I thought I heard Mr Murphy say that there are no cooking facilities. Although none of those accommodation units has cooking facilities, is there not a central canteen available for those people, as would have been the case if the workers had been staying there?

Mr T.M. Murphy: Yes, but the prospect of 300 individuals or 100 families all pouring into that central location to do their own cooking is not realistic. Therefore, a catering company has been provided, just as it would in a work camp situation, to do the cooking in that central canteen and serve meals at set times, as well as provide lunch for kids. It is like a full-blown work camp situation.

Ms L.L. BAKER: I refer to the “National Affordable Housing Agreement — Homelessness” and “National Partnership Agreement — Homelessness” line items in the net appropriation determination on page 729. I think we talked about them a little earlier, but I am particularly interested in the funding that is coming from the state government’s injection of \$600 million, which is of great assistance, to the not-for-profit organisations. How much of that will go to women’s refuges?

Mr J.H.D. DAY: I ask Mr Murphy to go through this.

Mr T.M. Murphy: Women’s refuges are jointly funded with the commonwealth on a 50–50 basis. The terms of the additional funding made available to the non-government sector through that \$600 million package mean that where the commonwealth provides 50 per cent of the funding, the government will, first, await the outcome of the Fair Work Australia case, which has been—I am not sure of the exact terminology—determined in principle and for which other submissions have been called for, so that it can make precise quantum of how the determination will be implemented, and, second, undertake negotiations with the commonwealth on its response. Notwithstanding that, within the time frame of that determination, the government has committed to making payment commensurate with the other payments to non-government organisations. That payment has been determined to be an allocation equivalent to 15 per cent of the existing contract and will be made without strings attached—without contract adjustments or an increase in service sought. The last specific point is that the commitment to make a payment commensurate applies to the state’s 50 per cent of funding.

Ms L.L. BAKER: I want to clarify the answer. I think what the director general has just told me is that state and federal governments fund domestic violence shelters, the women’s refuges, on a 50–50 basis; therefore, the percentage that the DV shelters will get is applicable only to the state amount—that is, 50 per cent. That is fine, but will the shelters get a 15 per cent increase in their state funding this year?

Mr J.H.D. DAY: That is correct.

Mr T.M. Murphy: The only proviso is the timing, which depends on the determination of the Fair Work Australia case and negotiations with the commonwealth government.

Ms L.L. BAKER: Therefore, the condition for getting that 15 per cent is that the Fair Work Australia wage case is settled; that is, until that case is settled, they will get no more than what they are currently getting?

Mr T.M. Murphy: The outcome of negotiations with the commonwealth is not a condition. The government is being very clear that that 15 per cent increase will be provided; however, the timing is subject to the determination of the case and the negotiations with the commonwealth. Meanwhile, there is quite a substantial increase to those non-government agencies through indexation, for which the government has provided additional funds.

Ms L.L. BAKER: Which is an ongoing process that has been in place for a number of years. I forgot what I was going to ask now. The director general threw me off with the reference to indexation.

Ms J.M. FREEMAN: The 15 per cent increase for all the non-government agencies comes in on 1 July and the Fair Work Australia decision will not be determined until August. Therefore, the government will wait for the Fair Work Australia determination in August before it will apply the 15 per cent. In terms of that 15 per cent, I suppose there is not really any back pay as such; it is just that the 15 per cent will come in later for them. But will they get a payment of the 15 per cent on 1 July, although the decision is coming down in August? Does that make sense? Am I making sense in my question?

Mr T.M. Murphy: I think that we are all nodding and saying yes.

Ms J.M. FREEMAN: Does “yes” mean that they will effectively get the payment from 1 July, even though the government is waiting for the decision in August?

Mr J.H.D. DAY: Yes.

[2.50 pm]

Mr M.P. WHITELY: I refer to the second dot point on page 719 of the *Budget Statements*, which makes reference to the demand for child protection services continuing to increase. Will the minister please outline the increase in child protection services between 2009–10 and 2010–11 and what is projected for the out years?

Mr J.H.D. DAY: The demand for services continues to increase but at a reduced level compared to the demand in previous years. For example, in the 2008–09 financial year, the demand model predicted a 10 per cent-plus annual growth rate. From 2011–12 the department will receive increased funding of \$51 million over four years, with \$12.2 million to respond to the expected increased demand in 2011–12. The rate of demand in growth is expected to be lower in 2011–12 than it was in previous years, following recent reforms of the department and the implementation of early-intervention services, including responsible parenting services. It is somewhat pleasing that the rate of growth is going down through the changed approach. I will ask Mr Murphy if he can elaborate.

Mr M.P. WHITELY: I think the minister gave the percentage increase in case numbers for 2008–09. He said there was a 10 per cent-plus increase. I was interested in the growth for the years after that, 2009–10, 2010–11 and, hopefully, 2011–12.

Mr J.H.D. DAY: I presume this is the same point we discussed at the beginning of the session.

Mr M.P. WHITELY: I did not hear the minister give that answer.

Mr T.M. Murphy: There is some difference between what we project and the actual growth, but I am pleased to say that our demand model has been pretty accurate. We are talking this year and last year of around a five per cent growth in the number of children in care and in the number of child protection cases. The member asked about 2009–10, 2010–11 and our projection. I will go through them in turn and use the actual, the estimated actual and our projection. In 2009–10 the number of children in care grew by 5.86 per cent; in 2010–11, we estimated it will have been 5.44 per cent; and in 2011–12, we are estimating it will rise 5.22 per cent. For child protection cases—we went through that distinction earlier—in 2009–10, the actual increase was 5.71 per cent. We estimate that in 2010–11, the increase will have been 6.8 per cent; and in 2011–12, we are projecting growth of 5.4 per cent.

Mr A.J. SIMPSON: My question refers to the last item on page 717, “Additional Indexation for Non-Government Human Services Sector”, under “Major Spending Changes”, which shows \$2.4 million for 2011–12 and forward estimates totalling \$16.18 million. Can the minister explain what the funding is for and the role the non-government sector plays in protecting Western Australian children?

Mr J.H.D. DAY: The policy that applies to this sector will continue unchanged. The additional funding that is allocated for indexation recognises the ongoing growth in costs to the community services sector. It is expected that the inclusion in all these service agreements of a standard indexation clause that is consistent with the non-government human services sector indexation policy will ensure there is a simplified and standardised application. Under that policy, 80 per cent of the indexation rate is calculated according to wage growth projections. The remaining 20 per cent is calculated according to movements in the consumer price index. For 2011–12, the indexation rate is four per cent. The budget presented this year includes the largest injection of funding into the not-for-profit sector of an additional \$604 million over five years to ensure that the sector is established on a much more sustainable basis. I believe that is being very widely welcomed. It was a substantial decision by the government. I note that in the preparation of the budget this year that was one of the major items being focused on.

That is the overview of what is happening in relation to indexation and the additional funds that have been provided. I ask Mr Murphy to comment further on how some of the details will be applied and some of the services that will benefit.

Mr T.M. Murphy: As we indicated earlier, there are two components to the major increase for non-government sector funding. The first component will comprise 15 per cent of contract payments. That will occur for most services other than those 50–50 commonwealth-funded ones on 1 July this year. A subsequent 10 per cent increase on non-government agency contracts, on average, will be available in two years. This 10 per cent will be provided as contracts are renewed and potentially renegotiated to strike what may be a fairer price for the services being purchased.

The member also asked about the role the non-government sector plays in our portfolio. It is a significant one. Some 25 per cent of the funding of the Department for Child Protection is used to contract services in the non-government sector. In terms of the department’s general services, firstly, looking after children in care: again,

around 25 per cent of placement services for children who are in care are provided by the non-government sector, including foster placements, specialist intensive placements and family group-home residential houses. In our second service, clearly, child protection per se is a statutory service, for which the department exercises responsibilities under investigative powers and determinations of action under the act. Those services are not contracted to the non-government sector. However, a number of intensive family support and family intervention programs to support reunification of children with their families when they have been removed are contracted to the non-government sector. Most of our third service—family support—is provided by the non-government sector, with the exception of responsible parenting services that operate under the Parental Support and Responsibility Act. This year, for demand growth funding, we were able to make a number of targeted investments in services provided by the non-government sector in each of those areas to better look after children, keep them out of care where we can and provide family support. Specifically, that includes an additional \$1.6 million for placements for children who are in care. This is well over and above the 25 per cent of placements that are in the non-government sector. Additionally, the costs of those placements have increased according to a benchmark model that was developed with the sector some years ago. For the third year in a row there has been a price increase of \$1.3 million.

The services I mentioned that provide intensive support to families and help reunify children when they might have been removed, have been increased substantially over recent years. In the budget before last we allocated \$2.8 million to double the size of those services. This year we have made a \$1.4 million allocation to substantially expand their capacity again. We have also allocated money for a youth accommodation centre for at-risk children who would otherwise be homeless and are in care. There is an additional allocation of \$500 000 for youth services, as it has been recognised that a number of youth services are not well resourced. Money that can be used in a flexible way to support those services ought to be targeted more directly at children or groups of children who may need additional support at any one time. Of course, a great deal of the funds for the care of children specifically, for the case support costs for children in care, and to support those children when they leave care, are targeted directly at the individuals, and that is also expended in partnership with the non-government sector.

[3.00 pm]

Ms J.M. FREEMAN: The director general just talked about the second aspect of the department's child protection service. I note that he said that the family reunification service is contracted to the public sector, but that a section was not contracted to the public sector. I assume that that section involves caseworkers who look after children. Is any work being done on contracting any of that work by caseworkers outside the public sector?

Mr T.M. Murphy: No.

[Mr A.P. O'Gorman took the chair.]

Ms L.L. BAKER: I refer to the sixth dot point on page 719. How many calls are made to the Women's Domestic Violence Helpline run by the Crisis Care Unit? If I could have a daily rate, that would be great.

Mr J.H.D. DAY: I understand that Mr Murphy has that information.

Mr T.M. Murphy: I will give the member the quarterly and per day figures, if I may. The latest figures for the Women's Domestic Violence Helpline show that there are 874 calls per quarter and an average of 10 calls a day. The Men's Domestic Violence Helpline, which is also an important intervention for men who say that they cannot change without some help, received 395 calls in the last quarter and an average of four calls a day.

Ms L.L. BAKER: Given that Crisis Care can use the online database of Western Australian refuges to identify bed availability in refuges across WA, I assume that it keeps its own statistics or that the department keeps statistics about the calls that come in. I understand that emergency accommodation for women and men as a result of domestic violence is managed by not only Crisis Care, but also other providers. I am specifically talking about the Crisis Care response. Does the department have statistics on the number of calls received by Crisis Care?

Mr T.M. Murphy: Yes, in general terms but not specifically on the issue raised. We would have to take on notice the specific question on the number of calls from people seeking refuge accommodation due to domestic violence.

Ms L.L. BAKER: Given that it is under contract, I assume there would be key performance indicators, so the turn-away rate should also be available. How many calls were turned away, and how many calls were made by people for whom no beds were available?

Mr T.M. Murphy: We will not have that information with 100 per cent accuracy. I look at a number of calls. It may transpire that today's call for emergency refuge accommodation does not have the same need at the end of the day or tomorrow. Calls do not begin and end with the same needs, depending on the level of support a person has received, the types of interventions that have been made, the person's changing circumstances and the

person's attitude to those circumstances. However, I am quite pleased with the minister assenting to look at the number of calls about domestic violence and the extent to which we have reliable information that might shed some light on the member's query, which seems to me to be about the extent to which women seeking refuge accommodation are not able to access it.

Ms L.L. BAKER: I thank the minister. That would be tremendous.

Mr J.H.D. DAY: I will agree to the information being provided to the extent that the department can fairly readily access it. It would be a concern if consuming a huge amount of resources in doing so would distract officers from doing what they are there for, which is to help people. But to the extent that it is reasonably readily available, we agree to provide that information.

Ms L.L. BAKER: I thank the minister. I assume that the department would collect information from all its contracted services as a matter of government accountability, so I would not think it would be a big impost. The department may not wish to be specific in describing the destination and the information, but I am sure that the information is quite easily available.

The CHAIRMAN: Can the minister clarify the information that will be provided?

Mr J.H.D. DAY: Mr Murphy.

Mr T.M. Murphy: The readily available information will be the number of calls to Crisis Care about domestic violence. We will seek to make that as specific as possible when refuge accommodation has been sought. We will also provide information on unmet need that has been provided to us by refuge providers.

Ms L.L. BAKER: I think that means that the department will tell me how many women cannot find a bed.

Mr T.M. Murphy: Yes. It will be the information provided to us by refuge providers on when they could not provide a bed when they were asked to do so.

[Supplementary Information No B50.]

Mr F.A. ALBAN: I refer to the major spending changes on page 717 of the budget papers. The first line item refers to an acute overnight homeless shelter. There are forward estimates for 2012–13, 2013–14 and 2014–15 for such a project. Can the minister provide any further information on this important project?

[3.10 pm]

Mr J.H.D. DAY: The question relates to acute homeless accommodation. A new acute overnight homeless shelter will provide a safe place for homeless people who would otherwise be sleeping rough. There is funding of \$5.4 million for capital works and operating costs over three years. It will be provided through a partnership between the state government and the St Vincent de Paul Society. Overall, the department funds approximately \$42 million a year through the joint commonwealth–state national affordable housing agreement for services to provide for homeless people. There is an additional \$68 million invested over four years through the agreement to provide a comprehensive range of facilities and programs to deal with this area, and in particular to improve and expand homelessness services and to break the cycle of homelessness so that fewer people remain in or re-enter homeless situations. Some of the inner city services include day centres, emergency accommodation services and the Street to Home program, which makes contact with people who are sleeping rough. It is also interesting to note that the ABS, counting the 2006 census data, indicates that the inner Perth area had a population of 270 people sleeping rough on census night. There is another census occurring in a couple of months, so that will provide some updated information, presumably. I will ask Mr Murphy if he wants to add anything further before we take the question.

Mr T.M. Murphy: No, I do not think so.

The CHAIRMAN: Minister, just to clarify: we are talking about the new men's homelessness centre?

Mr J.H.D. DAY: Yes, provided as a partnership between the state government and the St Vincent de Paul Society.

The CHAIRMAN: Is it only for men?

Mr T.M. Murphy: Most of the publicity and certainly the primary conception of it is to meet the needs of homeless men who are sleeping rough. The situation we encounter on the streets is that, occasionally in the inner city area, there are also women, but in much smaller numbers. It is a different situation. In developing this centre in partnership with St Vincent de Paul, we will look for capacity, in the way the centre is constructed and managed, for the safe accommodation for women as well, if needs be.

The CHAIRMAN: I was just unclear when the minister gave his answer.

Ms J.M. FREEMAN: In respect of the 2011 census, is the department aware there has been some discussion about collecting homelessness details in the census? There is some question about whether that will happen. Have there been any negotiations with ABS to ensure that homelessness data is collected in the next census?

Mr J.H.D. DAY: I understand that Ms Waylen is the expert in this area.

Ms J. Waylen: The ABS has been conducting a review of the methodology of the “Counting the Homeless” report, which is done by Chamberlain and MacKenzie. It uses a range of data as well as interrogating the census data. I think there is a consultation paper out at the moment, and there are discussions and negotiations happening with the sector, state and territory governments and the ABS, so it is quite a comprehensive response. That is in train at the moment.

Ms J.M. FREEMAN: I refer to page 721 and the two tables under the heading, “Services and Key Efficiency Indicators”. I note that there is no effective increase in FTEs, but there is additional funding. I assume the second table refers to the caseworkers who the minister has confirmed will not be outsourced or privatised. How is the additional money going to be used? Given that there are no additional FTEs to fill any new caseworker positions to meet demand, what positions will be unfilled or cut? What planning is underway to ensure that these positions can be filled?

Mr J.H.D. DAY: How the department uses the resources made available is essentially an issue of management within the department. As the member indicated, there has been an increase in the funding provided to respond to growth pressures. I will ask Mr Murphy if he can, as the director general, outline how those funds will be used and how management of the positions will occur.

Mr T.M. Murphy: We made a public statement in *The Sunday Times* over the weekend that we will manage within that FTE cap and still be able to fill those positions that have been publicly announced. It is essential that those 37 caseworker positions are filled, because it will enable us to keep up with demand, both in child protection work coming into the department and in looking after children in care. We are confident of doing that within the existing cap. We can do that on two substantial bases. Firstly, there is some room within our FTE usage at the current time, and there is some gap in the cap that changes over the course of its measurement, but there is some room there. Secondly, as it is every year in a department with more than 2 000 staff, it is incumbent upon us to look at where we can make efficiencies and where there might be services that we provide that can be better provided outside the department. At this stage we have identified some important efficiencies, such as in the area of client payments—making payments electronically rather than through a paper voucher system—that will save us a significant number of staff. We are in discussions with the community sector about outsourcing our Northbridge outreach youth service, which already operates in partnership with services provided by Mission Australia and an additional service provided by another non-government agency whose role is changing. Better integration needs to be achieved, putting those combined services out to the market with a view to a more streamlined and integrated outreach youth service covering the inner city area, including Northbridge. Those are the two ways in which we will do it. There is a gap that gives us some flexibility in the redeployment of FTEs where it is efficient and effective to do so.

Ms J.M. FREEMAN: Apart from the outsourcing of the Northbridge youth service, how many FTEs are there to be outsourced? How many positions will be available through that? Is the department considering outsourcing or contracting out any other areas to free up FTEs to fulfil the caseworker load?

Mr T.M. Murphy: We have not identified the number of FTEs for that purpose, other than the one I mentioned.

Ms J.M. FREEMAN: How many are there?

Mr T.M. Murphy: There are four at this stage of the year. We are considering other areas, but none has been identified at this stage. I repeat that the majority of our services are statutory or are involved with looking after children in care, and that is a continuing relationship. The majority of those services providing family support are already in the non-government sector. However, we think there should be some additional capacity, but it simply has not been identified yet. Managing within the FTE cap is a challenge not to be resolved in June but throughout the whole of the next financial year.

[3.20 pm]

Ms J.M. FREEMAN: What consultation has been undertaken with departmental staff and the Community and Public Sector Union-Civil Service Association of WA to identify which full-time equivalents in the department will be shifted?

Mr T.M. Murphy: I have assured all staff and the CPSU–CSA that there will not be a wholesale transfer of departmental services to the non-government sector. It is a matter this year, as it is every year, of looking at what we do and making sure that we save internal FTEs if we can. Public sector processes preserve people’s positions and allow them to be transferred to other positions over time. Similarly, this year, not unlike any other year, we need to look at what we do. If certain functions can be performed more efficiently by the non-government sector, we will take the necessary action to do that. However, I repeat that I have assured the staff that, on the basis of our knowing our business, no wholesale areas have been either earmarked or made available for the wholesale transfer of departmental services to the non-government sector. At this stage we have identified the Northbridge

youth outreach program. Prior to publicly announcing that decision, the matter was discussed with the relevant staff who had various options put to them. Those options included staying with the department and being redeployed or, in the case of casual staff, of whom there are a number in that particular program, managing their transition to the new provider in the hope that there was every likelihood they would be given the opportunity to move to that new provider.

Ms J.M. FREEMAN: I refer to managing those employees and the possibility of them gaining work with the new provider under the redeployment, redundancy and retraining provisions of the Public Sector Management Act. Is the director general assuming that the positions they will be offered will be similar to their former positions and therefore the department will not have to pay the employees a redundancy, or will they be paid a redundancy when they transfer to the new employer if they are eligible; that is, they are long-term casual employees? I would argue that a person who has been employed for more than 12 months would be eligible. Has the department given those employees an assurance that they will be paid a redundancy?

Mr T.M. Murphy: At this stage only the options have been presented to those people. Any movement will be entirely voluntary. I can assure the member that we will do it in accordance with the —

Ms J.M. FREEMAN: “Voluntary” means the employees will not get a redundancy if they choose to do that. I have a further question.

Mr J.H.D. DAY: Mr Murphy has not finished the answer.

Mr T.M. Murphy: It is important that I finish this answer. Notwithstanding how the terminology might be interpreted, we will make whatever provisions are necessary to facilitate the transfer in accordance with the Public Sector Management Act.

Ms J.M. FREEMAN: I understand that there have been global discussions with the CPSU–CSA and that it is not the department’s intention to contract out services wholesale to the non-government sector. What consultation has the director general had with the CPSU–CSA about identifying the FTEs that are intended to be outsourced—such as the four staff from the Northbridge youth service, and those in other areas—and about the positions that will not be filled, such as the level 1 and level 2 clerical positions?

Mr T.M. Murphy: Given that we are not looking at the wholesale outsourcing of what we do, I do not see a place for discussing with the CPSU–CSA issues that do not exist. I would consider it inappropriate for the CPSU–CSA to be involved in the identification of areas to be outsourced. It is appropriate, however, to consult with the CPSU–CSA on the implementation of any decisions that are made that affect the union’s members. I do not anticipate the need to discuss the wholesale outsourcing of what we do with the CPSU–CSA, and therefore that will not occur.

Mr J.H.D. DAY: It is stating the obvious, but the point should be made that it is up to the director general and his staff to manage the department on behalf of the public. That role will be fulfilled. That is appropriate and that is what will occur.

Ms J.M. FREEMAN: I have a further question.

Mr J.H.D. DAY: The member for Nollamara had asked a second question that the director general will answer.

Mr T.M. Murphy: As the minister indicated, within the parameters of taking responsibility for one’s job and leaving positions vacant, the department has a longstanding process regarding the positions it establishes, funds and fills. For many years we have had a set vacancy rate. We establish slightly more positions than are funded, which enables us, in the most efficient way, to have positions vacant that are available to be filled. We operate in an environment of scarce labour, not the opposite. We are better off having roughly five per cent more positions in our establishment waiting to be filled while trying to maintain the vacancy rate. At this stage, I cannot foresee the need to deliberately target positions to be kept vacant over and above the global vacancy rate. That has not arisen in recent years and I do not expect it to happen this year.

Ms L.L. BAKER: I refer to the third dot point on page 719 regarding the department’s approach to child protection through the Signs of Safety framework, which the minister referred to earlier. Last year’s budget included funding for five hubs for co-locating community family support services. I think one is in place as a pilot and is referred to as a network facility. What plans are there to establish more of these networks, or hubs?

Mr J.H.D. DAY: I will ask Mr Murphy to answer that.

Mr T.M. Murphy: The member is referring to a long-running and substantial consultation with the community sector to develop a way of providing more integrated and effective family support services to prevent children from coming into the care of the Department for Child Protection. As was outlined in the state plan for secondary family support services, this approach was predicated on the anticipated expansion of mandatory reporting to cover all types of abuse and neglect. At this stage the government has deferred consideration of the expansion of mandatory reporting. Any future expansion of mandatory reporting would be cognisant of the

impact that mandatory reporting of sexual abuse has had. Given that decision, the development of what were previously called “family support hubs”, but are now called “networks”, has progressed slowly. Whereas at this time last year we had anticipated establishing four networks, we are now anticipating establishing a single innovation site. That will be done substantially differently but with the same amount of funding. We had wanted to establish four hubs so that the networks would provide a common entry point into services, in collaboration with the non-government sector, but we have jointly determined that we would be much better off focusing on one area of high social disadvantage and need. Therefore, the network will be located in Armadale.

[3.30 pm]

Ms L.L. BAKER: Is it anywhere near the one that Parkerville Children and Youth Care set up? I cannot remember the correct name of it now. The minister knows what I am talking about.

Mr T.M. Murphy: It will be an open and competitive process, albeit one that we hope the non-government sector will determine collaboratively and will perhaps put up only one applicant. It has been an open discussion with the sector, and it presents some challenges in procurement. It is really about developing collaborative ways of working. It will be in Armadale, as is the Child Advocacy Centre run by Parkerville Children and Youth Care. I was going to say before that the difference between establishing one site and four sites is that it will enable us to not only use the funding for the network itself to provide a common entry point into a range of services, thereby making it more streamlined and less traumatic for clients to get into services, but also leave us with some funds to allocate to new services to fill gaps. Those gaps are being identified by the network—the alliance of community sector agencies and ourselves. We are collaboratively identifying what is needed in the community to meet the needs of the clients we are seeing.

Ms L.L. BAKER: Is the Armadale facility in addition to the pilot facility, or is this the pilot?

Mr J.H.D. DAY: This is it.

Ms L.L. BAKER: There will be only one facility now, not four. Given the demand for services in this area, how does the department think it will be able to meet demand and avoid the dreadful waiting times for services in this area of need?

Mr J.H.D. DAY: I will ask Mr Murphy to comment.

Mr T.M. Murphy: This is why we are very comfortable working with the community sector for this new innovation site. There are two things. The first is that an alliance of services working in a network with a common entry point creates an efficiency. If people are not going to multiple services, being on multiple waiting lists and having multiple assessments, an efficiency is created and, thereby, providing more service capacity. Second, by establishing one rather than four, a pool of funds will be available to the network to expand services, to establish new services or, more ambitiously, to attach to specific families who need support to access the services they need. While we may be dealing with X amount on the waiting lists now, going ahead in this way will reduce those waiting lists.

Ms J.M. FREEMAN: I would like to give an example of the further services. A woman came into my office to talk about her 14-year-old son, who was having problems at home. It was partly a safety issue in terms of his relationship with his stepfather; his behaviour meant that the child was effectively sleeping rough. In contacting the Department for Child Protection, the parent could not get any assistance. There were going to be four hubs for family support services and now there will be only one. How will that person access those further services when she lives in the Nollamara electorate? Will some of this money be used, as was the intent, to support families? There were going to be four hub services and now there will be only one hub in a southern suburb; this woman from Nollamara would never be able to access that service.

Mr T.M. Murphy: The scenario the member outlined is one of the most difficult that is brought to the attention of the department, where teenage children have conflictual problems with their parents, which in this case is exacerbated with the stepfather.

Ms J.M. FREEMAN: A violence restraining order had been taken out against the stepfather. It had been established that there was violence in the family. I understand that they are difficult problems.

Mr T.M. Murphy: Once again, we do provide support in very severe and less severe conflictual situations with teenagers in families. It is one of the most difficult cases we deal with. Invariably when I receive correspondence directly or I assist the minister with correspondence on these matters, when a family has said that it went to DCP and it did not provide any help at all, the client tends to be confused between being referred to a service such as Mercy Reconnect that provides mediation and conciliation and coming to DCP and getting it fixed. These situations are long in gestation and they are not simple in remediation. It really does require families to bite the bullet on quite a long process of attempting to reconcile with their kids. I do not want to fall into a trap of blaming the parents, but lots of these parents come to us wanting it fixed.

Ms J.M. FREEMAN: I do not want to cut the director general short. I understand that. I was trying to use that example to try to understand what the director general was talking about with the hubs and how someone in the part of the world I represent can get any satisfaction or relief. A substantial amount of funding was to go to four services and is now going to one service that is too far south for this family to access. I probably should not have used the example, but that is really at the nub of what I am asking.

Mr T.M. Murphy: That is okay. This is a good exploration of the toughness of our work. The bottom line is that the family support network anticipated for Armadale is a new service. Nobody is losing anything. In terms of that family in Nollamara getting assistance, Mercy Reconnect in the non-government sector or the responsible parenting services provided directly by DCP are the two applicable services.

Ms J.M. FREEMAN: The director general was telling us that whilst the hub will be set up in Armadale, the department will have more flexibility to use the funding in other services because it is not setting up four hubs. Will the other services to which that money will be sent include Mercy Reconnect or the department's family services in Mirrabooka? People in the areas I represent have a high need for these services, as do the people in Armadale. The crux of my question is that the department has gone from setting up four hubs to setting up one, and the director general said that this will provide flexibility to put the money into other services. Will those other services be across the metropolitan area or will they only be in Armadale?

Mr T.M. Murphy: We have selected one innovation site. It is a pilot. It is trying out a new way of working in this state. It is an effective way of working, as shown particularly in Victoria. It has been taken up in Tasmania, New South Wales and Queensland. It does have some pedigree. However, it is an innovation site. It is a new way of working. We have to demonstrate that this new way of working will work for us here in Western Australia. So, it is not unreasonable that it is tried out in one place. The original four sites would also have left gaps; that would have been four out of 17 departmental districts. The simple answer to the member's question is that those services will be for that catchment area of Armadale, but there are other services remaining in all other districts.

[3.40 pm]

Ms J.M. FREEMAN: I have a further question. Can the minister tell me how much money is allocated in the budget for the four sites? From what the minister has said, I understand that all the money will be allocated to just the Armadale site. Obviously, it does not appear in the general expenditure, but it is in a dot point. Can the minister tell me, in the first instance, how much money was allocated for the four sites, and whether all that money has gone just to the Armadale project? The actual quantum amount would be great.

The CHAIRMAN: Mr Murphy?

Mr T.M. Murphy: I have an absolute richness of information here! The original allocation was \$1.8 million for the four sites. That actually includes some moneys for developing the way of working itself—that is, the necessary information technology, practice manuals and the like—but the bulk of that money will now be allocated to the single innovation site in Armadale.

Ms J.M. FREEMAN: I have a further question. Can the minister tell me exactly how much money will be allocated to the Armadale site?

Mr T.M. Murphy: It is just a little shy of \$1.8 million. It depends on how much the IT component costs. At this stage we think it will be about \$50 000 only, but I have quite a bit of experience with IT and I never accept the first quote!

Meeting suspended from 3.42 to 3.56 pm

The CHAIRMAN: Members, we have a quorum present. I believe the member for Forrestfield has the first question.

Mr A.J. WADDELL: I refer to the second dot point on page 718 regarding the number of children in the CEO's care in "general (volunteer) and relative foster care arrangements". What is the current number of registered foster carers, both relative and non-relative?

Mr J.H.D. DAY: I will ask Mr Murphy to provide that information.

Mr T.M. Murphy: The current number of registered relative carers is 773, and the current number of registered general carers is 696.

Mr A.J. WADDELL: Through the minister: is that figure of 696 the non-relative carers?

Mr T.M. Murphy: Yes.

Mr A.J. WADDELL: What percentage of children in care is in non-government agency placements, excluding those special-type placements?

Mr J.H.D. DAY: Mr Murphy will answer.

Mr T.M. Murphy: I can only give the member a general answer to that question. More than 25 per cent of children in care are placed with non-government services, but that includes general carers, specialist foster carers, and family group homes, which are residential placements. When I say 25 per cent, too, that is 25 per cent of those children other than those who are placed with their families, because, clearly, it is preferable to place children with their families, and that is a different kettle of fish.

Mr A.J. WADDELL: The Premier has made it quite clear that he wants to see a greater reliance on the non-government sector for a range of things. What plans are there to increase the number of placements in the non-government sectors?

Mr T.M. Murphy: The expansion of placements in the non-government sector over the past couple of years has been very substantial. All family group homes have been established in the non-government sector. That involves 84 placements in 21 homes in the metropolitan area, and 48 placements in 12 homes in the country. In addition, over time we will look to transition some family group homes currently run by the department to the non-government sector, but we will do so only at the point at which existing service arrangements expire—that is, when existing carers move on. It is absolutely critical that those sorts of transfers happen with no disadvantage to a child. Doing the transfers for their own sake, which would potentially involve a disruption of a carer that would not otherwise occur, is not for the benefit of the child. This year when we looked at the increase in the number of children in care and the number of additional placements that will be necessary to accommodate them, we first allocated 25 per cent consistent with the proportion of those placements that the non-government sector has at the moment and then doubled that. We will obtain through the purchase of service from the non-government sector a greater proportion than the placements it already has. Therefore, there will be some growth in that proportion as well as those expansions that have occurred over the past couple of years.

[4.00 pm]

[Ms A.R. Mitchell took the chair.]

Ms L.L. BAKER: To get it completely clear on the record, the minister said that the department might consider transitioning to some community sector providers—that was the language used a while ago—then he changed to “non-government providers”, which I am far more comfortable with for obvious reasons. I seek the minister’s assurance that he is not considering outsourcing care into private sector for-profit businesses.

Mr J.H.D. DAY: I am advised that is correct.

Mr T.M. Murphy: I will qualify only a little. By and large we deal with not-for-profit community sector organisations. Some organisations are non-profit arms of for-profit parent companies. A major one from the United Kingdom called Key Assets operates in Western Australia on that basis. Sometimes there are definitional issues, but our business is with not-for-profit community sector organisations.

The CHAIRMAN: Members, I just remind you that we have spent two hours on one division and there is a further division to go. I am not sure what questions you have for the following division, but I still have two questions listed for this division.

Ms L.L. BAKER: I think that we probably have about 10 or 15 minutes worth of questions. I am not sure about my colleagues.

Ms J.M. FREEMAN: I refer to the seventh dot point on page 719 of budget paper No 2, which states —

There has been a substantial increase in the utilisation of departmental services by persons from culturally and linguistically diverse (CaLD) backgrounds ... Dedicated departmental officers work with identified communities to maximise the effectiveness of child protection and family support services.

In the area that I am lucky enough to represent are many people from CALD backgrounds who raise issues with me on a regular basis. Can the minister advise which communities have been identified and which are the priority communities? Of the additional full-time equivalent front-line workers that the minister is looking to place across the state, how many have been allocated to work with these communities? Is there any program to ensure that some of these workers will be people from CALD backgrounds employed to ensure that cultural differences can be raised inside the department, as well as that sort of yelling from the outside about the particular issues that confront these communities?

The CHAIRMAN: Member for Nollamara, can we keep the questions short so that it is easier for the minister and his people to answer them?

Ms J.M. FREEMAN: Yes, I can ask the other ones later.

Mr J.H.D. DAY: The service that the member referred to is provided primarily for people who are in Australia as a result of humanitarian programs. They are mainly from African and Middle Eastern nations, as I am sure the member would be aware from the experience in her own electorate. The main issues that cause assistance to be sought relate to financial problems, family and domestic violence issues and concerns for children’s wellbeing.

The latter issue is often related to caregiver mental health issues. That is an overview, and I ask Mr Murphy to elaborate.

Ms J.M. FREEMAN: Just through —

The CHAIRMAN: Mr Murphy will answer the question, member for Nollamara.

Ms J.M. FREEMAN: If Mr Murphy can just give me a particular African and Middle Eastern group because —

Mr J.H.D. DAY: I guess we probably want to be a bit cautious about labelling any particular ethnic group as being in greater need of services than anyone else. I just make that qualification, although I am sure that Mr Murphy with his experience can answer the member's questions in an appropriate way.

Mr T.M. Murphy: It certainly is the case that it is not constructive to single out a particular group and the reality is that in fact all the recent arrival groups from Middle Eastern and African countries are represented in our client group. Those groups are predominantly in our districts of Mirrabooka and Cannington, not exclusively, but there are concentrations there. In terms of FTEs allocated, we already have, and they are very useful positions, what we call community child protection workers in each of those districts working with those local community groups. Periodically, we provide some specific funding to ensure that they can come together for educative or development purposes to try to prevent them coming to us. In the non-government sector also there are nine services funded to work specifically with culturally and linguistically diverse people and they concentrate largely on those people who are suffering the consequences of being humanitarian refugees. The amount of funding that goes to those services is about \$1.3 million.

It is really important to emphasise, though, that most people come to the department for the issues that the minister has mentioned because of real or perceived child protection concerns as a result of those issues. That means the way we work in child protection has to work for those people. That is exactly the same issue as we face working with our Aboriginal clients, and half our clients are Aboriginal. Therefore, we do not have a special way of working with people from culturally and linguistically diverse communities or Aboriginal communities; the way we work through our Signs of Safety approach to child protection is a way that works for those communities. It recognises that, first, we have to establish a working relationship with people, not necessarily be a policeman, and we have to be really skilful about how we use our authority. The bottom line is to get people around the table with their extended families and the support networks that they identify for themselves to work with them. That works for those groups as well as Aboriginal people.

Ms J.M. FREEMAN: Just by way of supplementary —

The CHAIRMAN: A further question.

Ms J.M. FREEMAN: Yes, a further question. Just by way of supplementary, can the minister give me the —

The CHAIRMAN: Member for Nollamara, are you asking for supplementary information or a further question?

Ms J.M. FREEMAN: Supplementary information that came from the question. Can the minister give me the names of the nine services that received the \$1.3 million to work with those communities?

Mr J.H.D. DAY: We can provide that information now.

Ms J.M. FREEMAN: Given that we are trying to get through in a short time, I am happy to take it as supplementary information.

Mr J.H.D. DAY: We will give an overview.

[4.10 pm]

Ms J. Waylen: The Fremantle Multicultural Centre provides crisis accommodation for refugees and migrants. It also provides support for children who are homeless in family situations. JewishCare WA provides the Rae Lenny Shalom House, which is a homelessness accommodation support service. The Multicultural Services Centre of Western Australia provides the multicultural children's support service. It also provides the multicultural housing services program and private rental tenancy support initiatives for culturally and linguistically diverse families. The Perth Asian Community Centre provides a homelessness accommodation support service, and the Women's Health Care Association provides the multicultural kids in focus program for children and family homelessness accommodation services, and the multicultural women's advocacy service for family and domestic violence.

Mr A.J. WADDELL: I refer to the \$6.06 million for the hardship utility grant scheme on page 717. What statistics are being provided to the department on the waiting times for appointments to see financial counsellors in relation to the hardship utility grant scheme and general financial hardship that people might be facing? I am happy to take that information as supplementary information.

Mr J.H.D. DAY: We can provide that information now, so I will ask Mr Murphy to answer that.

Mr T.M. Murphy: I may need to refer to notes a bit. We are very cognisant of the potential blockage to receiving hardship utility grant funding due to the need to see a financial counsellor. The allocations for HUGS funds have continued to expand the number of financial counsellors—last year by six and during the year an additional four on a time-limited basis. The latest information we have is that, although there are isolated reports of significant waiting times, the average waiting time remains between one and two weeks. It is important to know that once an application has been made for HUGS money, a moratorium applies on the cessation of a service. As long as the person gets into the system, that waiting time will not put them at risk of their service being disconnected.

Mr A.J. WADDELL: Are no statistics kept on exactly what is happening to those; is it just word of mouth?

Mr T.M. Murphy: We check that quite religiously, but it is not an easy statistical matter. Although there are isolated cases of longer wait times in some areas—on the basis of which we have put an extra four counsellors on the ground for a period—the average, which is a reliable average, is between one and two weeks.

Mr A.J. WADDELL: Is it possible to get those statistics tabled, in particular on what regions have longer waiting times than others?

Mr T.M. Murphy: They would not be readily pumped out of the database; rather, it is something we do periodically. I think it might be more valuable to give the member the indications we have had up to now on where additional demand is and where we have put in the extra counsellors.

The CHAIRMAN: Would you like that information?

Mr A.J. WADDELL: I would like that information, please.

The CHAIRMAN: Can the minister clarify that?

Mr J.H.D. DAY: We will provide the information to which Mr Murphy referred. I ask him to repeat that.

Mr T.M. Murphy: We will provide the data that indicates some unmet need for financial counsellors to access HUGS funds and that has informed us to fund some additional financial counselling positions.

[Supplementary Information No B51.]

Ms J.M. FREEMAN: Can the minister confirm my understanding that people can get only one HUGS payment each 12 months per family or per person?

Mr J.H.D. DAY: I will ask Mr Murphy to respond.

Mr T.M. Murphy: Over the past year that has been relaxed in response to an individual family's needs. A second grant at half the value of the first one can be made available. It is dependent on the circumstance of the family being addressed.

Mr J.H.D. DAY: Presumably, that would be in exceptional circumstances.

Mr T.M. Murphy: Yes. All the grants are for untoward circumstances. Having received one grant and been referred to a financial counsellor for a second assessment, the department would look at what changes or attempts to change the family had made to manage its budget. But the second grant is available.

Mr P.T. MILES: On HUGS funding and the requirement for applicants to go to a financial counsellor, a couple of people have come into our office at Wanneroo in the past couple of weeks and suggested that the City of Wanneroo is no longer doing financial counselling for the HUG scheme. Does the director general have a list of who deals with that?

Mr J.H.D. DAY: That is not an issue I am familiar with, but we may have some information on who provides such a service in the member's electorate.

Ms J. Waylen: The City of Wanneroo has two financial counsellors, as well as one of the non-recurrent financial counsellors that Mr Murphy talked about previously to cover the Merriwa, Clarkson and Quinns Rock areas. In fact, therefore, the City of Wanneroo has three financial counsellors.

Mr P.T. MILES: Who would cover the Wanneroo town site?

Ms J. Waylen: The City of Wanneroo. It has two financial counsellors.

Mr P.T. MILES: Ms Waylen suggested they were for Merriwa.

Ms J. Waylen: There are three financial counsellors provided by the City of Wanneroo; two are in the city and the other one is for the Merriwa, Clarkson and Quinns Rock areas, so there are three in the City of Wanneroo.

The appropriation was recommended.

[4.20 pm]

Division 60: Communities, \$99 794 000 —

Ms A.R. Mitchell, Chairman.

Mr J.H.D. Day, Minister for Planning representing the Minister for Community Services.

Ms J. Perkins, Director General.

Ms H.M. Creed, Executive Director, Children and Family Services.

Ms S. Withers, Executive Director, Redress WA.

Ms D. Clements, Acting Executive Director, Community Engagement.

Mr P. Walton, Executive Director, Corporate and Business Support.

Ms K. Lunt, Acting Director, Seniors, Carers and Volunteering.

Mr S. Reid, Acting Executive Director, Policy and Planning.

Mr C. Johnson, Director, Financial Services.

The CHAIRMAN: I ask the minister to introduce his advisers.

[Witnesses introduced.]

The CHAIRMAN: The member for Maylands.

Ms L.L. BAKER: The second dot point on page 731 of the budget papers refers to the importance of early childhood experiences in lifelong outcomes. As far as I am aware, the government is not setting up a central agency in Western Australia to coordinate the provision of early years development, education, care, health and social support services et cetera for children. I know that the Department for Communities sits on the Premier's project team on monitoring outcomes of the early years. What is the government monitoring and measuring?

Mr J.H.D. DAY: I agree with the implication of the member's question that this is a very important area of public policy and the provision of services. The early years are crucial in the development of children and to the course of their future life. It is a very important area. There may not be a central agency as such, as the member referred to, but certainly there is a substantial effort across government and across a number of departments, including the Department for Communities, to provide services and, in particular, to target those services where there is the greatest need. I ask Ms Creed to provide further information in response to the question.

Ms H.M. Creed: I have been representing the Department for Communities on an early years collaborative group that was established by the Department of the Premier and Cabinet. It includes a number of government and non-government agencies, and it is in the process of finalising a report. In response to the question about monitoring outcomes, part of the work of that group has been to look at developing an outcomes framework but, as I indicated, that work has not yet been finalised.

Mr J.H.D. DAY: Can we provide information about the agencies that are involved in this area?

Ms H.M. Creed: Certainly. The government agencies that are represented on the group include the Department for Communities, the Department of Education, the Department of Health, the Department of the Premier and Cabinet, the Department of Treasury and Finance and the Department for Child Protection. The non-government agencies include Ngala, the YMCA, the Smith Family, Child Inclusive Learning and Development Australia, Playgroups WA and the Telethon Institute for Child Health Research. I am not sure whether I have missed anybody, but there is a range of non-government agencies.

Ms L.L. BAKER: In relation to the work of the Economic Audit Committee group, we have just heard a list of incredibly well resourced and credible organisations that have a wealth of experience, such as the Telethon Institute. I do not know why, after three years, the government would still not have got this together. What more research does the government possibly need to do in this area?

Mr J.H.D. DAY: I am not sure whether it is a matter of needing more research, although it is always valuable. Evaluation needs to happen continually to some extent. It is more a matter of providing services. As I understand it, there has been an increased effort in that respect. I agree to some extent that it would be desirable for one agency perhaps to adopt a higher profile in providing early childhood services, but the important thing is that the services are being provided. I will ask the director general to comment further on that.

Ms J. Perkins: I am happy to comment. The work that has been done through the group that Helen Creed outlined has been supplemented by some collaborative work that the Department for Communities is doing on the ground at a local level with the Department of Education and the Department of Health. We are working on a number of initiatives that bring together local approaches to provide a much more integrated approach. That work is supplemented and is being worked on.

Mr F.A. ALBAN: The second dot point on page 732 refers to the increasing proportion of aged people in the population and the challenge facing seniors. What is the government doing to provide for the needs of seniors?

Mr J.H.D. DAY: The number of seniors in our community is increasing in both quantity and proportion of the population. The government considers this to be an important sector of the community. We recognise that there are some cost-of-living pressures which apply to everyone of course, but which perhaps impact to a greater extent on people with lower incomes and who are either in receipt of the age pension or self-funded retirees. In recognition of those cost pressures, a decision was made in this budget to increase the cost-of-living rebate to \$150 per individual or \$225 per couple. The amount of funding that has been provided to this sector since 2009 totals about \$42 million. That is a substantial amount of funding that has been provided. In addition, there is the safety and security rebate that the government has introduced. That program allows Seniors Card holders to claim up to \$200 per household to buy and/or install security fittings. During 2010, a further \$200 per household was provided to include electrical and fire safety items in the scheme. Seniors Card holders can now access a total of \$400 from that scheme. There is a time limit on this scheme; it expires in June 2012. People who want to access it obviously should do so before then. There is also the important policy on public transport whereby seniors can avail themselves of free travel between 9.00 am and 3.30 pm on weekdays and all day on weekends and public holidays and throughout Seniors Week. That is a significant benefit to seniors in the community. The Seniors Card provides quite substantial benefits other than accessing discounts. Probably more significantly, Seniors Card holders can receive a rebate on or a reduction in some fees and charges, including local government rates. People who work 25 hours or less a week can now access the card, compared with the previous eligibility requirement of 20 hours or less a week. That is also quite a significant increase. About 5 000 cardholders across the state will benefit from that increase in eligibility. It is also interesting to note that British expatriates living in Western Australia on a section 410 visa will now also qualify for this scheme, so that is of a significant benefit to them.

[4.30 pm]

Ms J.M. FREEMAN: I refer to the fifth dot point on page 732, which refers to the Redress WA scheme. It says that Redress provides recognition of and support to those who were abused as children in the care of the state and that it will be finalised with all payments being made to eligible applicants. Can the minister tell me when the final payments—not assessments—will be made to applicants? When will all those payments be made? How many payments have been completed to date? How many outstanding payments are there?

Mr J.H.D. DAY: In respect of when the payments will be made, that is in part dependent on the claimants providing the full details that are required to make the payments, but full assessments will be completed by 30 June; the Premier gave that commitment. That of course applies to everybody who can be located out of the approximately 600 remaining to be assessed. With regard to when they will be paid, it will be soon after that time, but I will ask Ms Withers to provide further information.

Ms S. Withers: At the moment we have resolved 3 875 applications. We have 5 918 applications, so the gap is what we are currently processing.

Ms J.M. FREEMAN: Have the 3 875 applications that have been resolved all been paid?

Ms S. Withers: No, they are resolved. There are a further 64 who received eligibility payments because they were unfortunately deceased before we could process them. The figure of 3 875 includes a small proportion of about 64 that we have been unable to fully complete. We started with about 4 000 applications that were defective in some way and we are down to about 64. I thought that was a reasonable effort. Included in the figure of 3 875 are 495 who will receive no payment, the vast majority of whom are ineligible.

Ms J.M. FREEMAN: As I understand it, the minister gave an undertaking that the final payments would be made by 30 June. Is there paperwork that is waiting to be completed? Of the 5 918 applications, 3 875 have been resolved; therefore, the assessments have been completed. Is the department waiting on paperwork, or is it that the paperwork just needs to be processed?

Ms S. Withers: It is a combination. We have received all the paperwork we need. However, there is a group of about 672 applicants who have not yet received a call from a senior Redress social worker. This is the group that will be assessed by 30 June. Of that group of 672, 462 have current addresses and phone numbers with us. Unfortunately, we are still chasing those details for 210 of them. They have all completed applications and are processable, but it is part of our process that everyone gets a phone call, and unless we have a current phone number, we cannot ring them. We have recently phoned and written to them all, and we are about to write to them again to warn them that unless they contact us within 28 days, we will process their application without a social worker call. We can do that, but we would prefer not to.

We are also waiting on paperwork from another group of about 270, to tell us that they have accepted our offer and to give us their bank account details. There is a group waiting to go to the panel because they have been assessed as upper-level cases. There is a group waiting to be processed by the lawyers, and there is a group waiting to be processed by the social worker team leaders; we actually have a production line. I do not wish that to sound disrespectful, but we need to get people's cases processed, so we actually have to run in a relatively

mechanistic way to get it done; it does not mean that we are not respectful to our applicants, because I believe we are.

Ms L.L. BAKER: I realise that this is a very difficult client group and that they are very complex and fragile. I know that the department will have received complaints; we have been told about some of them. I am well aware that the department has received complaints about applicants not having phone calls or messages returned, or applicants being told to expect a formal offer of payment within four weeks and then being told four weeks later they should not have been given that advice. Those are just some of the examples that we have been told about. Does the department have a record of complaints, and can the minister let us know how many complaints have been received? A lot of people have been processed; I appreciate that, but I would like to know how many complaints have been recorded.

Mr J.H.D. DAY: I am not sure whether there is a record of that; I will ask Ms Withers to comment.

Ms S. Withers: We have a range of different categories of complaints. There have been about 60 appeals against offers, which is about one per cent of the total applicants. People can escalate their complaint if they are not happy with what we have done, and a total of three complaints have been escalated to the Department for Communities. People can also escalate their complaints to the Ombudsman; I think there is a total of five of those. That is an indication that people are fairly happy with how we deal with their complaints.

In respect of complaints about the help desk, I am sometimes a little mystified. As the member said, our applicant group requires very considerate, careful, gentle and respectful handling, and we try to do that, although it is often very hard. We consistently take 500 calls a week at the help desk. One of our key performance indicators is that if a message is left, it should be returned the next day. We do our very best to nurture and support our applicants because we are aware that they are very distressed. I am often concerned when I hear that. Some applicants are waiting for their applications to go before the panel; we do not always want to let them know that, because it means that they are possibly going to get a level 3 or 4, but if they do not, we will have very much upset them by raising their expectations. Sometimes it is wiser to say nothing than to give people information that could be misinterpreted.

Ms L.L. BAKER: In respect of the KPIs, outcomes and KPIs are listed on page 732, and there is a section dealing with complaints. Are Redress clients caught up in that as well? Are they part of the department's assessment or customer report about how needs are being met? I think there is a category about how customers' needs are being met. I am not saying that very clearly. Are the Redress clients part of that KPI?

[4.40 pm]

Ms S. Withers: I assume that if all three are escalated to the department, they are in that group.

Ms L.L. BAKER: I understand.

Mr A.J. WADDELL: My question goes back to the numbers that were bandied about—3 875, 5 918, 672 and 210. A lot of numbers were thrown out there. It seems to me that at 1 June there is a significant gap between the 3 875 who have received a payment and the 5 918 who have applied for a payment. Given how long this process has been going on, what is the possibility that the minister will meet this government's commitment that everyone will receive their payment by June 30 this year?

Mr J.H.D. DAY: A commitment was not given to pay everyone by 30 June. The commitment that was given was that everyone's application would be assessed and a decision would be made by 30 June.

Mr A.J. WADDELL: Will all of them be assessed by then?

Ms S. Withers: They will have had their first assessment and level established. We will meet that deadline.

Ms J.M. FREEMAN: Of the 2 043 outstanding applications, 672 had not received a call from a senior social worker; 462 did not have a current address; 210 addresses are being chased; 207 needed the paperwork to be returned; and some applications are before panels, lawyers and senior social workers. How many applications are before a panel, a lawyer and social worker respectively? Will I get 2 043 if I add those figures together?

Ms S. Withers: I hope so; otherwise we have lost some applicants.

Ms J.M. FREEMAN: Maybe by way of supplementary information, the minister could provide a breakdown of the 2 043 outstanding applications and the other 595 that were included. I would like it to be made very clear where those applicants are at in the process. If we know that the Department for Communities is chasing up 210 addresses, we can ask the people who ring our electorate offices whether the department has their correct address. An applicant from Sydney was told that he was not eligible for a Redress payment because he was no longer living in Western Australia. It is important to be clear about those sorts of things.

Ms S. Withers: I can certainly provide the member with that information as at today. I reiterate that 672 applicants are waiting for a call from a senior Redress officer. Those 672 are broken down into the 462 who did

not have a current address and the 210 whose addresses are being chased. I can supply the member with the number of people who are waiting to be assessed by a team leader, the number who are waiting to be assessed by a lawyer, the number who are waiting to go before a panel and the number of people whose paperwork we are waiting for. As I said, that is the stream. We have hundreds of applicants who do not live in the state. We have applicants from all around the world. We certainly have eastern states' applicants and we certainly are paying them. An applicant must have been in care in Western Australia but they do not have to live in Western Australia to be eligible for a payment. The person from Sydney whom the member referred to has been misinformed and needs to ring our help desk to find out whether he is a valid applicant. If he is eligible, his application will be processed.

Ms J.M. FREEMAN: I have a further question —

The CHAIRMAN: Sorry, we need to —

Ms J.M. FREEMAN: No, this is a very important question. In terms of —

The CHAIRMAN: Member for Nollamara! We need to clarify the supplementary information that is to be provided.

Ms J.M. FREEMAN: Sorry, Chair.

Mr J.H.D. DAY: We will provide a breakdown of the figures regarding the stage of the applications as of today.

[Supplementary Information No B52.]

Ms J.M. FREEMAN: Can the minister tell me whether the helpline rings into the Department for Communities or a non-government organisation? At 30 June, will the non-government organisation number be the only number that is available for the Redress applicants?

Ms S. Withers: No, the help desk is staffed by six employees who were recruited and trained by the Department for Communities. The help desk uses a Telstra help-desk system. We will operate the help desk for as long as it is needed. I have budgeted for it to run for several months into the next financial year, possibly until October or November. We can scale down the number of employees from six if required. It always has been a Department for Communities' help desk. It has never been outsourced and will continue to run for as long as we need it.

Mr A.J. WADDELL: I disagree with the minister about whether the government made a commitment to make the payments by 30 June. Can the minister tell us when the government is committing to finalise all the payments by?

Mr J.H.D. DAY: My answer would be as soon as possible after 30 June, but I will ask Ms Withers to provide more precise information if she can.

Ms S. Withers: As I said, it is dependent on the applicants returning their documents to us. The ability of our applicants to deal with the bureaucracy, because of their care history, is not as great as some other members of the community, which is why we offer them so much support. I have planned to finish making the payments sometime in September or October. The panel will finish at the end of August and offers will go out in September and hopefully be returned in October. I am obviously dependent on other people to get their documents back to us, but that is what I have budgeted and planned for.

Mr A.J. WADDELL: I refer to page 731. I am trying to find the section on Carers WA. Is there any additional money in the budget for Carers WA?

Mr J.H.D. DAY: I am informed that there is not, but it does receive some funding, and that will continue.

Mr A.J. WADDELL: Does this budget contain any of the initiatives that were requested in the Carers WA pre-budget submission?

Mr J.H.D. DAY: I am not familiar with what was in its submission.

Ms J. Perkins: I do not have in front of me the submission of Carers WA requests, but we will continue our work with Carers WA through the Carers Advisory Council on a range of initiatives that are already in train. There are no additional initiatives at this stage in the budget.

Mr A.J. WADDELL: So it will not get anything extra.

Mr J.H.D. DAY: Having gone through the budget process, I know that every minister made requests for funds, some of which were successful and others not. I do not think any minister would be an exception to that. In my own portfolio that was the case. Significant increases in allocations have been made in some areas of government. One of the major decisions that the government announced in the budget was the allocation of an additional \$604 million over five years for non-government organisations. That is a substantial increase. Carers WA is one of the organisations that will benefit from that \$604 million. To that extent, there has been a substantial increase in its funding. I am informed it is a 15 per cent increase from July this year and a further

increase next year. The earlier answer I gave was simplistic, I guess, or ignored the fact that there has been a substantial increase in allocations for non-government organisations, of which Carers WA is one.

Mr A.P. JACOB: I refer to the fourth dot point on page 732 under “Significant Issues Impacting the Agency”. Can the minister explain what strategies are being undertaken to increase the involvement and recognition of women as decision makers or leaders?

[4.50 pm]

Ms J.M. FREEMAN: Especially in the Liberal Party!

Mr J.H.D. DAY: There are some very capable women in the Liberal Party.

Ms J.M. FREEMAN: We just need more of them.

Mr J.H.D. DAY: For instance, there is the member for Kingsley.

The CHAIRMAN: Thank you, minister.

Mr J.H.D. DAY: The Liberal Party has always taken the approach of promoting and appointing people on the basis of merit. It is wonderful that some very significant leaders have been women.

On the specific question, we are certainly very keen to further progress the position of women in leadership roles throughout the public, private and not-for-profit sectors in Western Australia. Progress has been slower than desirable over the past decade. In 2003, women represented 28 per cent of government boards and committee membership; in 2007, this figure was 32 per cent; and in 2010, it was 37 per cent. That is the highest it has ever been, so there has been a progressive increase, including, obviously, in the time of this government. Efforts are being made across state government agencies to further increase this proportion. The government has worked to address issues surrounding women in leadership and to understand and overcome the barriers to women occupying senior management and executive leadership roles. The Minister for Women’s Interests has endorsed a recommendation from the Women’s Advisory Council that women and leadership be identified as a priority area for development within the women’s interests portfolio. The Department for Communities has also commissioned a report on women in leadership to identify the barriers to women achieving senior positions and to assist organisations in assessing their own gender equity and by providing strategies to implement change. That report titled “Women in Leadership: Strategies for Change” was prepared by the Maureen Bickley Centre for Women in Leadership at Curtin University of Technology. In terms of the agencies for which I have responsibility, the two senior officers of the Department of Culture and the Arts are both very capable women. There are a number of other women in the other agencies I deal with on a regular basis. That is certainly a good thing, and may it increase.

Ms L.L. BAKER: What is the number of FTEs in the Office for Women’s Policy?

Mr J.H.D. DAY: While we are getting that information I should also add —

Ms J.M. FREEMAN: While they are getting that information can I ask a further question?

The CHAIRMAN: No, the question has been asked; it has not been withdrawn.

Ms L.L. BAKER: Perhaps the minister could tell me later.

Mr J.H.D. DAY: We are happy to provide that by way of supplementary information.

Ms L.L. BAKER: I am seeking the current number of FTEs in the Office for Women’s Policy.

[*Supplementary Information No B53.*]

Ms J.M. FREEMAN: The women’s information service, or the women’s info line, is a volunteer-based telephone service. Has a computer database been established to ensure the tracking of information taken from women who contact the service, so that statistics on issues facing women in the community are available to the department?

Mr J.H.D. DAY: Before we answer that question I should also have pointed out in relation to women in the public sector that I recently had a change in my chief of staff, and that position is now held by a woman. I am sure members on the opposite side will be pleased about that.

Ms J.M. FREEMAN: We will only be pleased when a woman replaces you as minister!

Mr J.H.D. DAY: That may well happen in future years.

The CHAIRMAN: Quiet please, members.

Ms D. Clements: The women’s information service receives calls and emails from women seeking information in a range of areas. Statistics are collected in a spreadsheet-type arrangement. We hope in the future to go to a more sophisticated database.

Ms L.L. BAKER: I refer to the report that the Women's Advisory Council gave to Minister McSweeney in June 2010 on a range of its policy areas. Could the minister please let us know what Minister McSweeney has done in implementing those recommendations or at least in spreading the good word about the recommendations to other ministers? They apply across portfolios.

Mr J.H.D. DAY: I can certainly assure the committee that the minister regularly argues the case for promoting women and, in particular, ensuring their appointment to boards that go through cabinet and so on. Comments are often made. In relation to the particular recommendations of the Women's Advisory Council, I am informed that they have been forwarded to the minister's relevant state and parliamentary colleagues, as most of the areas are outside the jurisdiction of the Minister for Women's Interests. Following the symposium, the Department for Communities is progressing a number of initiatives on leadership, including the development of a women's strategy and plan, which will be with the minister for consideration later this month; research into the impediments to women gaining leadership positions, which I referred to in a previous answer; and the review and update of the "Women's Report Card" to ensure that its purpose and relevance is clear and to enhance the impact of its publication. Three report cards have been published—in 2004, 2006 and 2009—to measure the progress of women in Western Australia in specific areas. The next report card is planned to be released in 2012. There is clearly action in this area.

Ms L.L. BAKER: It sounds like a lot more consultation really.

Ms J.M. FREEMAN: I refer to the final dot point on page 731 of the *Budget Statements* on helping to ensure that young people are healthy, safe and connected with their communities. What is the number of FTEs in the youth portfolio? In particular, how many FTEs are involved in running the cadets? Do any FTEs work with culturally and linguistically diverse youth?

Ms J. Perkins: I will wait for information on the exact number of FTEs. We do not have a specific officer who is dedicated to focussing on issues around CALD. That is an issue that is being considered.

[5.00 pm]

The CHAIRMAN: The minister may want to answer the question by way of supplementary information, because I have to put the question in a minute.

Ms J. Perkins: We are happy for that to be provided.

The CHAIRMAN: Is the minister clear on the information he will provide?

Mr J.H.D. DAY: Yes.

[*Supplementary Information No B54.*]

The appropriation was recommended.

Division 52: Office of Energy, \$52 704 000 —

Mr P.B. Watson, Chairman.

Mr J.H.D. Day, Minister for Planning representing the Minister for Energy.

Mr M.G. Kerr, Acting Coordinator of Energy.

Mr G. Kessar, Director, Corporate Services.

Dr P. Biggs, Director, Governance Division.

Mr P. Smith, Acting Director, Clean Energy and Community Programs.

Mr R. Custodio, Acting Director, Strategic Policy and Planning.

The CHAIRMAN: Minister, before we start, this division goes only until half past five.

[Witnesses introduced]

The CHAIRMAN: I give the call to the Leader of the Opposition.

Mr E.S. RIPPER: I refer to the first dot point on page 604, which begins —

Energy prices need to continue to rise to better reflect the full costs of supply.

My question relates to the costs. What particular cost increases are impacting on the energy system or the electricity system, and what is the prognosis for those particular factors in the next three or four years? Could the minister tell me the annual rate costs in the electricity system that appear to be increasing at the moment, what is driving that and what is likely to happen to each of those factors?

Mr J.H.D. DAY: In general terms, the cost pressures are present because of increases in the cost of fuel, both gas and coal, in recent years; and also the need to invest substantially in both maintenance and upgrading

generation equipment and transmission equipment—I understand there has been over probably the last two or three decades an underinvestment—to ensure that the whole system, including the network, is in an appropriate condition. Given that it was installed 40 to 50 years ago, I am sure the Leader of the Opposition is well aware of all those aspects. All that investment costs a large amount of money and that is now flowing through and putting pressure on the cost of electricity as it is provided to the public. I will ask Mr Kerr to comment further.

The CHAIRMAN: Mr Kerr through the minister.

Mr M.G. Kerr: Dr Biggs can deal specifically with this question.

The CHAIRMAN: It has been handballed to Dr Biggs, through the minister.

Dr P. Biggs: I will try to cover all the details of the question. In trying to forecast the rate of increase in the future, I think the minister has identified the major drivers behind the costs. About half the cost of the electricity supply is due to the transmission and distribution network. There is a large backlog of ageing infrastructure there that needs to be maintained and replaced, as well as augmentation of the transmission and distribution system to meet the growing demand. We have an increasing peak-load demand. Western Australia is particularly different in its peak load in the evening, particularly in summer, and we need to make sure that the network can cope with that. Gas prices will continue to go up, and we have been doing some modelling with the strategic energy initiative, which will shortly be published. That is showing that we must expect gas prices to be higher in future than the prices in the legacy contracts that have been in place for the last 10 to 15 years. Gas, which provides more than half our current electricity generation, is the major cost driver. Renewable energy sources will increase the cost, but they are expected to moderate over time as renewable technologies become cheaper and more competitive. We expect that the increase in those costs will continue to exceed the consumer price index, but there is a large catch-up, and that is the difficulty that the energy sector has been facing over the last two years and again this year.

Mr J.H.D. DAY: I reiterate the reference by Dr Biggs to the demand pressures and the requirement to provide peak-generation capacity, which typically occurs on hot days during summer. A lot of money is spent in paying for peak-capacity generators that are used for only 10 days or so a year. That is because more and more people want to use air conditioners. That is important; however, there is a high cost in paying for generation capacity that is used on only a small number of days a year. It is very expensive to install and the public, therefore, has a really important part to play in moderating demand and using energy efficiently. There is quite a major advertising campaign underway now—the Leader of the Opposition, in his former role as Minister for Energy, would well understand this—to try to reduce the consumption at peak periods when it does not really need to be that high necessarily.

[5.10 pm]

Mr E.S. RIPPER: Can I just follow up on that? Years ago the Office of Energy advised me, in my then capacity, that about \$2 billion worth of infrastructure was in place simply to provide for peak demands that occurred on 135 hours a year. Would the minister have available to him a similar figure for the amount of infrastructure that we now have in place to meet peak demands?

Mr J.H.D. DAY: I do not know whether I can comment, but I would not be surprised if it was of that order. As I understand it, the replacement cost of Verve's generation capacity is probably about \$6.5 billion or so, so it probably would not be surprising if, together with generation capacity that is paid for from the private sector, it was of that sort of order of around \$2 billion or so. I do not make that comment on the basis of any specific advice, but it sounds sensible.

Mr B.S. WYATT: Page 603 of the *Budget Statements* has an amount for total appropriations for 2010–11 of \$53.5 million and an estimated actual of \$32.7 million. What is the reason for that underspend, and which programs or projects were affected by that underspend?

Mr M.G. Kerr: I think there are a range of reasons, as far as I am aware.

Mr G. Kessar: Shall I cover it? Basically, we have had to transfer a number of projects to the forward years. We have transferred some funds for the hardship efficiency package; we have reallocated the purchase of green power funding by the Department of Treasury and Finance to Verve Energy; we have transferred some money for the Solar Schools program to the 2011–12 budget; and we have also transferred some money from the solar hot water subsidy scheme. Funds have been moved forward for a number of projects.

Mr B.S. WYATT: Can I just ask a follow-up question through the minister? In respect of the hardship efficiency package that was transferred through to the forward years, how much was not spent in 2010–11, and was all of that transferred through to 2011–12?

Mr P. Smith: An amount of \$11.9 million was transferred to 2011–12 and the forward estimates; so it was not all 2011–12, there was some to future years as well.

Mr B.S. WYATT: Just to clarify that, an amount of \$11.9 million that was not spent in 2010–11 was transferred across the forward estimates, or the vast majority of it was, into 2011–12. What is the split?

Mr P. Smith: Bear with me a second.

Mr G. Kessar: An amount of \$11.9 million was transferred to 2011-12.

Mr B.S. WYATT: The whole lot was transferred to 2011–12?

Mr G. Kessar: Yes—sorry, 2011–12 and forward estimates.

The CHAIRMAN: Could the advisers say their name when they are answering the questions to make it easier for Hansard, please.

Mr B.S. WYATT: While that information is being gathered, perhaps the adviser to the minister's left might enlighten me about why there was that \$11.9 million underspend in 2010-11.

Mr M.G. Kerr: One of the reasons that money was not spent was that we were still negotiating with the Department of Housing on one of the major components of that program, which was an efficient water heating in public housing program, and quite a number of million dollars were still to be negotiated to be provided for that. We are getting very close to agreement with the department, and we should be able to transfer quite a reasonable amount this year and next year for the Department of Housing to run that program. I am not sure of the exact figure, but I think it is in the order of, in total, about \$7 million or something like that. There are other programs that have had difficulty in moving; for example, we have been providing funding for additional financial counsellors, but there has been some difficulty in actually getting more counsellors on board. The challenge has been trying to have sufficiently well trained counsellors, which is quite difficult at times because we cannot just bring people off the street and make them financial counsellors. It takes quite a bit of training, so there is a cost there, and time is needed to train people, and obviously that has not been quite as well spent as it could have been. Although it is not directly the Office of Energy's responsibility to run this program, we are obviously contributing the funds through the budget, and there has been difficulty in getting enough financial counsellors to do that training. There are a number of reasons why some of the programs have not quite spent the money that we would have hoped.

Mr B.S. WYATT: Financial counsellors are in hot demand.

Mr E.S. RIPPER: Minister, this seems to raise an issue, because I think financial counselling has to be obtained before people can access the hardship utility grant scheme. Is this failure to achieve the anticipated financial counsellor complement actually contributing to people not being able to get the financial assistance they might have expected in the face of rising electricity prices?

Mr J.H.D. DAY: HUGS is primarily managed by the Department for Child Protection, which we had in here earlier this afternoon—I think it is the Department for Child Protection, not Communities. My recollection of the briefing I had from it is that it is very attentive in following up to ensure that people who make an application or who are seeking financial counselling are either given information or provided with assistance and assessed on a very timely basis under HUGS. My recollection also is that the department is looking at, maybe, a change in how the assessment operates or the order in which things operate to try to ensure that there is not any untimely delay. But we had those agencies in here earlier and they are not here now to provide more specific information.

Mr E.S. RIPPER: It seems remarkable that, in the face of community anxiety about rising electricity prices, we are not actually managing to spend the money that the government has allocated for relief.

Mr J.H.D. DAY: Yes, if that is the case. My recollection is that people who have actually applied for assistance and who meet the criteria have been assisted in a very timely manner. That is something that probably would be best directed to the minister responsible.

Dr M.D. NAHAN: Page 604 of the *Budget Statements* has a heading “Significant Issues Impacting the Agency”, and one of those issues is that energy prices continue to rise. The commonwealth is considering putting a tax on carbon—I remember the strategic energy initiative addressed this a bit—and Ross Garnaut has proposed a \$26 a tonne carbon tax. Has any modelling been done on the impact that would have going forward on energy prices—specifically electricity prices—in Western Australia?

Mr J.H.D. DAY: I will ask Mr Kerr to answer.

Mr M.G. Kerr: I am not aware that we have undertaken any specific modelling of that in any of the work that we have been doing to date, no.

Mr J.H.D. DAY: But clearly it is expected that there would be an increase in electricity prices.

Mr M.G. Kerr: Absolutely.

Mr E.S. RIPPER: If I could follow that up.

Mr J.H.D. DAY: Let that answer be completed, and then we will come back.

Mr M.G. Kerr: Is the question about whether the carbon price will have an impact on prices?

[5.20 pm]

Dr M.D. NAHAN: It obviously will. The question was: does the Office of Energy have any data on the magnitude of the impact a carbon tax mooted to be \$25 or \$26 a tonne would have?

Mr M.G. Kerr: We have not done any detailed work on the impacts yet. Obviously, we do not know what the carbon price will be yet. We are very clear that there will be an impact on prices. That is something that we will be looking at in the coming months and certainly when we get a better understanding of what the carbon price is likely to be, which we assume will be fairly soon, given the way —

Dr M.D. NAHAN: We would assume that the impact would not be as large as in the eastern states because of our high use of natural gas in generating electricity in Western Australia.

Mr M.G. Kerr: Yes, we would assume that. Obviously, we have something like a 60 per cent use of gas. If that continues to increase, the impact of the carbon price will be less than it might have been otherwise if we had much higher, for example, coal use than we currently do.

Mr J.H.D. DAY: I will ask Dr Biggs to comment briefly on the modelling that will be undertaken.

Dr P. Biggs: There is some modelling that is yet to be completed for the strategic energy initiative and the reason that is not available now is that it is still incomplete. Some broad modelling has been undertaken at national level that confirms the point that was just being made that Western Australia has a lower emission intensity for a megawatt hour of electricity because of our use of gas. We would emit about 70 per cent of the carbon level of the pure coal-fired electricity in the east coast. There are some difficulties in modelling because until we know what the national emissions trading or taxation regime would be and to what extent that will apply to electricity, it is very difficult for us to predict with any certainty at this stage what the impact will be.

Mr E.S. RIPPER: That takes me back to my initial question. Given the sensitivity of electricity price increases in our community, we expect that somewhere in the government people will be modelling the increases in electricity prices that could occur for a variety of reasons, not just carbon reduction reasons. Are we to assume that the price path in the budget of five per cent, five per cent, 12 per cent and 12 per cent reflects the actual increase in costs that has been modelled somewhere in the government or is there a different increase in costs that has been modelled if not in the Office of Energy, then in the Department of Treasury and Finance? Presumably we cannot talk about cost reflectivity in electricity without having done some modelling of what is happening to the costs in the system.

Mr J.H.D. DAY: I presume that has been done and maybe Treasury would be the relevant agency to provide more detailed information. Despite the projected increases that have just been announced in this year's budget of five per cent, five per cent, 12 per cent and 12 per cent, as the Leader of the Opposition said, a substantial subsidy is still being provided out of general taxation revenue to ensure that the increase, certainly at least in the next couple of years, is lower than it otherwise would be if full costs were being reflected in the price that is charged. It is one thing to do modelling around the expected increase, but another for the government to make a decision about how much subsidy will be provided. There is a substantial subsidy being provided that obviously —

Mr E.S. RIPPER: But the government cannot make a decision without having done the modelling, can it? The government would not know what the subsidy is unless it had some information about the costs.

Mr J.H.D. DAY: I presume that is the case. However, the decision the government made was that it would continue providing a subsidy. Obviously, less of a subsidy is being provided than if there was a zero per cent increase, which I know is what the opposition was calling for. If no increase had been announced this year, the amount of the subsidy would have been substantially more than the \$1.1 billion that is being provided over the next four years. Obviously, that is \$1.1 billion that cannot be spent on many other important areas of public service, which I think is an important point. As far as whatever modelling is undertaken, my recollection is that the Department of Treasury and Finance has considered those issues in some detail in preparation for the provision of information for the budget. I do not know whether anyone from the Office of Energy wants to make any further comment.

Dr P. Biggs: The Office of Energy with the Department of Treasury and Finance participated in the modelling of the actual costs and the known and anticipated cost increases. That modelling at this stage does not include a carbon price for electricity because we simply do not know what the national regime will be and how that will impact on electricity. However, all the other known costs and the regulated costs within Western Australia have been modelled and were available to the government for its decision.

Mr E.S. RIPPER: Minister, can we have a copy of the modelling outcomes?

Mr J.H.D. DAY: That is something that should be sought directly from the Minister for Energy, I believe, Mr Chairman.

Mr E.S. RIPPER: Is the minister saying that he is not prepared to provide that to this committee?

Mr J.H.D. DAY: I would not make a commitment to provide that modelling without seeking the advice of the minister who is directly responsible, so I think it would be appropriate for the question to be either put on notice or for the Leader of the Opposition to seek it through the other means available.

Mr E.S. RIPPER: Like FOI?

Mr J.H.D. DAY: Indeed.

Mr C.J. TALLENTIRE: I refer to the second dot point on page 605, which refers to the Office of Energy providing the government with advice on ways to achieve greater deployment of renewable energy. What advice did the Office of Energy give to government regarding the 150 megawatt cap on feed-in tariff payments to owners of photovoltaic panels?

Mr J.H.D. DAY: I am not sure whether it is appropriate to go into whatever advice might have been given to the minister. Clearly, a decision has been made within the budget to provide a cap, which is related partly to the cost of the subsidies that are provided and obviously it has to be funded somehow or other. The larger the amount of renewable energy we have for which a rebate is paid or a feed-in tariff is provided, the greater cost there is to the budget and what government can do to provide services for the public in all the other areas that are expected. That is one aspect. The other aspect would be the effect on the electricity system as a whole. There are technical limits to what can be provided from these sorts of sources, if we are going to have a stable and reliable electricity supply system.

Mr E.S. RIPPER: You guys used to laugh at me when I put that argument to the house!

Mr J.H.D. DAY: I am not sure that I did, but I am glad to see that the Leader of the Opposition agrees with me. I do not know whether Mr Kerr wants to make any additional comment about the factors involved in relation to a cap.

Mr M.G. Kerr: Not specifically around the cap other than to reinforce the minister's view that it was a decision around how long the government would want to keep a feed-in tariff scheme going. Certainly, it was our understanding in looking at the additional costs and the actual reduction in the rate that people would still be able to pay off their systems within the originally intended 10-year time frame. In terms of the effectiveness of the scheme, it certainly was as effective as it was when it was originally canvassed and put out there, other than the cap now being put on it.

Mr C.J. TALLENTIRE: The minister in his response indicated that there were perhaps technical reasons why the cap has been brought in, yet in the budget papers there is an indication that the Office of Energy is responsible for achieving greater deployment, so surely that is a contradiction to what the minister is saying.

[5.30 pm]

Mr J.H.D. DAY: I do not think it is. All I am saying is there are technical electrical engineering reasons for the limit on how much renewable energy generation sources can be part of the overall network. I am saying that may well be one factor. It is certainly not the only factor. The financial aspect would be the other.

The appropriation was recommended.

Verve Energy —

Mr P.B. Watson, Chairman.

Mr J.H.D. Day, Minister for Planning representing the Minister for Energy.

Ms S. In't Veld, Managing Director.

Mr W. Borovac, Chief Financial Officer.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

Members may raise questions about matters relating to the operations and budget of the off-budget authority. Off-budget authority officers are recognised as ministerial advisers.

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 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 he agrees to provide and I will then allocate a reference number. If supplementary information is to

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I now ask the minister to introduce his advisers to the committee.

[Witnesses introduced.]

Mr E.S. RIPPER: I draw the minister's attention to page 288 of budget paper No 3, which indicates that Verve's five per cent efficiency dividend will produce a saving to net debt of \$63 million over the forward estimates. Given that Verve Energy is already in a competitive market and, therefore, presumably striving for maximum efficiency already, how will Verve seek to achieve this five per cent efficiency dividend; what measures is Verve contemplating to achieve this result?

Mr J.H.D. DAY: The intention of this efficiency dividend, of course, is to ensure that a greater amount of funding is available to be allocated to other important areas of government activity and the provision of public services. The intention is for there not to be any reduction in the service or increase in charges to the public as a result of the dividend being put into effect. I will ask the managing director to provide further information on how it will be managed.

Ms S. In't Veld: This will be a challenge for us, especially as we have already embarked on an efficiency program two or three years ago that largely involved taking 20 per cent out of our head office costs. We are looking at one avenue with the shutdown of our Kwinana A power station in October this year, which will give us an opportunity to reduce our labour costs. Last week we started looking at how we might achieve this but in any business, irrespective of whether it is in a competitive environment, there are always opportunities to look at greater efficiencies, whether they are operational, whether it means spending more money on plant to ensure it operates more efficiently, or whether it is how we utilise our people. If I may, I will ask my chief financial officer to elaborate on that.

Mr W. Borovac: I think my managing director has pretty much summed up Verve's position. We have taken the opportunity to utilise some of the initiatives we implemented two years ago. We have appointed a strategic procurement group that has been working systematically with the operations to look at opportunities to reduce our costs. It was a process that we have been following anyway. As Ms In't Veld intimated, it is a challenge for us from the point of view that we operate in a competitive environment. We always look for continuous improvement. We are undertaking a review at the moment and have been requested to come back to the minister with our plan of action by 30 June. We are asking each of our GMs to look at their areas and at other opportunities. We have started a number of these programs in the past, as Ms In't Veld alluded.

Mr E.S. RIPPER: I want to clarify my understanding of how this works. Verve achieves efficiencies and cuts costs; Verve's profit is therefore increased; therefore the income tax payments and the dividend payments to the government are increased; and therefore the government gets extra money out of Verve for spending on other purposes. Is that a reasonable description of how this works?

Ms S. In't Veld: It depends on what else is happening. If, for example, we have a problem with one of our plants and are forced to burn liquids, our profits would be severely impacted and may counter a benefit we have from efficiencies. It all depends on how we go operationally in that particular year.

Mr E.S. RIPPER: All things being equal, the dividend should deliver higher profits and therefore higher dividends and income tax payments to the government and this is how the government gets a benefit.

Ms S. In't Veld: All things being equal, yes, that is correct.

Mrs L.M. HARVEY: I refer to the reference to sustainable energy on page 617 in budget paper No 2. I am interested in hearing from Verve what measures it is taking to improve its environmental performance.

Mr J.H.D. DAY: In recent years a lot of effort has been invested in this area, particularly in the past three or four years on, to use a non-technical term, cleaning up the generation process. I will ask the managing director to elaborate.

Ms S. In't Veld: We have an extensive program under way at the moment that involves, firstly, a wind farm extension to the Albany wind farm, which is the Grasmere extension of 14 megawatts. It will mean that 50 per cent of Albany's power comes from a renewable source. We are also well underway with developing the Mumbida wind project, just south of Geraldton, which is 55 megawatts. We have spent close to \$200 million on improving the efficiency of the operations of our Muja C and D plants, putting in new control and

instrumentation systems, which has certainly improved their efficiency. Kwinana stage B has been shut down completely. That was an old, very inefficient plant. As I mentioned earlier, we are looking at shutting down Kwinana A in October this year. That is another old, very inefficient plant that will be put out of the system. That will be replaced with 200 megawatts of high-efficiency gas turbine. It is the most efficient turbine technology in the world and will, in fact, be the first in Australia. Finally, we have a 10-megawatt solar photovoltaic project underway as well.

[5.40 pm]

Mr C.J. TALLENTIRE: Mention was made of the Muja power station. Can the minister confirm that the Muja A and B refurbishment will lead to plant that will be just as emissions intensive as it was prior to decommissioning?

Ms S. In't Veld: That is correct; it will be emissions intensive, but it will be a cleaner plant in that it will have baghouses attached to it so it does not throw particulates into the air, which is the way it operated previously. It is worth mentioning that the purpose of Muja A and B is very much tied up with energy security. It is seen as a transitional bridging mechanism for 10 or perhaps 15 years until new coal-fired technology is developed. Until clean coal technology is developed, we do not believe there is any merit in spending hundreds of millions of dollars on a new coal plant that has a 30 or 40-year life span. This was highlighted after the Varanus incident when we brought Muja A and B back, and this was prior to it being refurbished, so it did throw particulates into the air.

Mr C.J. TALLENTIRE: Can I confirm that there has been no improvement at Muja A and B in greenhouse gas emissions terms?

Ms S. In't Veld: No. Only two units will be operating at Muja A and B, so it will be operating as a mid-merit peaking plant. The two other units will be kept in reserve for potentially another gas crisis.

Mr B.S. WYATT: I refer to page 289 of budget paper No 3, which shows revenue of just over \$700 million to government from Verve Energy over the forward estimates. What is the expected debt level of Verve at the end of the 2010–11 financial year and what is it projected to be at the end of 2011–12?

Mr J.H.D. DAY: The expected debt level at the end of 2010–11 is \$1 007 million and at the end of 2011–12 it is expected to be \$951 million, and it progressively decreases after that. The level of debt that Verve has had has been a major issue for the organisation. One of its major costs of operation is servicing the debt. It is highly desirable from a public interest point of view to reduce the amount of debt that Verve is carrying. The debt is expected to go down to \$460 million by 2014–15, which is more than a 50 per cent reduction in the current level. That is clearly in the public interest.

Mr B.S. WYATT: In respect of the minister's comments on the cost of servicing the debt, how much will have been spent on interest by the time the current year finishes and what is projected for 2011–12? I am asking for the interest payments for both years.

Mr J.H.D. DAY: I refer that to Mr Borovac.

Mr W. Borovac: We anticipate interest payments of \$63.1 million in the current financial year and \$58.7 million in the 2011–12 financial year.

Mr C.J. TALLENTIRE: How many staff are involved in doing the modelling on carbon pricing impacts on Verve's energy generation options?

Ms S. In't Veld: We have probably two or three staff who have done some modelling on that issue, but we have probably five or six people who are monitoring it very closely. I have certainly been involved with the federal ministers in terms of the interests of Western Australia in relation to how the scheme may end up operating.

Mr C.J. TALLENTIRE: How confident can Verve be in the accuracy of its modelling?

Ms S. In't Veld: We are not confident at all because we do not know how it will end up. We do not know what the price on carbon will be. We do not know when it will transfer to an emissions trading scheme. We do not know what the cap will be. To a large extent, we are speculating. The only thing we can say with some certainty is that if the carbon price was initially \$25 a tonne, that would add in excess of \$200 million a year to our operating costs. We are not certain that we can totally pass that on to our customers, because there is also ambiguity in our electricity supply agreements. To the extent that we can pass it on, we believe it would lead to an increase in tariffs in the order of 20 per cent, but to the extent that we cannot pass it on, it would lead to a reduction in our profits and a reduction in our dividends payable to government.

Mr C.J. TALLENTIRE: How accurate is the modelling that supports the public comments that have been made about the point at which Verve would switch to gas generation?

Ms S. In't Veld: The gas situation is seriously problematic for us because our North West Shelf contract will run out in about 2015 and 2016. At this stage, we do not have sufficient gas to replace that. If we did want to build another combined-cycle gas plant, we have not been able to source the gas for that.

Dr M.D. NAHAN: To summarise—this may have been said somewhere else—the managing director says that a 25 per cent carbon tax would add \$200 million to Verve's bottom line and it might not be able to be passed on. If it could be passed on to, say, the non-contestable consumers, approximately what increase would that represent?

Ms S. In't Veld: We think it would be in the order of 20 per cent.

Dr M.D. NAHAN: The reason for the carbon tax is to get a response from organisations such as Verve—that is, to get a market-based response to a higher cost. In the medium term, what kind of response would Verve be able to make?

Ms S. In't Veld: There is no scope for a response from Verve Energy, and this is because there are no opportunities for abatement. We do not need new baseload plant in this state until about 2018. No new baseload plant will come in in any event. We also need all the coal plant we have at the moment, both because coal is much cheaper than gas and because we have not been able to source gas available for new plant in any event. The other issue, of course, is that until the carbon tax is in the order of \$60 to \$70 a tonne, there is no incentive for any electricity generator in Western Australia to convert from coal to gas.

Dr M.D. NAHAN: What is the price differential between gas and coal?

Mr J.H.D. DAY: Is this commercially confidential?

Ms S. In't Veld: We can very broadly say that gas is about four times more expensive than coal.

Dr M.D. NAHAN: At current prices?

Ms S. In't Veld: At current prices per gigajoule.

Mr E.S. RIPPER: With regard to carbon abatement, there is perhaps a side of the debate that is missing; that is, under an emissions trading scheme, which the country will eventually get to, it might be possible for Verve to purchase emissions permits from other carbon-abatement operations outside the electricity system. For example, it is theoretically possible that people growing trees or undertaking certain agricultural practices in due course would be able to generate permits. Has Verve done any thinking about the possibility of purchasing permits from carbon-abatement measures? That would change the thinking that the whole cost would just have to be passed on at the rate of \$25 a tonne.

Ms S. In't Veld: We have certainly thought about that, but that would still be a cost to us. Our production costs would still go up by virtue of buying those permits.

Mr E.S. RIPPER: But it might be a cost of \$10 a tonne. There would be an economic incentive for Verve to search out those opportunities and it would take up anything that was less than \$25 or \$26 a tonne.

[5.50 pm]

Ms S. In't Veld: That is correct. We would look at what was happening with the market price of carbon and we would look for opportunities to source it as cheaply as possible.

Mr J.H.D. DAY: I suppose one issue would be the quantity available that we could purchase.

Mr E.S. RIPPER: And the design of the scheme. If it is a fixed-price scheme, it would make it a bit harder, but eventually the intention is to move to an emissions trading scheme.

Dr M.D. NAHAN: Further to the Leader of the Opposition's comment about offsets, I understood that people were offering to plant trees and other things in the South West some years ago, and that overseas firms, such as Mitsubishi and others, had put money into tree plantations to offset their obligations to mitigate carbon. Is the minister aware of any of that going on in the state?

Ms S. In't Veld: The member is quite right; there were groups of people who were looking at planting trees, growing algae and doing all sorts of other things to tap into this market, but until there is actually an emissions trading scheme in place that creates a market for the permits, it is of no relevance.

Mr B.S. WYATT: I refer to page 617. The asset investment program shows a significant decline across the forward estimates. In light of the earlier comments about debt, it is no surprise that the asset investment program is declining. Why is there such a substantial decrease in the asset investment program for Verve? Is it simply because, as Ms In't Veld said, there is no need to build baseload power until 2018?

Ms S. In't Veld: There are two reasons. One is that because we have had such a huge amount of new baseload power come in with new entrants—Bluewaters I and II and the NewGen power station in Kwinana—we are facing a situation in which Verve has 800 megawatts of spare baseload capacity. In fact, on a day like today, we

would be operating at 1 300 megawatts capacity at 10 o'clock in the morning, when there is almost 3 000 in our portfolio. It is a combination of new entrants coming into the market and Verve having spare baseload, so there has been no need to build new plant. I should also add that it is complicated by the fact that the uncertainty of the carbon situation would make it very difficult to decide what sort of plant we would build.

Mr J.H.D. DAY: As Ms In't Veld said, there is effectively a lot of spare capacity for baseload generation in the south west of the state at the moment, and that is a consequence of the disaggregation of the former Western Power. That is fine on the basis of a theoretical model, but it has resulted in private sector organisations being able to establish baseload generation capacity that has to somehow be paid for. All this extra generation capacity, of which a lot is unused at the moment, has to be paid for somehow. That has clearly been a factor in increasing the price of electricity.

Mr E.S. RIPPER: It is also an incentive for Verve to be more efficient, is it not, minister? The minister has clearly recognised, with the government's efficiency dividend, the scope for that to occur within Verve.

Mr J.H.D. DAY: Maybe, but it probably could have been even more efficient and there probably would have been even more downward pressure on electricity prices—that is a phrase that was used in debate in Parliament quite a lot several years ago—if the disaggregation had not occurred and if we did not have all the spare and often unused capacity that is there at the moment.

Mr E.S. RIPPER: I think the minister will find that he is very lonely in the energy sector in holding that opinion.

The CHAIRMAN: You go through the Chair, Leader of the Opposition; this is not a chat fest.

Mr J.H.D. DAY: I am not lonely as far as the views of the Premier are concerned; I think the Leader of the Opposition knows what his views are on all that.

Mr E.S. RIPPER: No, the minister and the Premier are twins on this issue!

The CHAIRMAN: Leader of the Opposition, do you have a question?

Mr E.S. RIPPER: The managing director made reference to the difficulty of obtaining new gas. Perhaps we could have some further information on that. When was the last time that Verve signed a contract for new gas? What gas contracts are we operating on at the moment? New projects are supposedly coming on that are going to provide domestic gas; has Verve been able to obtain any of that domestic gas?

Ms S. In't Veld: We signed a 15-year gas contract in 2004–05 with North West Shelf. That is the contract I referred to earlier. We believe we will have utilised all the volume under that contract by about 2015–16. That is our sole supplier of gas.

Mr E.S. RIPPER: You have signed no contracts since that 2004–05 contract?

Ms S. In't Veld: We have not needed to, because it has provided 100 per cent of our gas requirements, so it is only when that contract rolls off that we will be in a position in which we will need gas to replace that. We have been having lengthy discussions with the Gorgon joint venturers to source gas from the Gorgon project, and also with the other producers, North West Shelf and Woodside. We have made inquiries about the Macedon and Browse projects, but we have been unable to source gas in the quantities and for the terms that we have needed to date.

Dr M.D. NAHAN: Is Verve considering trying to get a similar long-term contract for gas, or will it go for a shorter and more rollover gas contract?

Ms S. In't Veld: Our preference is for long-term contracts and to lock in pricing as much as we can, but it all depends on the willingness of the producers to do that.

Mr E.S. RIPPER: We had some discussion on Muja A and B. Can the minister tell us about the current status of that refurbishment and when it is likely to be completed?

Ms S. In't Veld: Muja A and B is a 50–50 joint venture with a new entrant in the market, and the joint venture party is providing all the capital for the refurbishment process. The refurbishment of those four units is well underway, and baghouses are currently being installed. We expect commissioning of unit 4, which is the first unit to be commissioned, to take place in January next year. We expect all four units to be fully commissioned by the end of 2012, so the project is going well.

Mr E.S. RIPPER: How is the revenue shared, given the nature of that arrangement?

Ms S. In't Veld: It is shared 50–50.

Mr C.J. TALLENTIRE: I am curious to know about the level of risk that the partner is exposed to; is it the case that if there was a problem with that project, the risk would be worn solely by Verve and not by the partner?

Ms S. In't Veld: No, the risk is fully borne by our joint venture partner, Inalco Kempe Engineering.

Mr E.S. RIPPER: What will be the total payments to Verve directors in the forthcoming financial year? What is the payment for a Verve director, and how many of them are there?

Mr J.H.D. DAY: That information is published in the annual report.

Ms S. In't Veld: It is far less than the private sector; it is in the order of \$50 000 for each non-executive director and, I think, in the order of \$120 000 for the chairman. But that information is publicly available in our annual report. We have four non-executive directors and the chairman.

Dr M.D. NAHAN: In 2007–08, Verve and the other utilities faced huge problems in acquiring skilled labour and costs started going up. Is Verve still experiencing that now?

Ms S. In't Veld: We still have a lot of difficulty attracting the engineering expertise we need for our operations, but we have found that a very good way of dealing with that is to recruit from South Africa and the UK; we have been able to get very good engineers from South Africa and the UK. We were previously getting engineers from the eastern states, but they did not always stay, whereas those coming from South Africa and the UK tend to stay. But it is a challenge for us, because we cannot compete with the oil and gas sector with remuneration.

Meeting suspended from 6.00 to 7.00 pm

Western Power —

Ms L.L. Baker, Chairman.

Mr J.H.D. Day, Minister for Planning representing the Minister for Energy.

Mr D.T. Aberle, Managing Director.

Mr M.G. de Laeter, General Manager, Networks.

Mr M.J. Peacock, Chief Financial Officer.

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I now ask the minister to introduce his advisers to the committee.

[Witnesses introduced.]

The CHAIRMAN: The member for Gosnells.

Mr C.J. TALLENTIRE: The first question relates to efficiency dividends. Western Power is being required to reduce operating expenditure over the next four financial years to prop up the government's budget. How much will need to be saved in 2011–12? Where will the savings be found? Does Western Power's board agree with this measure? Is Western Power confident that it can comply with this requirement?

Mr J.H.D. DAY: I will ask Mr Aberle to comment. In relation to whether the board agrees with the measure, this is a decision of the government, and it is being required of the government trading enterprises. That is how the decision was made. Obviously, it was not a voluntary decision of the Western Power board. Although we probably care about its views, this was a government decision, and Western Power is required to comply with it. Having said that, I ask Mr Aberle to comment.

Mr D.T. Aberle: About \$25 million will be required from 2011–12. That will be found from the operating budget. Yes, the board has discussed this and has committed to meet that request.

Mr J.H.D. DAY: Willingly, I am sure.

Mr E.S. RIPPER: Can the minister ask the managing director of Western Power how it will be found from the operating budget? What particular measures will be taken to reduce costs by \$25 million in the operating budget? Will there be fewer linespeople or a slower response when a pole falls over? What exactly is going to be done?

Mr D.T. Aberle: I will take that as having been passed on. We are mindful that the request was specific in articulating that services were not to be impacted. We therefore do not have an intention, for example, to reduce the number of linespeople or to make a cut that will actually impact service provision. So it behoves us to look into the business. We have received the request only recently. We have undertaken to provide an implementation plan, which we will do. That will articulate where we will find that saving, but it will not impact services.

Mr E.S. RIPPER: Would it be fair enough to say that Western Power does not know yet where the \$25 million is coming from?

Mr J.H.D. DAY: Probably it does not know specifically, because, as Mr Aberle said, this has only recently been communicated when the budget was presented. It is up to Western Power to work out the detail, but, in short, as the name implies, it means that it will need to find efficiencies in how it does things and to do the same for less cost. Most organisations are able to do that to some extent.

Mrs L.M. HARVEY: Electricity prices are below cost. Obviously, this will have an impact on the utility's ability to pay a dividend. What is the break-even point as far as pricing goes and the ability to pay a dividend to government?

Mr J.H.D. DAY: That might be a question more directed to Synergy when we have Synergy here later. As far as it affects Western Power, I will ask Mr Aberle to comment.

Mr D.T. Aberle: Our revenue arrangements are determined by a regulatory framework under which we operate. The notion that the total cost of provision of electricity is below cost is only really properly apprehended when all four of the entities are examined. Those that are not under the regulatory regime, as is Western Power, encounter substantial losses. When the profits and losses are added up across the four, that is where there is the shortfall, which the member made reference to in the fact that the provision of electricity is below cost. From the point of view of this business, we operate under a regulatory arrangement that provides a revenue stream. If we are able to operate at or below the costs that are taken into account when the tariffs are determined, we make a profit.

Mr B.S. WYATT: Minister, on page 620, under "New Works", the line item "Mid West Energy Project" is listed. Last year's budget had over \$200 million being spent in the 2011–12 year. Now we are down to just over \$50 million being spent in the 2011–12 financial year. Obviously, most of that funding seems to have been deferred through to 2012–13. Why is that?

Mr J.H.D. DAY: Obviously, that relates to the timing of the project. With the expenditure of \$50.3 million in 2011–12, obviously a serious start is being made on it. That is a pretty significant amount of expenditure. The greater quantity of construction works, it seems to me, would really be occurring in 2012–13. That is how I read these figures, but I will ask Mr Aberle to comment further.

Mr D.T. Aberle: That is essentially correct. As we get closer to actually constructing the project, we get a clearer picture of the outfall of expenses. It is true that we currently expect that the line will be completed by early 2014.

Mr B.S. WYATT: So that is when the line will go live.

Mr D.T. Aberle: Yes; that is our expectation. If we work backward from that, as the minister said, there is early expenditure around setting up, design and so on, and then the bulk of the expenditure occurs leading up to 2014.

[7.10 pm]

Mr B.S. WYATT: In last year's budget another \$50 million was going to be spent in 2011–12. Was there a particular reason for the delay or was it simply a matter of the timing of other projects?

Mr D.T. Aberle: It is basically a matter of working through a process of achieving a regulatory test with the regulator, which first establishes whether it is indeed the most appropriate way of addressing the need. We then move to the NFIT process, which we are about to submit. NFIT is the "new facilities investment test" whereby the project is tested for prudence and efficiency. As that process is passed through we move into being able to subcontract out the work to have the project completed. The difference is in the progress of that preparatory work and passing those gates.

Mr B.S. WYATT: Will that \$50 million for 2011–12 see construction commence?

Mr D.T. Aberle: The \$50 million on its own will not necessarily see construction commence, but it moves us down the project time line, which will see the line energised by early 2014.

Dr M.D. NAHAN: To clarify, the delay from the last budget to this is largely due to the regulatory process.

Mr D.T. Aberle: That is a fair comment. There is the regulatory process that I mentioned and the process of having business cases approved. What we see there is an outworking of it.

Dr M.D. NAHAN: Out of curiosity, who are the major consumers of the electricity provided by the line?

Mr D.T. Aberle: Ultimately, the line is built to support consumption in the Geraldton region. The line only passes some of those tests that I referenced if a case suggests that growth in demand will be sufficient to require it. We can break the consumers into two rough groups; there is organic growth in the town of Geraldton and surrounds and then there are large individual loads and generators. Loads might be large mines, for example, and generators might be wind farms or gas-fired generators. All those people would benefit from the line being built.

Mr E.S. RIPPER: Can we have information on how the asset investment program in this budget and forward estimates compares with the asset investment program approved by the Economic Regulation Authority as the efficient level of investment in the network? When I looked at this issue, I saw a \$500 million gap prior to this budget between the three-year program approved by the ERA as an efficient level of investment and what Western Power was going to spend as per government approvals. Is that situation replicated with this new investment program?

Mr D.T. Aberle: The Leader of the Opposition is observing the impact of the global financial crisis, which occurred post commencement of AA2—asset agreement 2—which we are in the midst of. We had to prepare for that in advance and we had projected growth and capital works to meet that. As we move through in real time, if we have something such as the GFC, a lot of customer work gets pushed back and it does not make sense to invest on the original trajectory. That simply means that that investment is likely to occur later. If we graph the capital investment historically, we can see that it grew substantially, there was an expectation that that would continue, and then a dip associated with the GFC as I described. As we look forward into the asset agreement that we are about to put forward, AA3, we see that investment climb back up again both in supporting customer-driven work and network upgrade work.

Mr E.S. RIPPER: Is the asset investment program in this budget and forward estimates consistent with what Western Power will put to the ERA as its suggestion for the efficient level of investment in the network?

Mr D.T. Aberle: Yes, it is consistent with what we will put forward. The thing to remember is that when things are taken to the regulator, an investment adjustment mechanism, for example, allows for other items that may materialise that are not clearly enough visible now. Bearing in mind that that mechanism sits there, what we put forward is consistent as we see it.

Mr E.S. RIPPER: Could Mr Aberle explain what he means by the “investment adjustment mechanism”? Is that an ERA mechanism or a Department of Treasury and Finance mechanism?

Mr D.T. Aberle: It is an ERA mechanism. The mechanism recognises that when we look to a five-year period as we are now, there is a possibility that events will occur that will stimulate more investment than can be clearly recognised or forecast at this point. Therefore, rather than having the untenable circumstance in which a proponent, such as ourselves, projects a five-year plan and tremendous growth occurs and the proponent is constrained for the capacity to meet it, the mechanism foresees that a submission can be made to demonstrate that a large project has come along, for example, over and above what was there, and the regulatory regime allows for that to be added in.

Mr P.T. MILES: My question relates to page 618 of budget paper No 2 and the distribution works, which are quite relevant to my electorate of Wanneroo, particularly to the rural areas. How much is being spent to improve the safety and reliability of the electrical network?

Mr J.H.D. DAY: In 2011–12 a total \$360 million will be invested in new capacity, asset replacement and improving public safety. That \$360 million is part of an overall expenditure program of \$838.3 million in 2011–12. That is the overview.

Mr D.T. Aberle: That is certainly correct. If the member is interested in a little more granularity of what that \$360 million will be spent on, about \$110 million of that is dedicated to asset replacement, bearing in mind that the network has a substantial population of poles that are older than 40 years, for example, and we are in the process of building our way out of an extended period of underinvestment. The amount of \$110 million will be spent on asset investment and \$84 million of that is on pole replacement or reinforcement, which is part of a concerted program that we will need to follow for some years to refresh that pole population and reduce the public safety risk.

The amount of \$53 million is for the replacement of overhead service connections, which are the connections that run from the network to individual houses. A population of those connections is now obsolescent and potentially represents a safety risk—small probability, serious consequence. Therefore, we are working our way through replacing those connections. A further \$72 million is invested in improving the capacity and performance of the distribution network. That investment is basically aimed at alleviating overloads on feeders.

As the network grows, feeders become progressively loaded. We like to run the network with the feeders about 60 per cent to 70 per cent loaded so that if one fails, the two adjacent feeders can pick up the load without being overloaded. Therefore, there is an investment in that space. The last \$40 million will go into the state undergrounding program, which the member is probably familiar with. That is our contribution to that program, which is progressively undergrounding existing overhead networks in the metropolitan area.

Mr E.S. RIPPER: What reliability standards has the network achieved in the last financial year? What reliability standard targets are set for future years? Presumably this program is based on a reliability target and I would like to know what that target is.

[7.20 pm]

Mr D.T. Aberle: The highest level summary measure of reliability is SAIDI—system average interruption duration index. That is the average number of minutes per customer, as the Leader of the Opposition probably remembers. We achieved 217 minutes last year. Our target is 203 for the year we are heading into. We can confirm that, but it is just above 200. The reason it is not lower is that in terms of husbanding the available resource, our first priority is to deal with public safety issues. There is a bit of an overlap between doing that and impacting reliability. We basically attack public safety first, growth-related issues to support new connections and the integrity of the network second, and reliability third. We are essentially aiming, in our investment profile, to attack those first two and hold reliability relatively steady, which takes a significant investment given the age of the network, because it is deteriorating. They are the figures we have achieved.

Mr E.S. RIPPER: How does that reliability performance compare with contemporary standards in the national electricity market, for example?

Mr D.T. Aberle: That is a little behind. I will check the average across the NEM with Mr de Laeter. It is fair to say, in comparing urban performance—the Leader of the Opposition might remember we break the network down into four or five categories—that it is comparable with that of other jurisdictions in the NEM. There is a difference in rural long-rural short feeders. We are reasonably comparable with the most comparable jurisdiction, which is probably north Queensland. If we combine Queensland's distributors, Energex and Ergon Energy, we are similar, but, along with them, we are worse in terms of reliability performance than some of the other jurisdictions that do not have anywhere near as spindly a system or as much rural network.

Mrs L.M. HARVEY: With the underground power project, I understand that those reliability indicators are one of the assessment factors for undergrounding particular areas. Are those indicators adjusted for maintenance outages as opposed to accidental outages in the assessment of that program?

Mr D.T. Aberle: In terms of assessing the eligibility of an area for undergrounding—is that what the member is driving at?

Mrs L.M. HARVEY: One of the criteria for assessing an area's eligibility for undergrounding is that reliability indicator. Obviously, if there are outages for maintenance and those sorts of things, are they removed from the process? Does that all form part of that reliability indicator for the underground power project?

Mr D.T. Aberle: It all forms part of the indicator. The logic is, of course, if we have to maintain an area a lot because it is ageing, that is naturally a driver for wanting to put power underground. It does not immediately make sense to extract, say, maintenance outages from that. I think that is fair. The only adjustment made is for particularly extreme weather events. That is done across Australia to normalise the figures.

Mrs L.M. HARVEY: That question was out of curiosity. Underground power is popular in my area.

Mr C.J. TALLENTIRE: I refer to the total cost of the asset investment program on page 619 of the *Budget Statements*. I am trying to reconcile this with the Economic Regulation Authority's capital expenditure recommendation from December last year. It was stated that the authority has approved a \$2.8 billion forecast investment for the three-year period 2009–10 to 2011–12. When we add up Western Power's asset investment program, \$940 million was spent in 2009–10. That is in the 2010–11 budget papers. In 2010–11 Western Power will spend \$741.3 million. In 2011–12 we have \$838.3 million and \$153.3 million. Those are referenced on pages 619 and 620. That is a total of \$2.673 billion—an underinvestment of \$186 million relative to the ERA's recommendation. Can the minister confirm that is the difference and reconcile that difference for us?

Mr J.H.D. DAY: I will seek further comment from Mr Aberle; however, if there is a difference, obviously what Western Power expends impacts on the overall level of state debt. That has been an issue of concern to the opposition and the government. Therefore what Western Power expends in global terms at least needs to be approved as part of the overall budget process. If there is a difference, I assume it is explained by those sorts of factors, but I will ask for an expert comment.

Mr D.T. Aberle: Essentially, it comes back to the point I made in response to the Leader of the Opposition's question. The shortfall is related to what actually emerged as needing to be spent in that period as opposed to

what was predicted when the access arrangement 2 period—which is what covers those three years—was approved by the ERA. That means that shortfall is most likely to be deferred into a later year rather than not spent at all for the dynamic. I explained earlier the reasons for the dynamic. I cannot give the precise figures, but that is what is going on.

Mr C.J. TALLENTIRE: Have specific projects been put on hold that would make up that \$186 million?

Mr D.T. Aberle: Yes. I will be hard-pressed to enumerate them off the top of my head. The way it works for us is that we have a 20-year planning horizon, 10 and five. The reason we run that and refresh it regularly is that the impact of boom and bust tends to either bring planned items forward or push them back. We always have some capacity to respond. What we see there is just the moving back of specific projects. I could not provide one off the top of my head.

Mr M.G. de Laeter: The majority of projects relate to growth-driven work, as Mr Aberle explained earlier. That is a combination of customer connection works and also the investment in the deep infrastructure to provide the capacity to connect new customers. The sorts of projects that have been deferred, albeit temporarily, include lines, substations and some connection works.

Mr D.T. Aberle: In some cases, an additional transformer.

Mr E.S. RIPPER: Having visited the Toodyay fire ground and noted that there was a previous serious fire in Toodyay, and there have been other serious fires in places like Bridgetown, is Western Power considering some special program for its infrastructure in these hilly, heavily timbered and more densely settled rural areas like Toodyay? For example, would Western Power perhaps be considering concrete poles rather than wooden poles in certain high-risk bushfire areas?

Mr D.T. Aberle: We have an ongoing program in cooperation with our sister organisations around Australia looking at alternative materials for poles for various applications. That remains live and active. What we have principally done is identified where there is the greatest vulnerability in the pole population. We use the Fire and Emergency Services Authority's categorisation of extreme and high fire-danger areas to drive that focus. We have dramatically increased the rate at which poles are being replaced and reinforced. Using that, we have tended to target those areas. We have also introduced, for areas of extreme risk, a coating that we put on the bottom two metres of wood poles that dramatically limits their vulnerability to burning. We have had significant success with that. That has been the most cost-effective way to continue replacing poles in those areas, and we continue with that. We are experimenting with a program whereby we can retrospectively coat poles that are in good condition with that material. We are also looking at other alternatives, such as spun concrete, along with our sister utilities. But they all have their own issues associated with them. Presently, our priority is to replace as many of our old poles as possible with something serviceable that reduces the risk.

[7.30 pm]

Mr B.S. WYATT: The minister referred to overall government debt levels. I address this question through the minister to Mr Aberle. Mr Aberle, because government debt levels have an impact on what Western Power is spending on its asset investment program, does Western Power anticipate that as government debt levels increase over the forward estimates, that will have a largely adverse impact on how Western Power's asset investment program will be run?

Mr J.H.D. DAY: I think I can say that having effective electricity infrastructure and safe and reliable electricity infrastructure is a major priority for the government, and that is weighed up together with all the other priorities that we need to deal with—just as the Leader of the Opposition was dealing with when he was Treasurer.

Synergy —

Ms L.L. Baker, Chairman.

Mr J.H.D. Day, Minister for Planning representing the Minister for Energy.

Mr T. James, Chief Executive Officer.

Mr R.A. Cowin, Acting Head, Finance and Business Services.

Mr A.S. Gaspar, Manager, Corporate Affairs.

[Witnesses introduced.]

The CHAIRMAN: Leader of the Opposition.

Mr E.S. RIPPER: Minister, how much will be required from Synergy under the five per cent efficiency dividend? Given that Synergy is a retailer, how will Synergy find that amount? What measures will it undertake to achieve that five per cent efficiency dividend?

Mr J.H.D. DAY: Synergy might be a retailer, but it is an organisation that, probably like all, has the capacity to do some things more efficiently. I will ask Mr James to comment.

Mr T. James: Thank you, minister. We are very keen as a retailer to be efficient. Part of that is to benchmark our business against other retailers to see where there are opportunities for productivity improvements. The efficiency dividend has come about in the last couple of weeks. Part of that process is that we need to have a plan put together by the end of this month. We are starting to work on that. But a key element of that will be to benchmark our activities against other retailers to see where we can make productivity improvements while still maintaining the level of service that is expected by our customers.

Mr E.S. RIPPER: Minister, has Synergy any idea of what measures it might be undertaking?

Mr J.H.D. DAY: If it does not now, it soon will; but I am sure it already has.

Mr T. James: As I said, in the past couple of weeks we have been looking closely at our costs, and we expect to have a plan put together by the end of this month, as required.

Mr E.S. RIPPER: That sounds like a last-minute decision, minister, to get the budget in order!

Mr J.H.D. DAY: There are a lot of measures in the budget to ensure that we have funds to expend on areas of need in the public arena. Whether it is last minute is not something that I am agreeing with. It has, no doubt, been under consideration for quite some time. It may even have been an idea when the Leader of the Opposition was Treasurer, I suspect, but not necessarily put into effect.

Mr C.J. TALLENTIRE: I have a number of questions relating to the billing system. What has Synergy spent to date on its new billing system? Looking at page 616 of the *Budget Statements*, what was the \$6 million that was spent in 2010–11 used for, and what is the \$1 million for 2011–12 needed for? How many customers have had a billing error, or no bill at all, since 1 July 2010?

Mr J.H.D. DAY: In relation to the customer information and billing system, there was an estimated expenditure in 2010–11 of \$6 million. That has decreased to \$1 million in 2011–12. The reduction is due to Synergy's minor IT system maintenance and stabilisation scheduling in the period. From 2012–13 the figures reflect the cost of maintaining and amending the IT system. I hope that makes sense, but I will ask Mr James for a further explanation.

Mr T. James: We have spent in the order of \$48 million so far on the customer information and billing system. I will just check with the chief financial officer. Yes, that is right. We recognised that the system that we had—which we inherited from the break-up of Western Power, and which was put in place in 1994—was no longer compliant with market conditions, so it had to be replaced. Our experience from replacing these systems is that it is complex. Our experience from other utilities was that it would take some time post implementation to settle it down. We fully acknowledge that it has not gone as smoothly as we would have liked. We have a project team set up to fix outstanding issues. As I understand it, as of today 99.5 per cent of accounts are getting out on time, and we expect to have the final issues resolved by the end of this calendar year.

Mr C.J. TALLENTIRE: So does the drop from \$5 million to \$1 million to be spent on the system suggest that Synergy thinks it now has the system fully sorted out?

Mr T. James: As I said, we expect to have it sorted out by the end of this year. We are now at 99.5 per cent of accounts going out on time, and we hope to resolve the remaining ones by the end of this calendar year.

Mr C.J. TALLENTIRE: What is that amount of \$1 million needed for? Is it for enhancement and development of the system? Will it be enough to enable the remaining problems to be ironed out? In my electorate I am hearing that there are still many people who are not receiving bills at all or not receiving them on time.

Mr T. James: Once again, my understanding is that we will have the system running as intended by the end of this calendar year. I will just check with the CFO about the remaining \$1 million.

Mr J.H.D. DAY: Mr Cowin.

Mr R. A. Cowin: The \$1 million we are referring to there is the capital spend on the system. There are two things that are important here—getting the system running correctly, and how we process the system. We expect, as the CEO rightly said, to have the remaining issues resolved by the end of this calendar year, and that \$1 million should then be adequate to maintain the applications going forward.

Mr C.J. TALLENTIRE: How does the issue of meter readings and estimates fit in with the billing system at the moment? It seems that that is causing a lot of problems for consumers, because people are dissatisfied when estimates are made rather than actual readings, and some people are doing self-readings, or they are invited to do self-readings. How does that fit in with the billing system?

Mr J.H.D. DAY: Mr James will answer that.

Mr T. James: Synergy does not actually do meter readings. Meter reading is a service provided by Western Power, and we simply respond to that information. We are conscious that at times meter readers cannot get access to meters, or on some premises the meters are remote, so people use self-reader cards, and sometimes they

are incorrect. We respond as fast as we can when we find out that there is an error and we ask for check reads et cetera with Western Power.

[7.40 pm]

Mr C.J. TALLENTIRE: Coming back to a question that I asked before, how many people have made a complaint against the billing system since 1 July 2010?

Mr A. S. Gaspar: We have had a range of complaints, albeit only a small proportion of complaints are related to the billing system per se. The complaints traverse a number of areas, in terms of the level of the bills and, as mentioned before, bill estimates. We receive complaints when customers receive an estimated bill, notwithstanding the issuing of such a bill is within the code of conduct standards and customers may be billed on the basis of an estimated reading if a meter reader cannot access the meter. We have had complaints from customers who have installed solar panels and who may have had their expectations elevated by, for example, the proponents of solar panels. They expect that they will not receive a bill again because of the performance of the solar panels, but that is not always the case, depending on the size of the solar panels. In terms of the billing system per se, we would need to come back with that level of information; but it is only a small portion of the complaints that we receive.

Mr C.J. TALLENTIRE: Is Synergy proposing to make the bills clearer when sent to people with photovoltaic panels on their roofs? I am yet to find someone who can properly explain how to read one of those bills.

Mr A. S. Gaspar: Does the member have an example of what he means? The bills define the imports from and exports to the grid, and the credits are applied based on the amount exported to the grid. However, we are looking at ways to improve the way we explain the bill—for example, putting more information on the website. We appreciate that people have invested a lot of money in solar panels and that they take the time to read and understand their bills. A variety of information is presented on the bills. Some customers have interval meter readings and other customers have accumulated meter readings. We would need to look at redefining the way we bill our customers and that would be a major project in itself given the various permutations that we would need to put into our bills. For example, some customers are on rebates and we would need to look at how that applies to the bill when the credits and debits are applied and whether it is an accumulated or interval meter reading. It would be a big project and we would need to consult with our customers to determine the best way to present those bills.

Mr C.J. TALLENTIRE: Based on these budget figures, Synergy has no intention of fixing the billing system at the moment.

Mr J.H.D. DAY: I am sorry—the billing system?

Mr C.J. TALLENTIRE: The billing system for people with photovoltaic panels.

Mr J.H.D. DAY: When the member says “fixing”, does he mean “improving”?

Mr C.J. TALLENTIRE: Making it intelligible.

Mr J.H.D. DAY: Mr Gaspar indicated that Synergy is looking at ways to —

Mr C.J. TALLENTIRE: No; he said it would be a big project, but he did not say that money was allocated in the budget for that job.

Mr A. S. Gaspar: I think we can do that through a variety of means. We can do that by the way we display bills. We also have the My Account feature on our website—synergy.net.au—and customers can get a lot more information from there over and above what is on the bill. I expect that it would not require a great deal of investment for us to provide more information through our website, thereby allowing customers to drill down to the level of detail about how much they are exporting to the grid, the interval meter readings and so on. I would need to take advice on that.

Mr B.S. WYATT: How many Synergy customers are currently on EvenPay? While the minister is going through the stats, he may have the EvenPay figures there.

Mr A. S. Gaspar: I think that it is around 2 500. I can get the exact figure, but it would be around that. We put EvenPay on hold because we are dealing with a few issues to do with the algorithms that handle EvenPay payments.

Mr B.S. WYATT: On hold for how long?

Mr A. S. Gaspar: It is a process that we are going through. We have had issues with our billing system. We are dealing with those and in the meantime we are not accepting new applications for EvenPay. We still have customers who are on EvenPay, but we need to look at how the algorithm works and how we can improve the way EvenPay works.

Mr B.S. WYATT: Through the minister: once these mathematical problems are resolved, does Synergy anticipate restarting EvenPay, or is that it for the scheme?

Mr A. S. Gaspar: No; we anticipate restarting it.

Mrs L.M. HARVEY: I refer to page 299 of budget paper No 3, in which mention is made of a representative household model and electricity consumption. What work has been done to assist households to reduce their energy consumption?

Mr J.H.D. DAY: An advertising campaign is underway and something called the energy alliance—established by and under the responsibility of the government, or minister—between Synergy and Western Power was designed to inform people about these issues.

I will ask Mr James to provide some more information.

Mr T. James: Thank you, minister. The future energy alliance comprises Synergy and Western Power and it has, I guess, a twofold focus. Firstly, in the summer months Western Power focuses on what it calls “Beat the Peak”. As members will be aware, on very hot days we have what we call peaking plants sitting, waiting to run approximately 10 times a year. Moving, or reducing, the peak makes the system more efficient and energy less expensive. After the summer, Synergy is running energy-efficiency campaigns to help customers better use our product.

In the past couple of months, since becoming chief executive officer of Synergy, I have noticed that the average household consumption for residential customers has increased somewhere around 30 per cent over the past 15 years. That has come about by adding more and very energy-intensive appliances to households—for example, air conditioning, flat-screen TVs, swimming pools, spas and those types of things. People have been adding these appliances to their households when tariffs have traditionally been quite low. Now that we are seeing consumption and tariffs stepping up, people are receiving bills that are significantly higher than the ones they are used to seeing. Synergy wants to work very closely with its customers over the coming year to help them, firstly, understand that when they buy a product, they need to afford to not only buy them off the shelf, but also operate them when installed in the home. We want people to be more aware of the total cost of an appliance and also help them to be more efficient in the way they use energy in their household. That is a key focus for us as we go forward and it is a key focus of the energy alliance. We have also enhanced our website to make sure that better information is available. An energy calculator on the website allows consumers to put in the appliances they have at home, room by room, and the system then calculates how much it will cost to run those appliances.

Mr J.H.D. DAY: As we were discussing earlier this afternoon, the increased demand for electricity and the increased consumption per household has gone up, as Mr James said, by 30 per cent over the past 15 years or so. Taking the residential sector as a whole, I understand it has gone up 42 per cent since 1994. That is having a major impact on the cost of electricity because of the need to store a lot more peak generation capacity, which is used between a few days and 10 days a year. On really hot days, more and more people want to operate air conditioners, but there is a high cost in having that generation capacity sitting unused most of the year. Therefore, if we can, we want to encourage people to draw less on the electricity system and to moderate usage by using more efficient ways to cool their homes, such as operating air conditioners at a higher temperature in summer—for example, 24 degrees rather than 22 degrees—having cooling on only when absolutely necessary and using fans instead of air conditioners. That is something that a lot of people can do. I practise it myself. If we can do that, we can reduce the load on the system and the cost to the public as a whole—a cost that we have seen rise quite substantially in recent years.

Mr E.S. RIPPER: The representative household model in the budget paper is one thing—it may not be as representative as we hope. Will the minister tell us the size of the average residential bill issued by Synergy in the last financial year, or, if the minister likes, the median residential bill for the same period?

[7.50 pm]

Mr A. S. Gaspar: The average bill for the A1 tariff, for example, which is the residential tariff for February 2011, was \$238.56. Obviously, all households are different. The tariff varies depending on the number of people in the house, the number of appliances and the way people use their electricity. One of our responsibilities is to help our customers understand how much electricity they are using and to provide them with examples of how they can reduce consumption.

Mr E.S. RIPPER: Do we have an annual average residential electricity bill; and, could we have that for each of the last four years?

Mr J.H.D. DAY: It probably does exist; it is probably published somewhere or other in the *Budget Statements*.

Mr E.S. RIPPER: Could the annual average residential bill for each of the last four years be provided as supplementary information?

Mr J.H.D. DAY: Obviously it has gone up for all the reasons we have discussed.

[Supplementary Information No B55.]

Dr M.D. NAHAN: We, of course, as local members are aware of a large number of people in our electorates struggling to pay bills. One thing that has come forward is that they have not noticed large increases in their electricity consumption. Could the minister, for the record, summarise the services that Synergy provides to assist people to find out how much electricity they consume, how they can reduce their consumption and the trends in it?

Mr T. James: There are many issues covered in that question. First, if customers have trouble paying their bills, we encourage them to contact us. We are able to provide information about how they can reduce their bill through advice from our websites or contact centre. There are many people suffering hardship. We understand that we currently have a dual economy. Those in the mining industry are doing reasonably well, but many people are not doing very well. When those customers contact us, we look to enter into payment arrangements with them. When they are unable to meet payment arrangements, we are able to refer them to the hardship utilities grant scheme, through which they are able to meet financial advisers. When necessary, money is made available to customers who genuinely face financial hardship and cannot pay their bills. Disconnection is the very last resort. There are about eight steps we go through before we will disconnect the customer. The steps are to contact us, talk to us, and there are many referral steps along the way before we get to the extreme of disconnecting.

Dr M.D. NAHAN: If someone is having trouble paying their bill, does Synergy analyse their accounts to see if their electricity consumption is growing very rapidly in conditions that they might not know of? I have some elderly constituents who leave their heaters on all night, but do not know that they are doing it, and only find out when they come to pay their bill.

Mr A. S. Gaspar: We are in the process of identifying customers who have had a substantial increase in their electricity consumption and we will notify them. We are also trying to educate customers about what is causing their electricity bills to go up. As our chief executive officer said, there are a lot more appliances in households and appliance use is increasing. For example, over 300 000 households in Western Australia have two or more fridges, and often the second fridge is over 10 years old; it is less energy efficient and contains fewer items. If people turn off that second fridge, they would save \$180 per annum. There are also more televisions and computers in households. Computers are left on overnight. Switching a computer off overnight will save a household \$100 per annum for each computer. There is a lot of energy being wasted in households around the state. People do not walk out of the bathroom and leave the tap running, but when they walk out of the lounge room or the family room, they leave the TV on or they leave the lights on. That is wasted energy and it is adding to their electricity bills. If tariffs go up, it just means that the wasted energy is costing people a lot more. We are trying to educate the community about how much they are wasting by leaving appliances on or leaving appliances on standby. The increase in the use of appliances and gadgets also drives up people's electricity bills. There are more iPods, phone chargers, laptops, computers and so on.

Mr E.S. RIPPER: I wonder whether we could be told how many people, like my colleague the member for Gosnells and me, are paying extra for GreenPower, Natural Power or Earth Friendly electricity. How many Synergy customers are doing that? Perhaps the different Synergy products could be outlined in that space.

Mr A. S. Gaspar: As at 30 April, we had 5 637 Natural Power customers. Natural Power allows customers to purchase accredited renewable energy. Customers can choose a level of 25, 50, 75 or 100 per cent. We have 653 Earth Friendly customers. Earth Friendly is a carbon offset product.

Mr E.S. RIPPER: I am one of those!

Mr A. S. Gaspar: We have 1 044 EasyGreen customers. EasyGreen customers can purchase their green energy in \$10, \$20 or \$30 lots, for example. We have 22 351 SmartPower customers. Rather than go on to the A1 tariff, SmartPower customers can go onto a pricing plan through which they are encouraged to shift their electricity consumption to off-peak times—for example, later at night, or on the weekend when electricity costs are less than the A1 tariff. However, during peak times, electricity costs them more than the A1 tariff. That encourages customers to shift their load to achieve savings on their electricity bills. That product does not suit all households, but it suits a lot of households and they can achieve energy savings while helping the network and infrastructure.

Mr E.S. RIPPER: What is Synergy's total customer base?

Mr T. James: It is around 970 000.

Mr E.S. RIPPER: Is that 970 000 residential customers?

Mr T. James: Yes.

Mr E.S. RIPPER: The minister has made comment in a number of these sessions with the electricity utilities on the high peak usage of power and the additional investment required to service that peak. What work is Synergy or the government doing on SmartPower meters, in-house displays, time-of-use charging and tariff reform, including inclining block tariffs?

Mr T. James: We are jointly working with Western Power on a solar cities project trialling all those sorts of technologies to see how responsive customers are to certain price signals. That project is happening now and once we get the information back we will be able to then form longer term strategies.

Mr E.S. RIPPER: What is the cost of the SmartPower meter?

Mr T. James: It would be in the order of \$350, but I would have to take the detail on notice.

Mr E.S. RIPPER: On the question of an inclining block tariff, is Synergy doing work on the tariff reform that would provide for a lower price for electricity for life, we might say, and then higher prices the more usage increases?

Mr T. James: Synergy's role is to implement government policy, not to create policy.

Mr E.S. RIPPER: Mr James would be interested in tariff reform, would he not?

Mr T. James: Sure, and the Office of Energy is now running a process to review tariffs, and like all other electricity retailers, we will participate in that project.

The CHAIRMAN: May I just check that I did not miss a supplementary information request about the cost of a SmartPower meter?

Mr J.H.D. DAY: Mr James gave an estimate of it. Is that sufficient or does the member require a more precise figure?

Mr E.S. RIPPER: It would be good to have the cost as supplementary information. I am looking at the cost of the SmartPower meter, not as a one-off purchase, but as part of an extended roll out.

Mr J.H.D. DAY: Does the member mean the cost of each SmartPower meter if it was part of a large roll-out scheme?

Mr E.S. RIPPER: Yes, as part of a larger scheme to roll them out.

Mr J.H.D. DAY: That is a bit hypothetical at the moment, because the scheme has to be developed. We could provide information about the current cost and one would assume that cost would be lower if it was part of a more widespread scheme. We would have to consult with Western Power. We can provide information about the cost as it is now, but what happens in the future is obviously more speculative.

[Supplementary Information No B56.]

[8.00 pm]

Mr E.S. RIPPER: How is Synergy's gas business going?

Mr T. James: That has probably been one of the bright parts of our business. We entered the gas business around 2004. We have built a portfolio in which we now have around 50 per cent of the industrial and commercial market. We cannot go below that because of the moratorium but it has been very successful for us over the past few years.

The CHAIRMAN: That completes the examination of Synergy.

Horizon Power —

Ms L.L. Baker, Chairman.

Mr J.H.D. Day, Minister for Planning representing the Minister for Energy.

Mr F. Tudor, Managing Director.

Ms A. Yam, Chief Financial Officer.

Mr B. Hamilton, General Manager, Corporate Services.

[Witnesses introduced.]

The CHAIRMAN: The member for Gosnells.

Mr C.J. TALLENTIRE: I am keen to know about the efficiency dividend and its implications for Horizon Power. How much will need to be saved in the 2011–12 financial year? Where will this saving be found? Does the Horizon board agree with this measure? Is Horizon confident that it can comply with this requirement?

Mr J.H.D. DAY: I am sure that the Horizon board agrees with the measure. I am sure that it agrees with it willingly because it is government policy and part of the budget. I will ask Mr Tudor to comment on how it will be implemented.

[Mr A.P. O’Gorman took the chair.]

Mr F. Tudor: Two avenues have come to us around efficiency. First, the Economic Regulation Authority has recently completed a review of Horizon Power that also looked at efficiency. We had already started an efficiency program within Horizon Power which started with a reorganisation of the company from the CEO, through the general manager and manager level right through the organisation. That program of reorganisation was focused primarily around a strategy that had been consolidated in dealing with organisational issues but it is also expected to yield some immediate efficiency gains through some people who have been displaced through the process. We expect to drive further efficiency through the reorganisation and the clear accountability that we have put in place, through strategy, key performance indicators and targets, down to individual roles. We are very comfortable in being able to deliver the target that has been set through the budget process. In our case that is based on the discretionary operational costs that we have, which are about \$100 million. We expect that the efficiency target that we have to find through the forward program will be about \$6 million to \$7 million.

Mr B.S. WYATT: I refer to the line item “Pilbara Underground Power Project” under “Works in Progress” on page 615 of the *Budget Statements*. Funding for that project ends in 2012–13. How many towns and communities will still have overhead powerlines after completion of the project in 2012–13?

Mr J.H.D. DAY: The project currently covers Karratha, South Hedland, Onslow and the remaining overhead network in Roebourne. Royalties for regions funding, in conjunction with local government, has committed \$130 million to provide north west towns, subject to cyclones of course, with a safe and reliable power supply by replacing the ageing overhead electricity infrastructure with undergrounding. This program is still very much underway and quite a substantial expenditure has been allocated to it. I will ask Mr Tudor to add to that.

Mr F. Tudor: The other towns that we could expect would be picked up in a project like that, if it was to be extended and funded, would be those in the Gascoyne—the Carnarvon area, for example. Along with cyclones, flooding can also be a problem in these areas, as we have experienced recently. Undergrounding does help, whether we are dealing with cyclonic conditions or flooding of the type that we have seen. We would also go further north—as far as Broome—to capture the cyclone alley. Broome would also be the subject of a reasonable business case for having undergrounding.

Mr B.S. WYATT: Is that business case for both the Kimberley and the Gascoyne being developed by Horizon?

Mr F. Tudor: Prior to the Pilbara undergrounding project commencing, we had developed business cases for the entire undergrounding of those systems that I have just mentioned. The work does exist. If we were to progress it to seek funding from government from whatever means, we would simply refresh that work. Yes, the case and the rationale exist.

Mr B.S. WYATT: When was the last time the business cases for the Kimberley and the Gascoyne went to government?

Mr F. Tudor: We have discussed it at various times as part of the budget process, probably about three to four years ago. If the member wanted the exact time we put it, I will have to take it on notice.

Mr B.S. WYATT: Can I get that information by way of supplementary information?

Mr J.H.D. DAY: I am not sure that I agree to that.

Mr B.S. WYATT: I am not after the actual information. I want to know when it was last put to government.

Mr J.H.D. DAY: I would say that these things are put to government on a continuing basis. In the sense that there is always an opportunity to extend the program, the minister’s office would be aware of that. It is obviously a question of the amount of funding available. There is preparation in the budget each year and a range of proposals are put up as part of that. I do not think it is of any great significance as to when these things are communicated to government. It is something that the government and the minister would be aware of all the time. There is probably nothing particularly significant about when a document might have been communicated.

Mr B.S. WYATT: How old is the most recent business case? I assume these things have to be updated on an annual basis.

Mr F. Tudor: I will just repeat my answer: it was probably done three or four years ago.

Mr E.S. RIPPER: Can the minister tell us how much power Horizon requires in the Pilbara to service its customers in this financial year and in projections for the next three financial years? What are Horizon’s plans to ensure that that level of power is available? How are those plans reflected in these budget papers?

Mr J.H.D. DAY: Does the Leader of the Opposition mean how much additional generation capacity is expected to be needed in the next 12 months?

Mr E.S. RIPPER: Yes. What is the growth of capacity required next year or this coming financial year and in each of the subsequent financial years? How will that be met and how is that reflected in these budget papers?

Mr J.H.D. DAY: Whether that increased budget demand and therefore generation capacity is met entirely by Horizon Power or in some other way is open to discussion. These major investment decisions have an impact on state debt, so that is something that government needs to consider. Horizon is doing work on putting proposals before government about what options there are, as I understand it. I ask Mr Tudor to add to that and perhaps comment on the quantity.

[8.10 pm]

Mr F. Tudor: Through the most recent summer we have seen peaks in the Pilbara. The interconnected system that we talk about connects Karratha and Port Hedland, so the loads there during the summer period are peaking around 100 megawatts; through the winter period they are practically halved. That is where we start from. If we go forward two to three years, then we would expect by the summer of 2013 that it is up around 130 to 135 megawatts. It is based on growth of about five to six per cent. We currently acquire power through a power station that we have underwritten in Karratha. It has been built and operated by an independent power producer called ATCO Power. That probably started about 12 or 18 months ago and that is providing us with 86 megawatts in Karratha. That system is still connected to Rio Tinto in Karratha as well. At the Port Hedland end, we have contracts at the moment with BHP and Alinta, who between them own and operate the contractual rights to the capacity that is in Port Hedland. The current contract that we have finishes at the end of December 2012. We are talking to both of those companies about an extension, which could take us out to January 2014, so that will cover the calendar year of 2013. Those negotiations have come nearly to completion and we expect to be able to sign those contracts, but they have not been signed as yet. The options that we are looking at are extension of those contracts, also hire kit, and kit that we have in our own portfolio; it could be a combination of that that also supplements any contract that we have. On top of that, we are also looking at a power station that will be built in Port Hedland, either through us or independent power producers. There is still uncertainty around the development of demand and whether we can have any contractual capacity given to us beyond January 2014. These factors have been put into the mix. We are working with government on all of the options. As far as we are concerned, we need to ensure that we have secure capacity beyond 2012, and that comes either in the form of a contract, with the security that offers, or we own and operate something which we can control. At this stage, we have no concern about being able to deliver on that obligation, but we work all of the options collaboratively with government as our shareholder.

Mr E.S. RIPPER: If you are able to secure extensions of those current contracts does that provide for the growth that you anticipate, or do you need to do something in addition to extension of those contracts, assuming that extension of the contracts is possible?

Mr F. Tudor: The thing that I can categorically say is when we can get no more contracted capacity, because that contracted capacity at some point will be earmarked for the BHP expansion, we do need to do something different. Whether it is through hire kit or a power station that we underwrite, as we have done in West Pilbara, that will need to be put in place. At the moment, there is capacity that is available up to January 2014 and probably beyond January 2014 on a different basis. We are currently in discussions with BHP and Alinta about accessing that capacity. The other options are also being looked at at the same time.

Mr E.S. RIPPER: Your anticipation is that there is a definite end to the contract in Port Hedland. You may not have a definite date, but that contract in Port Hedland will end because the power is required by BHP, and whenever it ends there has to be some other solution. Is that a correct understanding of the situation?

Mr F. Tudor: The question is when, and the question beyond that is how much BHP actually needs on a secure basis or whether there is always going to be excess capacity in that system that we can access on an interruptible basis. We would need to understand what that was and figure that into the equation.

Mr C.J. TALLENTIRE: I am interested to know in relation to the Carnarvon power generation system and grid, how much of the supply can be renewable energy before we encounter problems with the stability of that grid?

Mr J.H.D. DAY: How much as a proportion of total generation?

Mr C.J. TALLENTIRE: This was in the news in the last week or so. Carnarvon had reached a ceiling level of renewable energy generation and there were instabilities in the system because of that ceiling being hit.

Mr E.S. RIPPER: And no more solar panels would be allowed. That was the news.

Mr F. Tudor: In the small systems, when we start to put in these solar panels and they become a significant part of the baseload generation, we run into problems with voltage and also with covering any spike or outage that might be caused by cloud cover with the machines that we have to run. Either we would have to run spare capacity to cover for that instance or we would need to suffer the interruption in the quality to power supply that would come otherwise. Our first obligation is to make sure that the quality of power is not interfered with by the installation of these solar panels. We are still studying systems to make sure that we can identify in each of our

separate systems what the limits are. We started in Carnarvon with 700 kilowatts as the limit. We have recently increased that to one megawatt based on confidence we have been able to understand the system as we get the increased penetration.

Mr C.J. TALLENTIRE: Can Mr Tudor give me that in percentage terms of the overall supply?

Mr F. Tudor: The capacity of the station that we are going to build in Carnarvon is 18 megawatts, but daytime loads are about five to six megawatts. So one megawatt of solar during the day when we are talking about loads of five or six megawatts is about 20 per cent penetration, so it is a very significant amount.

Mr C.J. TALLENTIRE: But you are managing at that level, or are you are just getting by when you are at that one megawatt in the six megawatt load?

Mr F. Tudor: As we get the penetration, we physically simulate the system to understand the constraints. If we get comfortable with our ability to deliver the quality of power, we might, on a statistical basis, be able to increase the levels. That is what we have been doing. The limit has gone from 700 kilowatts to one megawatt. Over and above that, we have looked at separate installations that people have wanted to put in place and we have managed to configure different solutions for larger systems. The big issue with the small systems is that they are not designed in the same way as the south west interconnected system. The south west interconnected system is very large, so these small-scale distributed solar systems do not have the same effect.

Mr C.J. TALLENTIRE: I accept that, but can you explain why Horizon is doing so much better than the south west interconnected system, which is concerned about photovoltaic systems exceeding 150 megawatts on a notional 2 000 megawatt system? With our south west interconnected system, we have a ceiling of 7.5 per cent and Horizon is doing far better than that.

Mr F. Tudor: I have not studied the south west interconnected system. I know at a conceptual level what the differences are, but I cannot get into the detail and comment on that. All I can tell you is what we are doing on our systems.

Mr C.J. TALLENTIRE: Yet, logically, with a smaller system there would be more technical difficulties allowing for renewable energy to be powered into the system than with a bigger grid?

Mr F. Tudor: That would be my conceptual view of the differences, yes.

Mr J.H.D. DAY: I think I am right in saying that it is not only about technical aspects in relation to the amount of renewable capacity in the south west interconnected system, it is also about cost.

Mr E.S. RIPPER: It is about the size of the government subsidy.

Mr J.H.D. DAY: The size of the government subsidy and the amount that needs to be paid for in the renewable energy certificates. I think there is a national aspect to all of this which the Leader of the Opposition probably understands better than I do. There is quite a significant cost to other consumers or the taxpayers in relation to the whole renewable energy scheme. Not being the Minister for Energy, I will not seek to explain it any further than that, but there are significant cost implications that would be a factor in the SWIS.

[8.20 pm]

Dr M.D. NAHAN: Further to that question, the issue was the reliability or quality of electricity—we had to buy solar in this case. There is also a cost factor to that. Would there not be, besides the reliability and the flow of electrons, an increase-in-cost factor, because there would have to be back-up generation? Could the minister explore that in terms of the rise in use of solar in Carnarvon?

Mr F. Tudor: I can only explain it in that we are looking at both factors as an entire system. We are also, as we go forward, gaining information from the weather and the frequency of outages that we might expect through periods. We may not always have to run backup through the summer period. They are the things that we are currently simulating to give us some more statistical confidence in being able to push the limits. We are looking at it as an entire system. We do have some flexibility to potentially change some of the configuration of the power station that we are currently building, but a lot of the significant decisions have already been made on that, and we have already started work on that. The design of that was started some time before the scheme was implemented.

Dr M.D. NAHAN: You have gas backup. The generator is a gas-fired station, and a quick-start one—right?

Mr F. Tudor: Yes, it is.

Mr E.S. RIPPER: Horizon Power is subsidised by the tariff equalisation fund, which is in turn subsidised by the electricity bills paid by people in the south west interconnected system. What is the size of the tariff equalisation fund contribution required in this next financial year, and are there elements of Horizon's operations that are profitable, even if there are other elements that outweigh that by their losses? For example, is the Pilbara system making a profit? Is the Esperance system making a profit?

Mr J.H.D. DAY: In relation to the size of the subsidy that is needed, I will just ask Ms Yam to comment.

Ms A. Yam: For 2011–12, the subsidy is \$181 million. In the forward years it is \$171 million, and in 2013–14 it is \$182 million.

Mr J.H.D. DAY: That is the size of it in relation to the comment about whether particular parts of Horizon Power's operations are in the black or not. Mr Tudor, are you able to comment?

Mr F. Tudor: Yes, I am. Of course, it depends how quickly the tariffs continue to increase, based on the flight path to cost reflectivity in the SWIS. In the Pilbara, we still enjoy legacy gas contracts, which have afforded us very reasonable prices compared with today's market price for gas. Based on our actual input costs, the Pilbara is still profitable. Somewhere like Kununurra, where we enjoy the benefit of a hydro scheme that was underwritten some time ago, also is profitable. The remainder of the portfolio starts to get progressively more costly and needs to be subsidised.

Mr E.S. RIPPER: Can I just ask about the Esperance component and how that goes?

Mr F. Tudor: I would have to take that on notice.

The CHAIRMAN: Member, are you happy for the question to be put on notice, or do you want that as supplementary information?

Mr E.S. RIPPER: If the minister was prepared to provide that as supplementary information, I would like to know whether the Esperance part of Horizon's network operates at a profit or a loss.

Mr J.H.D. DAY: The answer is yes or no essentially, I guess. We will seek to provide that by way of supplementary information.

[Supplementary Information No B57.]

Dr M.D. NAHAN: When is the legacy contract up for renewal?

Mr J.H.D. DAY: Is the member talking about the Pilbara?

Dr M.D. NAHAN: Yes.

Mr F. Tudor: Our gas contract finishes in 2016.

Mr C.J. TALLENTIRE: On the issue of the Pilbara grid, I am interested to know whether there are plans to expand that grid out to the various mining operations. It sounds as though, at 100 megawatts, not much of an incursion is being made into supplying mines with electricity.

Mr J.H.D. DAY: Is that a question?

Mr C.J. TALLENTIRE: Yes, it is a question.

Mr F. Tudor: If we contemplate a new-build power station in Port Hedland, the way that we are developing the site is to set it up as a generation park. The land that we would lease is much greater than any immediate needs that we would have. Our intention would be to make that available to not only ourselves for expansion, but also other independent power producers or mining companies that wanted to avail themselves of that land to build capacity. Many of the decisions that we are taking are consistent with aggregating capacity and making it easier for the next step in the completion of the grid to happen. Around the generation park that we talk about, we would be putting in connections—the connection to the grid, the connection to the gas pipeline, the connection to water—through the corridors and potentially sizing that to accommodate expansion. That is a fairly costless exercise relative to the size of the sorts of investments that we are talking about.

Mr E.S. RIPPER: Could the minister comment on the progress of the Aboriginal power procurement project, which has run across successive governments, and the number of Aboriginal communities that have now been supplied with regularised power provided through Horizon billing systems? How many more Aboriginal communities remain to be provided with that service?

Mr J.H.D. DAY: The current situation is that Horizon will complete the \$26.5 million Aboriginal remote communities power supply program phase 2 in 2011–12. At this point funding for the program ceases, so the program will conclude. Seven hub service centres are yet to be regularised: Balgo and Mullen in the Kimberley; Jigalong, Yandeyarra and Burringurrah in the Pilbara; and Warburton and Blackstone in the central reserves.

Mr E.S. RIPPER: If I might help the minister: by the end of the program, how many communities will have been provided with this power? What is the gap that a new program will have to meet?

Mr J.H.D. DAY: Half of the priority list or 14 large communities have been upgraded with the funds available. Therefore, a further seven large remote communities that are service centre hubs have not received funding for regularisation.

Mr E.S. RIPPER: There would be many more communities beyond those 14, would there not?

Mr J.H.D. DAY: Which would be smaller, I presume.

Mr F. Tudor: They would be smaller, yes.

Mr B.S. WYATT: Does the minister have the list of those seven communities?

Mr J.H.D. DAY: The seven that will not be regularised?

Mr B.S. WYATT: Yes.

Mr J.H.D. DAY: They were the ones I read out initially. They are the ones yet to be done.

Mr E.S. RIPPER: Just so there is clarity of information in *Hansard*, could we have as supplementary information the list of communities that will be provided with power, the list of hub communities that will not be provided with power by the end of the program, and some estimate of the number of communities with more than 200 people that are still remaining to be serviced?

The CHAIRMAN: Can that be provided by way of supplementary information, minister?

Mr J.H.D. DAY: Certainly, the first part of it can. If possible, we will provide the information about communities above 200 in population that are yet to be serviced.

[*Supplementary Information No B58.*]

The CHAIRMAN: That completes the examination of Horizon Power. Members, that also completes the consideration of estimates by this committee.

Committee adjourned at 8.30 pm

SUPPLEMENTARY INFORMATION

Information that is publicly available is not included in the Supplementary Information.

The information presented below appears essentially as provided by the departments.

Division 2: Parliamentary Commissioner for Administrative Investigations —

[Supplementary Information No A1.]

Question: Mr E.S Ripper asked: Of the 182 child death notifications to the Ombudsman in the last few years, how many of those children had had contact with the Department for Child Protection?

Answer: Of the 182 child death notifications to the Ombudsman, in 96 of these cases the child, or a relative of the child, had contact with the Department for Child Protection.

Division 45: Sport and Recreation —

[Supplementary Information No A2.]

Question: Mr R.H. Cook asked for costings of work done on the stadium project.

Answer: In the 2007/08 budget and forward estimates \$39.250 million was allocated to oversee the management of the major stadia project.

In early 2009, the major stadium project was deferred for two years. Funding was allocated to Sport and Recreation to meet the residual staff and other contractual commitments in place at the time of deferral.

The tables below summarises expenditure up to and post deferral.

Stadia Project Office Expenditure

Details - Stadia Project Office	2007/08	2008/09	Total
	\$000	\$000	\$000
Salaries	271	552	823
Staff Costs	8	56	64
Travel Expenses	12	8	20
Communications	2	7	9
Services and Contracts	536	527	1,063
Consumables	6	53	59
Minor Works	4	175	179
Asset Purchases	9	8	17
Corporate Overheads	150	230	380
Totals	998	1,616	2,614

Expenditure to meet residual contractual commitments of Stadia Project Office post deferral

Details - Stadia Project Office	2009/10	2010/11	Total
	\$000	31 May \$000	\$000
Salaries	285	253	538
Staff Costs	27	19	46
Travel Expenses	2	16	18
Communications	4	3	7
Services and Contracts	97	6	103
Consumables	1	2	3
Minor Works	0	0	0
Asset Purchases	0	0	0
Corporate Overheads	64	58	122
Totals	480	357	837

[Supplementary Information No A3.]

Question: Mr R.H. Cook requested information about Liberal Party commitments that had been met out of the community sport and recreation facilities fund, and out of the consolidate account.

Answer:

Department of Sport and Recreation						
Status of Election Commitments – as at 27 May 2011						
% Complete	Project	Commitment \$'000	Status	CF Contribution Existing \$'000	CF Contribution Other Sources \$'000	CSRFF Contribution \$'000
100	ACSRA (Arena Community Sport and Recreation Association)	200	Project Completed	200	-	-
100	Bunbury Hockey Stadium	58	Project Completed	58	-	-
50	Bunbury Soccer Oval	500	\$165k CSRFF project complete for ground improvements	-	-	165
			\$335k CF funds for facility improvements requires additional funding	335	-	-
50	Centennial Park	8,000	ALAC Courts completed, four other smaller project awarded	50	-	3,216
			Balance of funds still to be defined by City of Albany	-	-	4,734
100	Eaton Bowling Club	150	Project Completed	150	-	-
100	Innaloo Sportsmens Club	400	Project Completed	128	-	272
100	Falcon Reserve Lighting	100	Project Completed	-	-	100
100	Kingsley Football Clubroom	200	Project Completed	200	-	-
100	Leeming Bows Club	330	Project Completed	194	-	136
100	Pinjarra Swimming Pool	2,000	Project Completed	200	-	1,800
100	Athletics Facility at Hay Park (Bunbury)	1,670	Project Completed	-	-	1,670
100	Balingup Bows Club	150	Project Completed	87	-	63
30	Denmark Country Club	580	Grant awarded, project completion June 2012	-	-	580
100	Denmark Walpole Football Club	119	Project Completed	-	-	119
10	Upgrade Hands Oval (Bunbury)	1,340	Application expected to be received 2012/13 round.	-	-	1,340
90	Wanneroo Football Clubrooms	670	Clubrooms 95% completed, claim to be made by June	-	-	670
10	Dalyellup and Eaton Sporting Fields	1,000	Dalyellup \$500k approved, project commenced.	-	-	500
			Eaton \$500k still in planning stages	-	-	500
5	Collie Drag strip	1,670	Project in early stages, no other funding confirmed	-	-	1,670
5	Kalgoorlie Drag strip	1,500	Project in early stages, no other funding confirmed	-	-	1,500
10	Whitewater Park		CWA's business case updated but still considered inadequate, without a concept or appropriate cost plan although estimates are \$15-\$20m.	-	5,000	-
		5,000	Securing of the other funding sources appears unlikely.	-	5,000	-
Total		25,537		1,602	5,000	19,935

11 fully complete projects					
1 almost complete					
2 projects 50% complete					
3 projects in early stages					
3 Projects at risk of not proceeding					

[Supplementary Information No A4.]

Question: Mr R.H. Cook requested information from the Department of Sport and Recreation annual report, and from other sources if necessary, on the reconciliation of the CSRFF.

Answer: Please refer to 2008–09 and 2009–10 annual reports.

The Community Sporting and Recreation Facilities Fund (CSRFF) operates on a reimbursement of cost basis. There is a material timing differences between appropriation year and the year in which grants are paid. For example, many projects approved in 2008-09 will receive payments in subsequent years. To match cash-flow to committed CSRFF projects, appropriations are reflowed across financial years and on an annual basis.

For the period 2009-10 to 2012-13, appropriations to CSRFF total \$89.151million, as per 2011-12 budget estimates below .

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES					
Item 71 Contribution to Community Sporting and Recreation Facilities Fund	15,000	25,000	17,000	28,000	29,151

Approved CSRFF projects for the period 2008-09 to 2011-12 total \$74.343million. A further \$5.657million is held contingent for election commitments, awaiting matching funds from project proponents.

	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
Approved Amount	11,245	26,119	19,539	17,440
Unallocated allowance for election commitments				5,657

CSRFF grant approvals are published in the annual reports of the Department of Sport and Recreation. Annual reports are available on line at the Departments website or available through the Parliamentary library.

[Supplementary Information No A5.]

Question: Mr D.A. Templeman requested information on the staffing allocation of the Department of Sport and Recreation staff for each of the regional offices.

Answer: The Department operates out of 11 regional offices across the State. The FTE breakdown per office is:

Government FTE by Regional Office (includes finite funded FTE)

Office	FTE
Wheatbelt - Northam	
<i>Manager</i>	1
<i>Regional Officer</i>	1
<i>Administration Assistant</i>	1
Total	3
Wheatbelt - Narrogin	
<i>Research Officer</i>	1
Total	1
Gascoyne - Carnarvon	
<i>Manager</i>	1
<i>Administration Assistant</i>	1
<i>Indigenous Support Development Officer</i>	1
Total	3
Kimberley - Broome	
<i>Manager</i>	1
<i>Administration Assistant</i>	0.5
Total	1.5
Kimberley - Kununurra	
<i>Project Officer</i>	0.5
Total	0.5
Pilbara - Karratha	
<i>Manager</i>	1
<i>Administration Assistant</i>	1
<i>Indigenous Support Development Officer</i>	1
Total	3
Midwest - Geraldton	
<i>Manager</i>	1
<i>Regional Officer</i>	1
<i>Administration Assistant</i>	1
<i>Indigenous Support Development Officer</i>	1
Total	4
Goldfields - Kalgoorlie	
<i>Manager</i>	1
<i>Regional Officer</i>	1
<i>Administration Assistant</i>	1
<i>Indigenous Support Development Officer</i>	1
Total	4
Peel - Mandurah	
<i>Manager</i>	1
<i>Regional Officer</i>	1

<i>Administration Assistant</i>	1
<i>Indigenous Support Development Officer</i>	1
Total	4
South West - Bunbury	
<i>Manager</i>	1
<i>Regional Officer</i>	1
<i>Administration Assistant</i>	1
Total	3
Great Southern - Albany	
<i>Manager</i>	1
<i>Regional Officer</i>	1
<i>Administration Assistant</i>	1
Total	3
TOTAL	30

[Supplementary Information No A6.]

Question: Mr D.A. Templeman requested information on the status update, from the state government perspective, on the Peel region recreation centre.

Answer: The Western Australian Planning Commission (WAPC) resumed the land reserved in the Peel Region Scheme for the Peel Regional Sporting Complex on 20 July 2006 in conjunction with the acquisition of land for the Perth to Bunbury (Forrest Highway).

The regional sporting complex is in public ownership and being held by the WAPC until any planning for the development of the complex is finalised and staged development commenced. It is envisaged the land will be vested with a local authority.

The timing of facility development will need to be determined by the Shire of Murray in consultation with the City of Mandurah and State Government.

Division 46: WA Sports Centre Trust —**[Supplementary Information No A7.]**

Question: Mr P.B. Watson asked for the number of VenuesWest full-time equivalent staff at the basketball facility.

Answer: The number of FTE attributable to the WA Basketball Centre is 3.

Division 3: Premier and Cabinet —**[Supplementary Information No A8.]**

Question: Mr P. Papalia asked for the total number of media staff engaged across ministerial offices, including media processing staff and media monitoring staff, and at what levels?

Answer: The Department of the Premier and Cabinet, including the Premier's Office and all Minister's Offices advises that as at 31 May 2011, 23 media staff were employed in ministerial offices and 21 media monitoring and processing staff as follows

Office	Classification
Hon Colin Barnett, MLA	
Director of Government Media	Class I
Principal Media Adviser	L6.4 + \$25,000
Senior Media Adviser	L6.4 + \$20,000
Senior Media Adviser (CHOGM)	L6.4 + \$15,966 (0.8 FTE)
Senior Media Adviser	L6.4 + \$20,000
Media Adviser	L6.4 + \$10,000
Strategic Communications Adviser	L6 + \$5,000
Hon Dr Kim Hames MLA	
Senior Media Adviser	L6.4 + \$25,000
Hon Norman Moore MLC	
Senior Media Adviser	L7.3 (officer on secondment)
Hon Brendon Grylls MLA	
Senior Media Adviser	L6.4 + \$20,000
Hon Christian Porter MLA	

Media Adviser	L6.4 + \$12,500
Hon Dr Elizabeth Constable MLA	
Media Adviser	L6.4 + \$5,000
Hon Simon O'Brien MLC	
Senior Media Adviser	L6.4 + \$10,000
Hon Robert Johnson MLA	
Senior Media Adviser	L6.4 + \$17,500
Hon Terrence Waldron MLA	
Senior Media Adviser	L6.4 + \$10,000
Hon John Day MLA	
Senior Media Adviser	L6.4 + \$10,000
Hon Peter Collier MLC	
Senior Media Adviser	L6.4 + \$10,000
Hon T Buswell MLA	
Senior Media Adviser	L6.4+\$10,000
Hon Robyn McSweeney MLC	
Senior Media Adviser	L6.4 + \$15,966
Hon John Castrilli MLA	
Media Adviser	L6.4 + \$5,000
Hon Terrence Redman MLA	
Media Adviser	L6.4 + \$5,000
Hon William Marmion MLA	
Senior Media Adviser	L6.4 + \$10,000
Hon Helen Morton MLC	
Media Adviser	L6.4 + \$5,000
Media Monitoring	
Coordinator	L4.3
Media Monitoring Officer x 9	GMO2.4 (8.2 FTE)
Media Monitoring Officer x 3	GMO2.1
Media Monitoring Officer	L2.4
Administration/Sub Editing	
Executive Officer	L5.4
Media & Research Officer	L4.3
Administrative Assistant	L2.4
Officer	L1.13 (0.4 FTE)
Officer	L1.9
Government Communications Unit	
Manager, Communication Policy Reporting	L8.3
Advertising Coordinator	L5.4

Division 4: Public Sector Commission —

[Supplementary Information No A9.]

Question: Mr J.C. Kobelke asked for details of the number and classification of staff of the Public Sector Commission who received severance payments.

Answer: Recipients of severances in 2009/10 totalling \$2.4 million are summarised in the table below.

Classification	Number of staff	Total Severance Amount
Level 3	1	\$78,069
Level 5	1	\$42,640
Level 6	2	\$176,043
Level 7	4	\$495,043
Level 8	1	\$157,697
Level 9	1	\$105,344
Class 1	4	\$859,178
Class 3	1	\$216,346
Group 2	1	\$323,569
Total	16	\$2,453,929

[Supplementary Information No A10.]

Question: Mr J.C. Kobelke asked for the number of Aboriginal employees in the public sector for years 2007–08, 2008–09, 2009–10 and 2011–12, to date, and the percentage of the total this represented.

Answer: The table below outlines the number and representation of Indigenous public sector employees based on responses received from employees of public sector agencies and authorities. Data from 2007-08 through 2009-10 is published in the *Director of Equal Opportunity in Public Employment Annual Report 2010* (p. 70). The 2010-11 figures are based on data as at 31 December 2010.

	2007-08	2008-09	2009-10	2010-11 (as at 31 December 2010)
Number of public sector employees who responded to the voluntary survey	75 153	78 353	88 729	83 968
Public sector employees who responded as a % of total number of public sector employees (response rate)	48.9%	49.3%	54.9%	54.4%
Number of employees who identified as Indigenous through the survey	2 496	1 775	2 127	2 155
Employees who identified as Indigenous as a % of public sector employees who responded to the survey	3.3%	2.3%	2.4%	2.6%

Note: Information on Indigenous people employed in the public sector is collected via the voluntary Public Sector Diversity Questionnaire. As a result, it is expected that the actual number and percentage may be under representative of Indigenous employees in the public sector.

Division 6: Salaries and Allowances Tribunal —**[Supplementary Information No A11.]**

Question: Mr E.S. Ripper asked for the titles of the 14 positions that benefited from the decision of the Salaries and Allowances Tribunal to grant pay increases to directors general.

Answer: In making its determination of 31 March 2011, the Salaries and Allowances Tribunal abolished an incremental allowance that had existed for 10 years. Under the incremental allowance, chief executive officers were eligible to receive an automatic increase in salary to the next classification level after three years of continuous service. When introduced, this was intended to be a form of attraction and retention allowance.

When this incremental allowance was abolished in the current determination, those office holders who had taken up their positions with an entitlement to an increment after three years, were compensated for the loss of that entitlement as a matter of equity. If the office holders had partially completed their three years of continuous service they received a pro-rata amount in lieu of the increment.

This was not a ‘secret’ pay rise as stated in the news media, but was clearly disclosed in the Tribunal’s published determination where it stated, “For CEOs eligible to receive the CEO’s incremental step, but who have not yet completed the qualifying period set out in the April 2010 determination, adjustments have been made so as not to disadvantage these officers.”¹ The determination was published in the Western Australian *Government Gazette* as required by statute and it was also published on the Tribunal’s website together with a media statement.

Fourteen office holders designated by the Tribunal as chief executive officers, received a pro-rata incremental allowance as part of their remuneration which came into effect on 1 May 2011. The Tribunal did not consult with any of these officers or with the Government in making its decision to abolish the incremental allowance and to compensate the affected office holders for the loss of an existing entitlement.

The holders of the following offices were affected by this decision of the Tribunal.

¹ Western Australian *Government Gazette*, Tuesday 12 April 2011 No.61 Page1348.

- Director General, Department of Agriculture and Food;
- Chief Executive Officer, Alcohol and Drug Authority;
- Chief Executive Officer, ChemCentre;
- Director General, Department for Communities;
- Chief Executive Officer, Department of Fisheries;
- Commissioner, Mental Health Commission;
- Director General, Department of Housing;
- Director General, Department of Indigenous Affairs;
- Chief Executive, Western Australian Land Information Authority;
- Director General, Department of Mines and Petroleum;
- Director General, Department of the Premier and Cabinet;
- Director General, Department of Regional Development and Lands;
- Director General, Department of State Development; and
- Chief Executive Officer, WorkCover Western Australian Authority.

Division 7: State Development —

[Supplementary Information No A12.]

Question: Mr J.C. Kobelke asked for the actual expenditure across the four years for Anketell, Ashburton North, Browse and Oakajee projects.

Answer:

	2008/09 Actual \$'000	2009/10 Actual \$'000	2010/11 Est. Actual \$'000	2011/12 Budget Est. \$'000	2012/13 Forward Estimate \$'000	2013/14 Forward Estimate \$'000	2014/15 Forward Estimate \$'000
Browse	3,665	19,264	8,417	64,867	12,055	12,450	-
Oakajee	12	2,036	3,225	7,357	3,180	2,681	-
Ashburton North	-	590	1,500	5,000	565	565	328
Anketell	52	114	800	4,000	565	565	328

Division 48: Planning —

[Supplementary Information No A13.]

Question: Mr J.N. Hyde asked for information about the value of the contract awarded to GHD for its role in this review of the R-codes.

Answer: The contract with GHD is for the Provision of Consultancy Services for the Review of State Planning Policy 3.1 – Residential Design Codes for a period of two (2) years from 1 September 2010 to 31 August 2012. The contract is for the lump sum amount of \$108,116 over two financial years.

[Supplementary Information No A14.]

Question: Ms R. Saffioti requested information on what was made publicly available in relation to the expected cost of works that were being contemplated in 2008 in relation to the City Link project.

Answer: EPRA Response:

The \$468 million for rail and bus works was a preliminary assessment done in 2008. The State and Commonwealth agreed that more detailed work was required before a more accurate estimate could be reached.

Master Plans and a cost estimate of \$609 million to sink the railway (\$361 million) and build a new underground bus station (\$248 million) were approved by Government in early 2010.

[Supplementary Information No A15.]

Question: Ms R. Saffioti requested information on the ongoing operating cost of the urban orchard.

Answer: EPRA Response

The ongoing operating costs specific to the urban orchard are \$37,300 per annum.

[Supplementary Information No A16.]

Question: Mr C.J. Tallentire asked for information about ongoing maintenance on or preservation costs of the East Perth power station.

Answer: EPRA Response

Over the last three full financial years the ongoing maintenance costs of the East Perth Power Station was an average of \$63,000 per annum.

Division 49: WA Planning Commission —**[Supplementary Information No A17.]**

Question: Mr J.N. Hyde asked for information about traffic modelling for the Perth Waterfront project.

Answer: Supplementary information attached. As the State Government has confirmed on several occasions, preparatory work will begin on the site following the Commonwealth Heads of Government Meeting in October, with substantial earthworks set to commence in early 2012.*

It is intended that Riverside Drive will remain open while much of this work is completed and then closed to complete construction of the inlet.

* [This information was provided to the committee.]

Division 50: Culture and the Arts —**[Supplementary Information No A18.]**

Question: Mr J.N. Hyde asked for the location in the budget of the final \$2.5 million instalment of the TomorrowFund.

Answer: The final instalment of \$2.5 million is included in the 2010/11 Art Gallery's Capital Appropriation (Page 567 Item 148 - 2010/11 Budget Papers). The drawdown of these funds is dependent on private donations towards the TomorrowFund reaching \$10 million. If this is not achieved by 30 June 2011 the funding of \$2.5 million will be carried forward to 2011/12.

[Supplementary Information No A19.]

Question: Mr J.N. Hyde asked for the exact breakdown of sources for the budget target of \$13.415 million in income for venues management services.

Answer: The breakdown of the revenue for the Perth Theatre Trust is as follows:

	2010/11 \$'000	2011/12 \$'000
Food and Beverage Sales	3,224	3,847
Booking Fees	3,047	3,138
Service charges	3,237	3,638
Facility hire	1,396	1,438
Interest	360	300
Other revenue	<u>938</u>	<u>1,054</u>
Total	<u>12,202</u>	<u>13,415</u>

Division 51: Chemistry Centre (WA) —**[Supplementary Information No A20.]**

Question: Mr F.M. Logan asked for a breakdown of the income received by ChemCentre from each state government department or agency and a breakdown of the income received from non-state government sources.

Answer:

ChemCentre Sales to 30 June 2010	\$,000's
State Government Departments	
WA Police Dept	3,382
Water Corporation WA	1,311
Office of the State Coroner	1,291
Department of Transport	928
Racing and Wagering WA	663

Dept of Agriculture and Food	333
Health Department	123
Dept of Environment and Conservation	66
Director of Public Prosecutions	12
Eastern Metropolitan Regional Council	11
Department of Environment and Conservation	18
Botanic Gardens and Parks Authority	4
City of South Perth	2
Department of Mines and Petroleum	2
Dept of Commerce - Energy Safety	2
Town of Kwinana	1
Shire of Carnarvon	1
City of Geraldton	1
Town of Kwinana	1
Shire of Denmark	1
City of Geraldton-Greenough	1
Shire of Gingin	1
Shire of Augusta Margaret River	1
Total State Government Sales	8,156
Private Sector Sales	4,044
Total Sales per Annual Report to 30 June 2010	12,200

Division 9: Western Australian Tourism Commission —

[Supplementary Information No A21.]

Question: Mrs M.H. Roberts asked for the exact figures of funding returned to Treasury for the Red Bull Air Race, which was allocated in the budget over three years.

Answer: Red Bull Air Race supplementary funding of \$2.16M for 2010/11 and \$2.565M for 2011/12 was returned to the Department of Treasury and Finance.

Rottnest Island Authority —

[Supplementary Information No A22.]

Question: Mrs M.H. Roberts asked for a breakdown for the past four years of day visitors and those using the accommodation on Rottnest Island.

Answer: The Rottnest Island Authority (RIA), in partnership with the Rottnest Island ferry services, did not commence recording visitor numbers to the Island on an 'extended stay' (accommodated) and 'day' basis until 2009/10.

A breakdown of accommodated and day visitors who used ferry services to Rottnest Island over the last four financial years is as follows;

	Number of visitors by ferry (excluding boating visitors) *	Accommodated Visitors	Day Trippers
2007/08	353954	Not applicable.	Not applicable.
2008/09	360718	Not applicable.	Not applicable.
2009/10	303696	35%	65%
2010/11 (year to date)	303703	33%	67%

* In addition to the ferry based visitors, based on a 2009/10 boating research study, Rottnest Island receives another 185,000 visitors by private vessel.

Division 8: Health —**[Supplementary Information No A23.]**

Question: Ms J.M. Freeman asked for details of positions provided under the child development state funding of \$49.7 million of the 60.6 full-time equivalent positions statewide.

Answer:

Child and Adolescent Health Service

A total of 45 FTE was allocated to the metropolitan Child Development Service (CDS) under the child development State funding of \$49.7 million.

Of the 45 additional FTE, 31 were allocated to the key clinical disciplines of occupational therapy, physiotherapy and speech pathology.

The decision regarding allocation of new staff was based on addressing resource disparities across the Service in occupational therapy and physiotherapy, and demand issues for speech pathology.

The metropolitan CDS is now operated as a 'single service' and staff are allocated and reassigned in an effort to ensure consistency of waiting times across sites. Previously disparities existed because each site operated independently.

Details of the positions, including discipline, current location and numbers of staff FTE are given in Table 1.

[See page E669.]

WA Country Health Service

A total of 15.6 FTE was allocated to the WA Country Health Service under the child development State funding of \$49.7 million. The location and discipline of the employed FTE are found in Table 2.

[See page E670.]

[Supplementary Information No A24.]

Question: Ms J.M. Freeman asked for a breakdown for the child development services waiting list, detailing services required and by region.

Answer:

Child and Adolescent Health Service

As at 20 May 2011, there were a total of 4,331 clients waiting for services to commence in the metropolitan Child Development Service (CDS). Wait times measure children who have been accepted as clients of the CDS at intake and are waiting for a clinical assessment, the precursor to treatment. This is 1,953 fewer clients waiting than in May 2010 (a reduction of 31%). This is a result of the impact of additional staff recruited as part of the 2010 Budget uplift.

The Metropolitan Child Development Services wait lists are based on 'requests for services'. Most children referred to the metropolitan CDS require services from more than one discipline. Each service from a different discipline is defined as a 'request for service'. Therefore one child can have multiple 'request for services'. As at 20 May 2011, there were a total of 8,758 'requests for service' across the major disciplines. Details of the number of requests for service by discipline, site and region are provided at Table 1.

WA Country Health Service

The general practice throughout the WA Country Health Service is that all clients are assessed at the earliest possible time and prioritised accordingly. Lower prioritised clients are provided with options depending on geographical location including home programs or access to other services. Higher prioritised clients are seen at the earliest available appointment.

Clinicians reported average wait times from referral to clinical assessment for these clients is between 2-30 days in most locations.

See Table 1.

A24 - Table 1.

Metro CDS		"Request for Services" by Discipline						
Region	Site	Speech Pathology	Occupational Therapy	Physiotherapy	Paediatrics	Clinical Psychology	Social Work	Total
Central	Bentley Child Development Service	400	212	82	221	84	63	1062
	West Perth / State Child Development Service	385	207	86	165	97	61	1001
Central Total		785	419	168	386	181	124	2063
North	Clarkson Child Development Service	219	82	49	123	28	30	531
	Joondalup Child Development Service	374	93	66	137	36	18	724
	Koondoola Child Development Service	374	87	60	129	47	23	720
	Lockridge Child Development Service	96	59	33	101	24	22	335
	Midland Child Development Service	269	85	43	76	27	43	543
North Total		1332	406	251	566	162	136	2853
South	Armadale Child Development Service	554	171	57	221	170	65	1238
	Fremantle Child Development Service	453	170	100	178	29	107	1037
	Peel Child Development Service	312	52	56	2	25	10	457
	Rockingham/Kwinana Child Development Service	753	100	31	98	34	94	1110
South Total		2072	493	244	499	258	276	3842
Total		4189	1318	663	1451	601	536	8758

[Supplementary Information No A25.]

Question: Mr R.H. Cook asked for information on the tracking over the four tertiary hospitals—Royal Perth Hospital, Sir Charles Gairdner Hospital, Fremantle Hospital and Princess Margaret Hospital for Children—on the percentage they achieved on a daily basis in relation to the four-hour rule.

Answer: The daily reports on the performance on the Four-Hour Rule for each of the metropolitan tertiary hospitals are detailed below:

PRESDT	EST_CCData											
	RPH			FREMANTLE			PMH			SCGH		
	LOS<=4 TOTAL			LOS<=4 TOTAL			LOS<=4 TOTAL			LOS<=4 TOTAL		
	HOURS	ATTENDANCES	Percent									
01-Feb-11	119	178	66.9%	98	147	66.7%	138	144	95.8%	105	174	60.3%
02-Feb-11	142	181	78.5%	84	122	68.9%	141	150	94.0%	114	174	65.5%
03-Feb-11	140	201	69.7%	109	142	76.8%	140	146	95.9%	98	157	62.4%
04-Feb-11	138	193	71.5%	90	130	69.2%	139	148	93.9%	88	164	53.7%
05-Feb-11	159	177	89.8%	108	135	80.0%	146	149	98.0%	100	156	64.1%
06-Feb-11	164	200	82.0%	139	171	81.3%	191	201	95.0%	108	164	65.9%
07-Feb-11	161	207	77.8%	120	157	76.4%	169	177	95.5%	107	175	61.1%
08-Feb-11	179	207	86.5%	101	135	74.8%	158	161	98.1%	109	173	63.0%
09-Feb-11	154	192	80.2%	116	154	75.3%	159	163	97.5%	110	166	66.3%
10-Feb-11	154	184	83.7%	103	144	71.5%	160	168	95.2%	99	166	59.6%
11-Feb-11	185	239	77.4%	102	140	72.9%	149	154	96.8%	103	180	57.2%
12-Feb-11	179	213	84.0%	121	150	80.7%	179	185	96.8%	117	164	71.3%
13-Feb-11	133	182	73.1%	136	162	84.0%	205	208	98.6%	105	143	73.4%
14-Feb-11	170	218	78.0%	101	137	73.7%	168	180	93.3%	119	175	68.0%
15-Feb-11	173	212	81.6%	121	149	81.2%	173	175	98.9%	112	177	63.3%
16-Feb-11	170	206	82.5%	106	149	71.1%	150	151	99.3%	114	169	67.5%
17-Feb-11	174	213	81.7%	88	127	69.3%	163	176	92.6%	115	177	65.0%
18-Feb-11	182	222	82.0%	134	165	81.2%	142	150	94.7%	107	173	61.8%
19-Feb-11	160	205	78.0%	134	153	87.6%	149	153	97.4%	120	163	73.6%
20-Feb-11	183	218	83.9%	147	176	83.5%	201	214	93.9%	128	194	66.0%
21-Feb-11	175	232	75.4%	131	164	79.9%	179	193	92.7%	118	185	63.8%
22-Feb-11	162	198	81.8%	130	160	81.3%	165	174	94.8%	122	161	75.8%
23-Feb-11	151	186	81.2%	108	148	73.0%	151	164	92.1%	122	155	78.7%
24-Feb-11	161	208	77.4%	110	132	83.3%	136	156	87.2%	132	172	76.7%
25-Feb-11	173	222	77.9%	131	158	82.9%	134	156	85.9%	128	180	71.1%

PRESDT	RPH			FREMANTLE			PMH			SCGH		
	LOS<=4 HOURS	TOTAL ATTENDANCES	Percent									
26-Feb-11	200	229	87.3%	143	178	80.3%	189	207	91.3%	134	171	78.4%
27-Feb-11	181	209	86.6%	150	178	84.3%	165	178	92.7%	136	184	73.9%
28-Feb-11	177	222	79.7%	134	163	82.2%	166	189	87.8%	125	188	66.5%
01-Mar-11	174	207	84.1%	101	150	67.3%	146	158	92.4%	119	174	68.4%
02-Mar-11	139	176	79.0%	119	162	73.5%	154	160	96.3%	123	164	75.0%
03-Mar-11	161	211	76.3%	125	150	83.3%	164	171	95.9%	131	181	72.4%
04-Mar-11	166	197	84.3%	130	153	85.0%	157	162	96.9%	112	148	75.7%
05-Mar-11	188	220	85.5%	147	167	88.0%	189	193	97.9%	135	193	69.9%
06-Mar-11	190	223	85.2%	162	173	93.6%	173	182	95.1%	106	162	65.4%
07-Mar-11	172	209	82.3%	149	171	87.1%	195	201	97.0%	135	191	70.7%
08-Mar-11	183	225	81.3%	139	172	80.8%	178	186	95.7%	117	182	64.3%
09-Mar-11	154	219	70.3%	119	147	81.0%	152	163	93.3%	133	189	70.4%
10-Mar-11	163	207	78.7%	122	151	80.8%	134	144	93.1%	115	179	64.2%
11-Mar-11	157	226	69.5%	122	167	73.1%	165	174	94.8%	113	169	66.9%
12-Mar-11	158	206	76.7%	147	168	87.5%	183	192	95.3%	136	176	77.3%
13-Mar-11	154	202	76.2%	124	153	81.0%	195	200	97.5%	118	169	69.8%
14-Mar-11	165	227	72.7%	103	150	68.7%	199	209	95.2%	121	198	61.1%
15-Mar-11	148	182	81.3%	114	155	73.5%	146	156	93.6%	139	177	78.5%
16-Mar-11	153	201	76.1%	133	160	83.1%	163	170	95.9%	127	178	71.3%
17-Mar-11	150	200	75.0%	130	152	85.5%	161	173	93.1%	108	149	72.5%
18-Mar-11	166	214	77.6%	123	155	79.4%	158	173	91.3%	131	182	72.0%
19-Mar-11	179	214	83.6%	131	144	91.0%	158	172	91.9%	134	183	73.2%
20-Mar-11	171	199	85.9%	151	174	86.8%	190	199	95.5%	127	181	70.2%
21-Mar-11	152	208	73.1%	142	164	86.6%	187	197	94.9%	117	180	65.0%
22-Mar-11	146	203	71.9%	134	153	87.6%	168	177	94.9%	139	187	74.3%
23-Mar-11	126	191	66.0%	116	160	72.5%	166	172	96.5%	137	185	74.1%
24-Mar-11	177	212	83.5%	124	153	81.0%	159	172	92.4%	109	157	69.4%
25-Mar-11	162	185	87.6%	117	155	75.5%	165	181	91.2%	117	152	77.0%
26-Mar-11	178	203	87.7%	133	162	82.1%	179	184	97.3%	140	171	81.9%
27-Mar-11	191	218	87.6%	146	176	83.0%	208	213	97.7%	152	185	82.2%
28-Mar-11	149	189	78.8%	139	170	81.8%	192	206	93.2%	124	181	68.5%
29-Mar-11	173	208	83.2%	128	151	84.8%	182	193	94.3%	120	171	70.2%
30-Mar-11	163	193	84.5%	95	153	62.1%	154	164	93.9%	103	159	64.8%
31-Mar-11	164	202	81.2%	111	132	84.1%	155	160	96.9%	105	152	69.1%
01-Apr-11	158	187	84.5%	118	160	73.8%	170	177	96.0%	118	195	60.5%
02-Apr-11	180	199	90.5%	141	168	83.9%	187	194	96.4%	111	177	62.7%
03-Apr-11	187	209	89.5%	166	184	90.2%	196	199	98.5%	109	176	61.9%
04-Apr-11	194	213	91.1%	127	160	79.4%	178	193	92.2%	120	184	65.2%
05-Apr-11	206	230	89.6%	114	156	73.1%	162	173	93.6%	112	171	65.5%
06-Apr-11	176	208	84.6%	119	162	73.5%	181	191	94.8%	123	157	78.3%
07-Apr-11	167	191	87.4%	118	140	84.3%	131	136	96.3%	118	182	64.8%
08-Apr-11	149	176	84.7%	119	133	89.5%	171	178	96.1%	115	151	76.2%
09-Apr-11	176	196	89.8%	117	140	83.6%	169	173	97.7%	119	179	66.5%

	RPH			FREMANTLE			PMH			SCGH		
PRESDT	LOS<=4 TOTAL											
	HOURS	ATTENDANCES	Percent									
10-Apr-11	187	203	92.1%	128	163	78.5%	208	211	98.6%	132	184	71.7%
11-Apr-11	185	214	86.4%	108	128	84.4%	185	196	94.4%	114	178	64.0%
12-Apr-11	184	190	96.8%	107	140	76.4%	174	186	93.5%	97	166	58.4%
13-Apr-11	159	169	94.1%	135	150	90.0%	161	169	95.3%	108	132	81.8%
14-Apr-11	169	196	86.2%	130	150	86.7%	152	169	89.9%	120	173	69.4%
15-Apr-11	182	219	83.1%	121	142	85.2%	147	153	96.1%	115	170	67.6%
16-Apr-11	154	185	83.2%	162	181	89.5%	157	166	94.6%	124	161	77.0%
17-Apr-11	178	196	90.8%	152	185	82.2%	199	205	97.1%	135	186	72.6%
18-Apr-11	208	220	94.5%	135	150	90.0%	183	188	97.3%	133	183	72.7%
19-Apr-11	200	218	91.7%	119	149	79.9%	148	153	96.7%	115	169	68.0%
20-Apr-11	186	198	93.9%	120	136	88.2%	158	161	98.1%	129	175	73.7%
21-Apr-11	170	185	91.9%	112	146	76.7%	161	169	95.3%	110	154	71.4%
22-Apr-11	176	191	92.1%	156	166	94.0%	187	194	96.4%	120	167	71.9%
23-Apr-11	190	206	92.2%	146	150	97.3%	183	190	96.3%	125	153	81.7%
24-Apr-11	180	194	92.8%	139	155	89.7%	172	176	97.7%	159	184	86.4%
25-Apr-11	211	235	89.8%	166	180	92.2%	200	208	96.2%	143	186	76.9%
26-Apr-11	215	221	97.3%	172	197	87.3%	192	192	100.0%	147	183	80.3%
27-Apr-11	189	205	92.2%	131	147	89.1%	174	178	97.8%	134	165	81.2%
28-Apr-11	171	194	88.1%	133	147	90.5%	113	114	99.1%	115	148	77.7%
29-Apr-11	152	176	86.4%	113	122	92.6%	145	145	100.0%	117	153	76.5%
30-Apr-11	167	194	86.1%	136	149	91.3%	144	145	99.3%	135	173	78.0%
01-May-11	160	179	89.4%	170	173	98.3%	159	166	95.8%	116	148	78.4%
02-May-11	163	190	85.8%	133	141	94.3%	171	176	97.2%	115	168	68.5%
03-May-11	171	188	91.0%	124	126	98.4%	156	156	100.0%	110	157	70.1%
04-May-11	163	177	92.1%	132	144	91.7%	177	184	96.2%	124	162	76.5%
05-May-11	184	197	93.4%	132	152	86.8%	138	141	97.9%	122	172	70.9%
06-May-11	180	204	88.2%	111	144	77.1%	153	154	99.4%	125	172	72.7%
07-May-11	184	193	95.3%	125	136	91.9%	161	161	100.0%	126	170	74.1%
08-May-11	183	202	90.6%	144	161	89.4%	207	209	99.0%	105	157	66.9%
09-May-11	203	232	87.5%	132	156	84.6%	186	189	98.4%	92	169	54.4%
10-May-11	159	185	85.9%	125	148	84.5%	167	168	99.4%	130	178	73.0%
11-May-11	132	159	83.0%	123	136	90.4%	141	141	100.0%	113	144	78.5%
12-May-11	149	174	85.6%	93	133	69.9%	160	160	100.0%	124	161	77.0%
13-May-11	131	176	74.4%	128	171	74.9%	170	183	92.9%	137	161	85.1%
14-May-11	175	192	91.1%	132	149	88.6%	180	186	96.8%	111	161	68.9%
15-May-11	175	200	87.5%	152	171	88.9%	208	211	98.6%	132	167	79.0%
16-May-11	185	233	79.4%	112	151	74.2%	196	197	99.5%	135	180	75.0%
17-May-11	165	181	91.2%	115	137	83.9%	151	153	98.7%	121	169	71.6%
18-May-11	146	189	77.2%	127	163	77.9%	162	165	98.2%	129	177	72.9%
19-May-11	160	204	78.4%	114	148	77.0%	172	173	99.4%	102	168	60.7%
20-May-11	149	186	80.1%	120	148	81.1%	176	177	99.4%	119	154	77.3%
21-May-11	159	175	90.9%	131	143	91.6%	184	187	98.4%	130	176	73.9%
22-May-11	157	203	77.3%	152	179	84.9%	209	217	96.3%	146	181	80.7%
23-May-11	139	183	76.0%	119	158	75.3%	167	177	94.4%	130	184	70.7%

	RPH			FREMANTLE			PMH			SCGH		
PRESDT	LOS<=4 TOTAL											
	HOURS	ATTENDANCES	Percent									
24-May-11	139	190	73.2%	102	129	79.1%	159	166	95.8%	117	170	68.8%
25-May-11	135	191	70.7%	138	150	92.0%	182	186	97.8%	115	169	68.0%
26-May-11	149	199	74.9%	118	129	91.5%	177	182	97.3%	109	157	69.4%
27-May-11	138	186	74.2%	147	163	90.2%	179	189	94.7%	127	158	80.4%
28-May-11	164	189	86.8%	107	145	73.8%	175	193	90.7%	135	167	80.8%
29-May-11	133	169	78.7%	134	166	80.7%	201	217	92.6%	125	169	74.0%
30-May-11	179	213	84.0%	126	159	79.2%	180	198	90.9%	123	185	66.5%
31-May-11	158	200	79.0%	124	146	84.9%	177	184	96.2%	119	164	72.6%

INDICATOR DEFINITIONS

1. ED Attendances

Definition:	Total number of emergency department (ED) attendances.
Guide for use:	This indicator is a count of all ED attendance episodes where patients presented at the ED and were registered in any manner in one of the electronic data collection systems.
Activity inclusion:	All ED attendance episodes with valid presentation date/time including dead on arrival, did not wait, inpatients attending ED, attendances referred to after hours GP, and attendances with direct admission where presentation data/time were recorded (not missing or null).
Activity exclusion:	ED attendance episodes without valid presentation date/time.
Data source:	Emergency Department Data Collection (EDDC).
Report prepared by:	Information Development & Management Branch and Performance Reporting Branch, Performance Directorate, Performance Activity & Quality Division.

2. Percentage of Emergency Department attendances that were seen and admitted, discharged or transferred in four hours or less (length of episode ≤ 4 hours)

Definition:	The proportion of ED attendances where the length of episode (LOE) in ED, i.e., time from presentation at ED to discharge from ED either for admission for inpatient care and/or treatment, transfer to another hospital or departure, was 4 hours or less.
Guide for use:	This indicator measures the number of ED attendances with LOE in ED less than or equal to 4 hours relative to total ED attendances for which the LOE in ED can be calculated. This measure is calculated using the number of ED attendances with LOE in ED ≤ 4 hours (≤ 240 mins) as numerator and total number of ED attendances for which LOE in ED can be calculated as denominator, expressed as percentage.
Activity inclusion:	All ED attendance episodes with valid (or values are not missing or null) presentation date/time, discharge date/time and admission date/time (for episodes admitted to ED for observation).
Activity exclusion:	ED attendances with non valid (or values are missing or null) presentation date/time, discharge date/time or admission date/time (for episodes admitted to ED for observation), or dead on arrival.
Data source:	Emergency Department Data Collection (EDDC).
Report prepared by:	Information Development & Management Branch and Performance Reporting Branch, Performance Directorate, Performance Activity & Quality Division.

[Supplementary Information No A26.]

Question: Mr R.H. Cook asked for a breakdown of commonwealth and state funding for emergency department services in 2010–11 and 2011–12, including FTEs that were last year spread across the forward estimates.

Answer:

Funding Type	2010-11	2011-12
	\$000	\$000
Commonwealth Funding	54,779	10,602
State Funding	379,928	425,101

In addition to funding included in the above table, the Commonwealth also provides general funding to the State Government for the provision of Health services, which is then provided to the Department of Health, via the Department of Treasury and Finance, as a State Government appropriation as part of the normal State Appropriation Bill.

Funding of FTE is not separately identified between State and Commonwealth funding.

[Supplementary Information No A27.]

Question: Mr R.H. Cook asked the Minister for Health for the average cost for an elective surgery procedure in each of the priority categories.

Answer: Average Cost of Cases Admitted from Elective Surgery Waiting Lists by Triage Category, 2009-10

Urgency Category	Average Cost (\$)
1	6,345
2	5,104
3	3,994

Source:

Wait List Data Collection and Hospital Morbidity Data Collection

Note:

Urgency Categories are defined as:

- Urgency category 1 admissions within 30 days desirable
- Urgency category 2 admissions within 90 days desirable.
- Urgency category 3 admissions within 365 days desirable.

Average cost includes full cost of the admitted patient episode, not just the procedure

Cost computation uses Department of Health and Ageing, Diagnosis Related Group (DRG) version 5.2 costings.

[Supplementary Information No A28.]

Question: Mr R.H. Cook asked the Minister for Health for reconciliation of the \$30.4 million under the heading of “Enhancing Health Services for the Pilbara in Partnership with Industry”.

Answer: “Enhancing Health Services for the Pilbara” is a joint initiative between the State and industry. The project was approved by Government in 2009 with a total budget of \$38.244m over the five year period from 2009/10 to 2013/14. The State is contributing \$32.964m with the balance of \$5.280m coming from industry partners.

The 2010/11 budget was presented on the basis that the \$38.244m project would be funded in part from operational funding (\$7.817m) and from Capital Works (\$30.427m). While the scope of the project remains consistent with the original approval, the funding sources have been realigned in the 2011/12 budget to better reflect the nature of the specific elements of the various initiatives, and in recognition of the associated accounting treatments required by applicable accounting standards.

Funds are being directed to 11 specific initiatives:

	Recurrent	Capital
Emergency Transport	\$7.295m	
Aboriginal Liaison Officers	\$1.933m	
ED Medical Equipment and Telehealth		\$0.565m
Emergency Management Education and Training	\$1.218m	
Medical Specialists	\$12.329m	
Nurse practitioners	\$1.744m	
Indigenous Employment and Training	\$4.567m	
Karratha Helipad	\$0.182m	\$0.650m
CT Scanner Services at Nickol Bay	\$0.698m	\$2.046m
Sexual and Family Health Workers	\$2.825m	
Small Hospital Planning and Revitalisation		\$2.190m
FUNDING STREAM TOTALS	\$32,793m	\$5,451m
PROJECT TOTAL		\$38,244m

Division 74: Mental Health Commission —

[Supplementary Information No A29.]

Question: Ms J.M. Freeman asked: Is the Aboriginal adolescent health service in Mirrabooka operating to provide services for Indigenous youth with mental health issues; and, if not, has it received additional funding through the Close the Gap strategy to focus on delivering services to Indigenous youth?

Answer: The Child and Adolescent Health Service (CAHS) does not have a specific Aboriginal Adolescent Health Service in Mirrabooka provided by either the Child and Adolescent Mental Health Service (CAMHS) or Child and Adolescent Community Health (CACH).

Adolescents in the area of Mirrabooka who require input from CAMHS could access services at the most appropriate metropolitan provider, which could include locations such as, but not limited to; Joondalup, Bentley, Warwick and PMH, dependent on the individual’s presentation and needs.

Division 75: Disability Services Commission —

[Supplementary Information No A30.]

Question: Mr R.H. Cook requested the demand modelling done by the Disability Services Commission to arrive at the new funding levels associated with housing.

Answer: The model to determine the Social Housing requirement for people with disabilities uses the known rate of growth in the number of people who will be funded for Accommodation Support Funding and the Community Living Initiative.

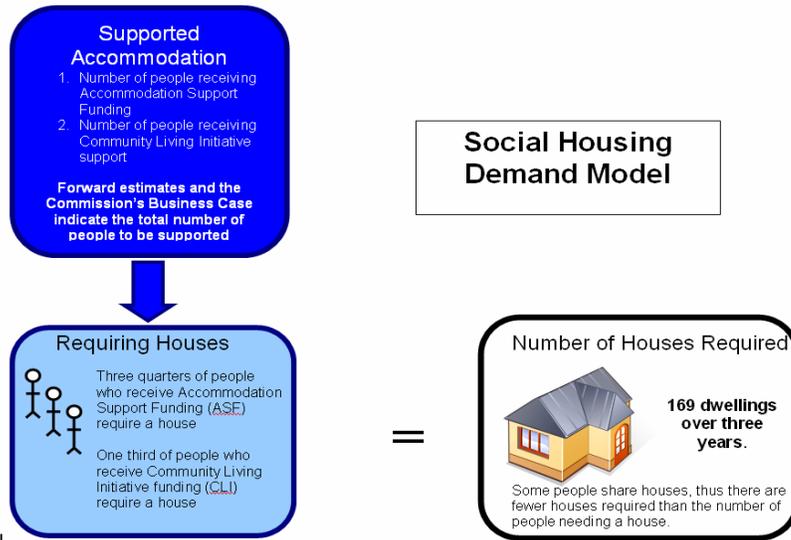
This rate of growth is based on the commitments in forward estimates as informed by the Commission’s business case for growth funding.

Not all people who receive Accommodation Support Funding or the Community Living Initiative require a house. Of those who do require a house, a number will share a house with other people with disabilities.

Social housing for people with disabilities includes a mix of small and medium sized dwellings for between 2–5 people.

The proportion of people who it is predicted will require a house (i.e. 340 people) in combination with the housing mix (different sized houses dependant on the number of residents per house) is used to determine the number of houses needed (i.e. 169 dwellings).

See Attachment 1 below for diagrammatic representation of the funding model.



Division 68: Environment and Conservation —

[Supplementary Information No A31.]

Question: Mrs C.A. Martin requested statistics about national parks that have management plans and national parks that do not.

Answer: There are 77 national parks covered by a gazetted management plan, including 29 covered by their own specific area management plan and 48 covered by a regional management plan.

There are 22 national parks that are not covered by a management plan.

[Supplementary Information No A32.]

Question: Mr F.M. Logan requested a breakdown of how the \$1 million announced as part of the Turning the Tide with Phytophthora Dieback program will be spent.

Answer: Two rangers will be employed to undertake community and visitor education, access management, compliance and enforcement required for the management of dieback in the park, especially in very high conservation value and restricted access areas. Functions will include installing and maintaining infrastructure to manage and inform visitors about the threat of dieback, and implementing a dieback risk management plan that will be developed in year 1.

Approximate costs are:

Salaries and overheads	\$170,000
Vehicle costs	\$30,000
Establishment costs	\$15,000
Operational costs	\$15,000
Housing	\$20,000
Total	\$250,000

[Supplementary Information No A33.]

Question: Mr F.M. Logan requested information on the funding for the Gorgon offset threatened species program, where that funding goes and how long it runs for.

Answer: The Gorgon Joint Venture will provide \$10 million over 12 years to the Department of Environment and Conservation (DEC) for the Threatened and Priority Species Translocation and Reintroduction Program, with \$1.3 million each year for the first five years, then \$0.5 million each year for the subsequent seven years. Funding is indexed from 1 January 2007. Two payments have been received to date, in November 2009 and November 2010.

The funding is to be used to translocate and reintroduce selected species of fauna from Barrow Island to other suitable habitat within Australia and to monitor and manage the new populations and their habitats. To date, four mammal species and two species of birds have been translocated from Barrow Island and reintroduced to areas of their former ranges on islands and the mainland. These newly established populations have been regularly monitored for dispersion, breeding and general health. Further translocations are planned for mid 2011.

Approximately 6 FTEs are employed with program funds, spread across approximately 20 personnel, most of whom are existing DEC staff contributing expertise to the program.

[Supplementary Information No A34.]

Question: Mr F.M. Logan asked for a breakdown of how the allocation of \$220 000 in 2010–11 for the enhanced project assessment and strategic support was spent and how the proposed \$2.254 million for the project will be spent.

Answer: In 2010/11, the \$222,000 was spent on the initial recruitment of officers to undertake the assessment of uranium proposals and improving information management within the Office of the Environmental Protection Authority.

The proposed budget for 2011/12 provides for the employment of three officers to improve the management of information, the development of Information Management databases to assist with improving client services, finalisation of the recruitment of three officers to undertake the assessment and compliance monitoring related to uranium proposals, and three officers to provide strategic environmental advice leading to improved certainty to proponents and a more efficient proposal assessment process.

Division 70: Office of the Environmental Protection Authority —

[Supplementary Information No A35.]

Question: Mr C.J. Tallentire requested details of the travel specifically to review uranium projects and where that funding was sourced.

Answer: Members of the Environmental Protection Authority (EPA) and relevant officers in the Office of the EPA have undertaken the following site visits to uranium proposals currently under assessment:

- BHP Billiton's Yeelirrie Uranium Project on 7 October 2010;
- Toro Energy's Wiluna Uranium Project on 4 November 2010; and

- Mega Uranium's Lake Maitland Uranium Project on 19 May 2011.

All of these site visits used charter aircraft due to the number of people attending, including company representatives, consultants to the company and officers of other agencies in the case of the Lake Maitland visit.

The EPA and Office of the EPA have a policy of using commercial flights where available, and have funds in their budget for this, however this was not possible in each of these circumstances. The companies arranged for each of the charters.

[Supplementary Information No A36.]

Question: Mr C.J. Tallentire requested information on the number of projects awaiting EPA action.

Answer: The number of projects under assessment recorded on the Environmental Protection Authority (EPA) web-site as at 30 May 2011 is 95. Of these, 43 projects require EPA action.

[Supplementary Information No A37.]

Question: Mr C.J. Tallentire requested information on the number of projects that were audited for the first outcome, the efficiency and effectiveness indicator, which is the percentage of approved projects with actual impacts not exceeding those predicted during the assessment, and the number of projects that were audited for the 100 per cent reading there.

Answer: The determination of whether a project has had impacts exceeding those predicted during the assessment is based on information from Office of the Environmental Protection Authority (OEPA) audits, audits by other Government agencies, reports submitted by project proponents and information reported by the public.

A key measure for this key performance indicator is the number of times that action needs to be taken beyond routine compliance to achieve protection of the environment as specified under conditions in an Implementation Statement. Such action could relate to the issuing of a notice by the Minister for Environment to prevent, control or abate any pollution or environmental harm caused by non-compliance.

The anticipated 2010-2011 result of 100 per cent for effectiveness indicator 1 was determined by considering the criteria outlined above, including the outcome of 50 detailed audits undertaken by the OEPA in 2010-2011 and compliance reports submitted by proponents.

[Supplementary Information No A38.]

Question: Mr F.M. Logan requested information on the detail of the \$700 000 allocated to the fertiliser action program.

Answer: The provision of \$1.09 million in 2011-2012 for income from grants and subsidies is an estimate of likely income for that year. The Royalties for Regions: Pilbara Cities funding of \$390,000 is the only confirmed amount.

The balance of \$700,000 represents an estimate of other income that may arise based on historic trends.

The one-off Fertiliser Action Plan grant of \$610,000 from State NRM funds received by the Office of the Environmental Protection Authority in 2009-2010 on behalf of other agencies has been acquitted. \$350,000 of the funds were used by the Department of Agriculture for commencement of trials on low water soluble fertiliser. \$120,00 to the Department of Water, for work on soil amendments. The balance was expended by the Department of Environment and Conservation/Office of the Environmental Protection Authority, working with the fertiliser manufacturers and fertiliser experts to develop the basis for packaged fertiliser regulations.

Water Corporation —

[Supplementary Information No A39.]

Question: Mr F.M. Logan requested information on the income received from FESA by the Water Corporation for the maintenance of fire hydrant in a full year; what the backlog is on fixing fire hydrants; and the highest charge for an individual fire hydrant.

Answer:

1. To date during this financial year, the Water Corporation has received \$1,880,858 from FESA.
2. There are 1,205 outstanding work orders for work related to fire hydrants.

There are approximately 68,000 hydrants in the State. Of the outstanding jobs about 72% of these orders are for the replacement of hydrants with the remainder being minor work such as lowering hydrant boxes. Most of the hydrant replacement orders are non-urgent and the hydrants are still able to function. The Water Corporation's contractors have engaged additional staff to reduce the backlog.

3. The highest charge for an individual hydrant was \$7,145 in Newman.

This was a complex job that needed to be completed on a Saturday, thereby increasing the Water Corporation and sub-contract labour costs. The location of the repair (in the main street of Newman) required significant reinstatement.

[Supplementary Information No A40.]

Question: Mr F.M. Logan requested information on the expression of interest process for the supply of water to the Water Corporation.

Answer: Responses received to the West Pilbara Desalination Plant Expression of Interest (EOI).

Respondent	Nature of water supply / technology
Groundwater Options	
1. Rio Tinto Iron Ore (Pilbara Iron Pty Ltd)	Groundwater at Bungaroo Creek
2. Fortescue Metals Group Ltd (FMG)	Large scale dewatering at Solomon Mine
Private Sector / Alliance models	
3. Leighton Contractors Pty Ltd	none
4. McConnell Dowell Constructors (Aust) Pty Ltd	none
5. Regional Power Corporation (Horizon Power)	none
Desalination plant options – (no site offered)	
6. AJ Lucas Operations Pty Ltd	Seawater Reverse Osmosis (RO) Desalination
7. AWM International	Solar Distillation Desalination
8. Boldcity Investments	Seawater RO Desalination
9. Carbon Reduction Ventures Pty Ltd	Solar Thermal Multiple Effect Distillation (MED) Desalination
10. Citic Construction (Australia) Pty Ltd	Seawater RO Desalination
11. Osmoflow	none
12. Quality Group	none
13. Veolia Water Australia Pty Ltd	Seawater RO Desalination
14. Windesal Ltd	RO Desalination
Water Corporation	
15. Water Corporation	RO Desalination

Cost components of proposals are considered to be commercial-in-confidence and as such have not been included.

Division 56: Commissioner of Main Roads (except Service 7, Office of Road Safety) —

[Supplementary Information No A41.]

Question: Mrs M.H. Roberts requested the breakdown of minor works funding by program for the 2010–11 budget, the 2010–11 estimated actual, the 2011–12 budget, the 2012–13 budget, the 2013–14 budget and the 2014–15 budget.

Answer: See following table:

Minor Works Funding Breakdown by Program – 2010/11 and 2011/12 Budget and Forward Estimates

Program Category	2010/11 Budget	2010/11 Est Actual	2011/12 Budget	2012/13 Forward Est	2013/14 Forward Est	2014/15 Forward Est
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Road System Management	964	1,822	572	600	600	600
Road Efficiency Improvements	20,984	14,780	19,660	11,570	11,747	15,877
Infrastructure for Community Access	2,226	1,761	1,045	925	925	925
Road Safety	37,127	43,706	40,972	32,503	26,414	37,230
Road Network Maintenance	4,021	10,337	3,890	0	0	0
Infrastructure for State Development	1,950	4,300	1,528	0	0	0
	67,272	76,706	67,667	45,598	39,686	54,632
Budget papers Asset Investment Program - Minor Works allocation	67,272	76,706	67,667	45,598	39,686	54,632

For the outer years 2012/13 to 2014/15, the funding allocations are indicative only as specific projects are yet to be formalised.

NOTE:**Division 55: Public Transport Authority —****[Supplementary Information No A42.]**

Question: Mr W.J. Johnston requested information on the cost of stage 1 of the research project into railcar driver fatigue, and whether stage 2 of the project had been commenced.

Answer: Yes. Stage 2 of the project has commenced.

Cost of Stage 1: \$37,500

Cost of Stage 2: \$83,313

[Supplementary Information No A43.]

Question: Mrs M.H. Roberts requested information explaining the increase in Public Transport Authority accommodation costs between 2009–10 and 2010–11.

Answer: The Budget Papers indicate a \$8,856,000 increase in “Accommodation” expenses between the 2009-10 Actual and the 2010-11 Budget. To put this into perspective the following additional information is provided.

Firstly, the table below reflects the Budget Paper and includes the 2009-10 Budget amount.

Expense	2009-10 Budget \$,'000	2009-10 Actual \$,'000	2010-11 Budget \$,'000	2010-11 Estimated Actual \$,'000	2011-12 Budget Estimate \$,'000	2012-13 Forward Estimate \$,'000	2013-14 Forward Estimate \$,'000	2014-15 Forward Estimate \$,'000
Accommodation	24,381	18,544	27,400	27,400	28,747	29,582	29,582	31,214

The first point to note is that the Budget amount has not materially increased from the 2009-10 Budget.

Secondly it is important to understand that the “Accommodation” expense grouping in the 2011/12 Budget papers incorporates all power (electricity) costs incurred by Public Transport Authority (PTA). The outcome of this is that the power costs associated with running the urban passenger rail network (about \$17.3 million of the 2009-10 budget of \$24.381 million) are included in the grouping. In 2009-10, anticipated increases in power costs did not eventuate and as a result the “Accommodation” expense grouping showed an Actual of \$18,544,000, some \$8,856,000 under Budget.

There has been no material increase in office accommodation utilised by PTA.

The inclusion of electricity costs consumed on the urban passenger rail network in the “Accommodation” expense grouping does distort this grouping and I have asked PTA to raise this issue with the Department of Treasury and Finance.

Division 58: Housing Authority —

[Supplementary Information No A44.]

Question: Mr M. McGowan requested information on evictions, if any, from GROH properties, detailing damage caused to and evictions from GROH properties, department by department, if possible, and information on the recouping of costs to pay for damage.

Answer:

How many people have been evicted?

Nil evictions in 2010/2011

What was the cost of the damage?

Damage incurred to end April 2011 is \$202,324.

What agencies were involved (Damage):

Department of Education
 WA Police
 Department for Child Protection
 Department of Corrective Services
 Department of Attorney General
 Water Corporation
 Pilbara TAFE
 Department of Environment
 Kimberley TAFE
 Department of Agriculture
 VTEC Training WA
 Department of Indigenous Affairs
 Department of Housing
 CY O’Connor Institute
 Pilbara Development Commission
 Kimberley Development Commission
 Department of Transport
 Durack Institute of Technology
 Pathwest
 Department of Fisheries

What costs were recouped?

The Department seeks to recover amounts for damage through arrangements directly with tenants.

Division 41: Small Business Development Corporation —

[Supplementary Information No A45.]

Question: Ms M.M. Quirk asked for the number of visits under the business migration program for the past four years.

Answer: Number of overseas visits under the Business Migration program for the past four (4) years are provided below.

	2007/08	2008/09	2009/10	2010/11
Number of overseas visits under the Business Migration program	11	7	2	4

[Supplementary Information No A46.]

Question: Ms M.M. Quirk requested the walk-in figures for the Small Business Development Corporation office, from 1 July through to 31 May last year as compared to 1 July to 31 May this year.

Answer: Number of walk-in clients to the Small Business Development Corporation’s Business Information and Licence Centre

	1 July 2009 to 31 May 2010	1 July 2010 to 31 May 2011
Number of walk-in clients	13342	12333

Division 10: Mines and Petroleum —**[Supplementary Information No A47.]**

Question: Mrs C.A. Martin requested the number of fatalities and serious injuries, as per the normal definition of serious injuries, in the mining industry for the years 2009–10 and 2010–11.

Answer:

2009–10 (01/07/2009 to 30/06/2010)

Fatalities — 3

Serious Lost Time Injuries — 360

Serious Restricted Work Injuries (Disabling) — 465

2010–11 (01/07/2010 to 31/05/2011)

Fatalities— 2

Serious Lost Time injuries— 286

Serious Restricted Work Injuries (Disabling) — 456

[Supplementary Information No A48.]

Question: Mr P.C. Tinley requested information on where the current 67 mine safety inspectors are based and where they go, where the new 10 inspectors will be based and where they go, and how long they spend in each location as a percentage of their working time.

Answer: The Mines Safety Branch of the Resources Safety Division is in transition to a team based structure.

The total number of inspector positions is currently 67.

Details of these positions including their locations, area of operation and current vacancies as shown in brackets are below:

Kalgoorlie	Eastern Goldfields	17 (3)
Collie	South West	10 (2)
Karratha	North West	1 (0)
Perth	Mid West	11 (0)
Perth	North West	11 (2)
Perth	State wide	17(3)
Total		67 (10)

It is expected that once appointed, an inspector will spend between 40% and 50% of their time inspecting mines. The remaining time will be spent on office based planning, support and approval processes.

[Supplementary Information No A49.]

Question: Mr P.C. Tinley requested information relating to the line item on page 170 to do with mining tenements refunds, and an estimate of the number of tenements the two lots of \$8 million refers to.

Answer: In relation to funding provided for Mining Tenement Refunds for the 2010-11 financial year to 30 May 2011, approximately 1930 tenements have been refunded.

For the 2011-12 financial year there are approximately 1095 tenements that may attract refunds if applications are not granted.

[Supplementary Information No A50.]

Question: Mrs C.A. Martin requested the breakdown of where the royalties for regions money is going in terms of mines in the regions designated under the royalties for regions scheme.

Answer: The Co-funded Exploration Drilling program, a part of the Exploration Incentive Scheme, offers refunds of up to 50% of exploration drilling costs capped at \$30,000 for prospectors, \$150,000 for general applications and \$200,000 for single deep-hole applications.

In 2011-12, after a competitive application process, the total amounts that will be offered to companies are distributed as follows:

Kimberley:	\$750,000
Pilbara:	\$643,500

Midwest:	\$1,051,500
Goldfields-Esperance:	\$1,711,798
Wheatbelt:	\$268,500
Other Regions:	\$300,000

Division 11: Fisheries —**[Supplementary Information No A51.]**

Question: Mrs C.A. Martin requested a breakdown of fisheries offence prosecutions in the different regions of Western Australia comparing this year and last year.

Answer:

DEPARTMENT OF FISHERIES								
OFFENCE DETAILS								
	Warnings		Infringements		Prosecutions		Total	
	2009-10	2010-11*	2009-10	2010-11*	2009-10	2010-11*	2009-10	2010-11*
Metropolitan	943	1,220	485	738	269	261	1,697	2,219
Northern	176	152	91	192	15	29	282	373
Gascoyne	99	75	126	173	3	-	228	248
Mid West	311	194	140	149	17	45	468	388
Southern	160	205	79	123	43	38	282	366
TOTAL	1,689	1,846	921	1,375	347	373	2,957	3,594

*NOTE: 2009/10 figures include 12 months. 2010/11 figures are for 11 months only.

Division 53: Training and Workforce Development —**[Supplementary Information No A52.]**

Question: Mr R.H. Cook requested information on the breakdown of funding from the commonwealth and the commercial sector for training and workforce development.

Answer: The gap between the net and total costs for the Department of Training and Workforce Development is \$263.162 million, which is made up of the following.

Commonwealth Funding	\$214.851m	81.6%
Commercial Funding	\$ 44.813m	17.0%
Other	\$ 3.498m	1.3%
Total	\$263.162m	100%

[Supplementary Information No A53.]

Question: Ms J.M. Freeman requested information on the number of indigenous employees in the Department of Training and Workforce Development, the levels at which they are employed, and whether they are contract employees.

Answer: The Department currently employs 22 Aboriginal staff at the following levels:

Level 8	— 1
Level 7	— 1
Level 6	— 5
Level 5	— 2
Level 4	— 0
Level 3	— 0
Level 2	— 7
Level 1	— 1
Lecturer	— 1
Trainee	— 1
Casual	— 3

Of the 22 Aboriginal staff currently employed, ten are permanent employees, eight are engaged on fixed term contracts, and three are casual employees. One employee is engaged on a fixed term basis as a trainee.

[Supplementary Information No A54.]

Question: Mr P.C. Tinley requested the number of front-end visa applications that the Department of Training and Workforce Development has handled or assisted over the past two years.

Answer: Since opening on 20 December 2010, the department's Skilled Migration WA unit has processed the following number of State sponsorship applications:

Total Applications for State sponsorship received:	1,322
Successful State Sponsorship nominations:	1,147
Unsuccessful State Sponsorship nominations:	67
State Sponsorship applications pending:	108

Skilled Migration WA has also processed 322 Regional Sponsored Migration Scheme (RSMS) applications for three regions, being Pilbara, Goldfields-Esperance and Wheatbelt.

[Supplementary Information No A55.]

Question: Ms J.M. Freeman requested a breakdown of traineeships, apprenticeships and pre-apprenticeships for the year to date, and also a breakdown of the anticipated plan for the future.

Answer: The \$22.7 million is being distributed across State and private training providers in priority occupation skill shortage areas and user choice such as apprenticeships and traineeships.

By the end of June 2011 approximately 4,700 training places will have been contracted. Approximately 3,100 training places will have been contracted to the private training market through the Productivity Places Program (priority occupation skill shortages) and apprenticeships and traineeships. A further estimated 1,600 places will have been contracted for priority occupation skill shortage training places, apprentices and trainees through State Training Providers.

It is anticipated that by the end of 2011 a further 2,800 training places will be contracted across priority occupation skill shortage and apprenticeships and traineeships areas. The number of training places and the allocation will be determined by industry demand and factors such as rising costs of training places due to the focus on higher qualifications and regional delivery, and a greater number of students selecting full time enrolment over part time enrolment resulting in higher costs per student.

[Supplementary Information No A56.]

Question: Ms J.M. Freeman requested information about the \$10.7 million for the additional training places for increased workforce participation.

Answer: \$1.9 million of the \$10.7 million was contracted for the delivery of 480 Aboriginal School Based Training (ASBT) places in the first part of 2011.

The remaining funds (\$8.8 million) will be used to purchase workforce participation training places from State and private training providers at Certificate I and Certificate II levels (foundation skills, entry level work readiness training) to increase participation of a range of targeted equity groups such as the disabled, women returning to work, disengaged youth, mature aged people returning to the workforce and Aboriginal people. The \$8.8 million will include at least \$1.9 million for Aboriginal workforce participation training places which is additional to the \$1.9 million for the ASBT places already allocated in early 2011.

It is anticipated that the Department of Training and Workforce Development will competitively tender these training places during July. Depending on demand, the level of the qualification and the location of the training delivery, it is anticipated that approximately 4,066 training places will be purchased through this competitive process.

[Supplementary Information No A57.]

Question: Ms J.M. Freeman requested information on the tracking of pre-apprentices into apprenticeships and the completion rates.

Answer: The Department of Training and Workforce Development estimates that approximately 50 per cent of people enrolled in a pre-apprenticeship course subsequently articulate into an apprenticeship.

Pre-apprenticeship students are not systematically tracked for later entry into apprenticeships, but an approximate figure can be derived through data matching techniques. The approach used will tend to underestimate the true figure of pre-apprentices articulating to an apprenticeship.

Table 1 shows the number and percentage of pre-apprentices that participated in 2008 who subsequently enrolled in an apprenticeship between 2008 and 2010 inclusive. The data are shown by the industry group of the pre-apprenticeship. (See following page.)

Table 1

Industry Group of Pre-apprenticeship enrolment	Number of people in the 2008 Pre-apprenticeship cohort	Number of people in the 2008 Pre-apprenticeship cohort subsequently articulating into an apprenticeship	Percentage of people in the 2008 Pre-apprenticeship cohort subsequently articulating into an apprenticeship
Automotive	440	207	47%
Building and Constructions	955	457	48%
Food Trades and Processing	95	34	36%
Furniture Manufacture	42	19	45%
Engineering and Drafting	23	14	61%
Metal and Mining	496	268	54%
Horticulture	16	2	13%
Personal Service	122	40	33%
Cooking	8	6	75%
Electrical Trades	286	187	65%
Office and Clerical	1		
Total	2,484	1,234	50%

Source: Department of Training and Workforce Development VET Enrolment Statistics (*AVETMISS*). Data request 4022.

The completion rate for apprentices who commenced in 2005 is 74.5%. The completion rate for apprentices who commenced in 2006 is 71.2%. The method used to calculate the completion rates shown in Table 2 only includes apprentices that complete their probation and have their training contract registered. The three month probation is a legislated requirement for all apprentices. Contracts are only registered after this period is completed.

Note that national estimates of completion rates for apprentices have traditionally been calculated using a completion of contract-of-training basis, rather than on an individual basis. The contract-of-training basis results in an underestimation of completion rates. Nationally there is a move towards completion rates to be calculated on the more appropriate individual basis. The estimates shown in Table 2 are based on individuals completing and not the completion-of-contracts method.

Table 2: Completion rates for registered apprentices commencing a contract for the first time in 2005 and 2006

Trade Category	2005	2006
Automotive	75.9%	72.6%
Building & Construction	74.9%	70.7%
Community Services, Health & Education	61.1%	66.7%
Electrical	79.4%	75.7%
Food	50.7%	57.4%
Hospitality & Tourism	56.0%	50.8%
Light Manufacturing	72.1%	68.3%
Metals, Manufacturing & Services	77.0%	75.8%
Primary Industry	48.7%	51.9%
Process Manufacturing	0	70.0%
Utilities, Electrotechnology & Printing	70.8%	69.6%
Wholesale, Retail & Personal Services	84.8%	72.8%
Total	74.5%	71.2%

Source: TRS December 2010 Monthly Cube

[Supplementary Information No A58.]

Question: Ms J.M. Freeman asked which capital projects have been delayed, by how long each has been delayed, the original finish date for each delayed project, and new finish date for each project.

Answer: Two capital projects have been delayed.

The first project is a new Bunbury Campus Light and Heavy Auto Training Centre at South West Institute of Technology, which has been delayed for approximately 12 months due to the introduction of new requirements by Building Management and Works for the development of a Project Definition Plan. The original estimated date for completion was late 2012, and the revised estimated date of completion is late 2013.

The second project is a new Rockingham Campus Trade Training Centre at Challenger Institute of Technology, which has been delayed for approximately 6 months due to land clearing issues that are now resolved. The original estimated date for completion was mid 2012, and the revised estimated date of completion is the end of 2012.

Division 54: Indigenous Affairs —**[Supplementary Information No A59.]**

Question: Mr R.H. Cook asked for the total number of full-time equivalent staff required for the review of the Aboriginal Heritage Act.

Answer: The Department of Indigenous Affairs allocated 2.5 FTE to assist with the Aboriginal heritage reforms.

[Supplementary Information No A60.]

Question: Mr R.H. Cook asked for information on the travel expenses and other administrative costs of the Indigenous Implementation Board in 2010–11.

Answer: Travel expenses: \$32,781.55; Other expenses: \$18,494.08

Forest Products Commission —**[Supplementary Information No B1.]**

Question: Mr M.P. Murray requested income and expenditure information for the current financial year to date, divided between native forests, mature plantations and arid forests.

Answer: The cost of delivering services to the native forest, mature plantations and arid forest sectors for the current financial year to the end of April is:

Sector	Cost \$'000's	Revenue* \$'000's
Native Forest	24,964	27,564
Mature Plantations	33,664	42,931
Arid Forest	9,792	12,788
Total	68,420	83,283

* Revenue figures as quoted in Assembly Estimates Committee B 31 May 2011.

Division 64: Agriculture and Food —**[Supplementary Information No B2.]**

Question: Ms L.L. Baker requested information on the number of currently active abattoirs, feedlots and saleyards in Western Australia.

Answer: There are 29 abattoirs in Western Australia that are licensed by the Western Australian Meat Industry Authority.

There are 9 feedlots in Western Australia that are licensed by the Department of Environment and Conservation (DEC). There are a further 35 feedlots which are registered with DEC because they have more than 500 cattle.

There are four major livestock saleyards in Western Australia. They are located at Muchea, Katanning, Boyanup and Mount Barker. Occasional sales of relatively small numbers of livestock also occur at Manjimup (monthly) and Geraldton (6 to 8 times per year); and there are 6 to 10 small regional sheep saleyards which may hold 1-2 sales per year. Livestock are also bought and sold at the Mundijong Farmers Market.

[Supplementary Information No B3.]

Question: Mr C.J. Tallentire requested information on the clarity around staff in the agency who are working on climate change-related activities.

Answer: DAFWA has 7.8 FTEs engaged in climate change impact analysis, with a further 2.0 FTE's engaged in understanding the economic impacts that result from those changes.

[Supplementary Information No B4.]

Question: Mr C.J. Tallentire requested information on specific funding resources going to natural resource management groups from the Western Australian government.

Answer: A total of \$35m is available for allocation from the State NRM Program between 2011-12 and 2013-14.

Consideration by the NRM Ministerial Council is soon to be given to continuing funding for Regional NRM groups for the provision of services to Government. This has previously been in the order of \$1.5 million per year.

Apart from this funding, and funding for the operation of the State NRM Office (previously in the order of \$700,000 p.a.), all other State NRM Program funding is allocated through two annual competitive processes for:

- Small Community Grants (approximately \$3 million p.a.); and
- Strategic Priority Projects (approximately \$5 million p.a.).

These processes allow funding to be provided to NRM and community groups, industry groups, universities, State agencies and local governments.

Division 66: Corrective Services —**[Supplementary Information No B5.]**

Question: Ms M.M. Quirk asked for the percentage of prisoners now who are not engaged in employment, learning or educational programs.

Answer: The Department of Corrective Services is able to provide detail on the number and percentage of prisoners engaged in education units, employment and treatment programs by prison site on 31 May 2011.

The tables attached identify that 450 offenders were enrolled in treatment programs on 31 May 2011 (9.6% of the prison population), 1624 offenders were enrolled in education programs (34.75% of the prison population), and 47 prisoners (1% of the prison population) were approved for the Prisoner Employment Program (PEP) on this day.

The Department cannot provide detail on those who are not engaged in these services because prisoners may be engaged in more than one of these services at any one time. Prisoners may be participating in treatment programs, on or off site work details, or engaged in medical, legal or religious activities on this particular day. Some prisoners may be awaiting an interview with education staff to commence their studies, have recently completed their educational classes and are awaiting the commencement of a new class, or are waiting the official approval of their enrolment by a training provider so as to commence their training. Similarly, prisoners may have recently concluded a treatment program, making them ineligible for another immediately or may be in the process of pre-program preparation.

Prison Program Enrolment and Activity by site at 31 May 2011

VENUE	COURSE CATEGORY	COURSE NAME	PARTICIPANTS
ACACIA PRISON	VIOLENT OFFENDING	INTENSIVE PROGRAM	9
	SEX OFFENDING	MEDIUM PROGRAM	10
	ADDICTIONS OFFENDING	PATHWAYS PROGRAM	10
	ADDICTIONS OFFENDING	PATHWAYS PROGRAM	10
	COGNITIVE SKILLS	THINK FIRST PROGRAM	10
ALBANY REGIONAL PRISON	VIOLENT OFFENDING	INTENSIVE PROGRAM	12
	ADDICTIONS OFFENDING	PATHWAYS PROGRAM	12
	ADDICTIONS OFFENDING	PATHWAYS PROGRAM	13

	ADDICTIONS OFFENDING VIOLENT OFFENDING	PATHWAYS PROGRAM MEDIUM INTENSITY VIOLENCE PROGRAM	11 11
BANDYUP WOMENS PRISON	ADDICTIONS OFFENDING COGNITIVE SKILLS	PATHWAYS PROGRAM THINK FIRST PROGRAM	12 10
BROOME REGIONAL PRISON	ADDICTIONS OFFENDING	INDIGENOUS MEN MANAGING ANGER & SUBSTANCE USE PROGRAM	5
BUNBURY REGIONAL PRISON	VIOLENT OFFENDING SEX OFFENDING VIOLENT OFFENDING VIOLENT OFFENDING SEX OFFENDING SEX OFFENDING COGNITIVE SKILLS ADDICTIONS OFFENDING	INTENSIVE PROGRAM MEDIUM PROGRAM MEDIUM INTENSITY VIOLENCE PROGRAM MEDIUM INTENSITY VIOLENCE PROGRAM INTENSIVE PROGRAM MEDIUM PROGRAM THINK FIRST PROGRAM PATHWAYS PROGRAM	12 9 10 11 11 11 10 12
CASUARINA PRISON	VIOLENT OFFENDING ADDICTIONS OFFENDING VIOLENT OFFENDING VIOLENT OFFENDING ADDICTIONS OFFENDING VIOLENT OFFENDING COGNITIVE SKILLS VIOLENT OFFENDING	INTENSIVE PROGRAM PATHWAYS PROGRAM INTENSIVE PROGRAM MEDIUM INTENSITY VIOLENCE PROGRAM PATHWAYS PROGRAM INDIGENOUS FAMILY VIOLENCE PROGRAM BRIEF INTERVENTION INDIGENOUS FAMILY VIOLENCE PROGRAM	12 12 12 9 11 12 8 11
GREENOUGH REGIONAL PRISON	COGNITIVE SKILLS ADDICTIONS OFFENDING SEX OFFENDING SEX OFFENDING	THINK FIRST PROGRAM INDIGENOUS MEN MANAGING ANGER & SUBSTANCE USE PROGRAM INDIV COUNSELLING INDIGENOUS MEDIUM PROGRAM	9 8 1 9
HAKEA PRISON	COGNITIVE SKILLS	BRIEF INTERVENTION	10
KARNET PRISON FARM	SEX OFFENDING ADDICTIONS OFFENDING ADDICTIONS OFFENDING ADDICTIONS OFFENDING VIOLENT OFFENDING	DENIERS PROGRAM PATHWAYS PROGRAM PATHWAYS PROGRAM PATHWAYS PROGRAM PATHWAYS PROGRAM MEDIUM INTENSITY VIOLENCE PROGRAM	9 11 12 10 8
ROEBOURNE REGIONAL PRISON	VIOLENT OFFENDING	INDIGENOUS FAMILY VIOLENCE PROGRAM	12
WOOROLOO PRISON FARM	ADDICTIONS OFFENDING VIOLENT OFFENDING VIOLENT OFFENDING COGNITIVE SKILLS	PATHWAYS PROGRAM MEDIUM INTENSITY VIOLENCE PROGRAM INTENSIVE PROGRAM THINK FIRST PROGRAM	12 11 10 10
TOTAL			450

*The above program activity was recorded in the Department's Total Offender Management System (TOMS) at 31 May 2001 as programs that were currently active, had started or had ended on this day.

Prisoners Enrolled in Education by Prison Site at 31 May 2011

Current Enrolments Vs Population as at 31/05/2011

Location	Population	Students Enrolled	Participation rate
ACACIA PRI	995	303	30.45%
<i>Indigenous:</i>	370	108	29.2 %
<i>Non-Indigenous:</i>	625	195	31.2 %
ALBANY REG	304	157	51.64%
<i>Indigenous:</i>	98	59	60.2 %
<i>Non-Indigenous:</i>	206	98	47.6 %
BANDYUP WO	211	121	57.35%
<i>Indigenous:</i>	89	47	52.8 %
<i>Non-Indigenous:</i>	122	74	60.7 %
BORONIA PR	79	76	96.2%
<i>Indigenous:</i>	10	10	100.0 %
<i>Non-Indigenous:</i>	69	66	95.7 %
BROOME REG	108	45	41.67%
<i>Indigenous:</i>	81	37	45.7 %
<i>Non-Indigenous:</i>	27	8	29.6 %
BUNBURY RE	333	103	30.93%
<i>Indigenous:</i>	67	21	31.3 %
<i>Non-Indigenous:</i>	266	82	30.8 %
CASUARINA	598	229	38.29%
<i>Indigenous:</i>	288	115	39.9 %
<i>Non-Indigenous:</i>	310	114	36.8 %
EASTERN GO	123	45	36.59%
<i>Indigenous:</i>	82	30	36.6 %
<i>Non-Indigenous:</i>	41	15	36.6 %
GRENOUGH	287	73	25.44%
<i>Indigenous:</i>	242	60	24.8 %
<i>Non-Indigenous:</i>	45	13	28.9 %
HAKEA PRIS	764	129	16.88%
<i>Indigenous:</i>	218	27	12.4 %
<i>Non-Indigenous:</i>	546	102	18.7 %
KARNET PRI	234	107	45.73%
<i>Indigenous:</i>	26	12	46.2 %
<i>Non-Indigenous:</i>	208	95	45.7 %
PARDELUP P	88	50	56.82%
<i>Indigenous:</i>	3	2	66.7 %
<i>Non-Indigenous:</i>	85	48	56.5 %
ROEBOURNE	182	47	25.82%
<i>Indigenous:</i>	168	43	25.6 %
<i>Non-Indigenous:</i>	14	4	28.6 %
WOOROLOO P	368	139	37.77%
<i>Indigenous:</i>	47	29	61.7 %

<i>Non-Indigenous:</i>	321	110	34.3 %
Total:	4674	1624	34.75%
<i>Indigenous:</i>	1789	600	33.5 %
<i>Non-Indigenous:</i>	2885	1024	35.5 %

***Note: Population count is from Pathlore (updated daily at 7am from TOMS), and should be close to the official population count for the previous day**

Prisoner Employment Program (PEP) Approved Activity at 31 May 2011

Prison	Approvals
Boronia PRC	3
Broome RP	2
Bunbury RP	2
Eastern Goldfields RP	1
Greenough RP	1
Karnet PF	13
Paradelup PF	5
Roebourne RP	0
Wooroloo PF	20
TOTAL	47

[Supplementary Information No B6.]

Question: Mr F.M. Logan requested the minister to identify all the training, personal skills programs and other services, including counselling, offered by the Department of Corrective Services and which prisons have or receive these programs.

Answer: Offender Services: The Department provides a range of vocational and education training services across a number of different industries. These are too numerous to list and are detailed in the table attached.

Prison Counselling Services (PCS) are available at every prison in the State. A team of psychologists and social workers (along with prison staff) provide counselling and support to offenders who may be at risk of self-harm or suicide and they also respond to other crises. The number of prisoners who were referred to PCS for counselling services up to the end of quarter three 2010/11 is detailed in the table attached below.

In relation to offender treatment programs (which includes cognitive skills), these are also provided at each prison site across the State. At the end of quarter three 2010/11, **1429** offenders had **completed** a prison program.

The number of offenders who had **completed a program** at each of the prison sites up to the end of quarter three is as follows:

Acacia Prison — 189
 Albany Regional Prison — 80
 Bandyup Women's Prison — 76
 Boronia Pre— Release Centre for Women — 41
 Broome Regional Prison — 46
 Bunbury Regional Prison — 120
 Casuarina Prison — 195
 Eastern Goldfields Regional Prison — 63
 Greenough Regional Prison — 121
 Hakea Prison — 168
 Karnet Prison Farm — 128
 Roebourne Regional Prison — 57
 Wooroloo Prison Farm — 145

Health Services Directorate: Co-Morbidity Clinicians provide counselling sessions/interactions as required by prisoners for Mental Health and Addiction problems across the State.

Aboriginal Visitors Scheme: The Aboriginal Visitors Scheme is another mechanism for providing support to Aboriginal prisoners within the prison system.

AVS operates at 13 prisons, seven police lock-ups, two juvenile detentions centres and more recently at the Central Law Court.

Employment: A range of employment opportunities are provided for prisoners to undertake meaningful productive work that will assist in them acquiring vocational and work skills to enhance their prospects of gaining and retaining employment upon their release.

Prisoner employment falls into three categories all of which contribute in achieving the Department's key focus area of self-sustainability:

Primary Industry which includes all industries directly linked to the food supply chain (breeding livestock, market gardening, eggs, milk, and more).

Secondary Industry is essentially employment in workshops associated with producing manufactured timber products, steel fabrication, clothing and other accessories.

Essential Services are the services required for the well-being of prisoners and the functioning of prisons. Examples include Laundry, Kitchen, and Maintenance work.

Employment is the mainstay of most prisoners' structured day: a snapshot taken on 1 June 2011 indicated an average of 73% of the State's prisoner population was employed, which is equivalent to 3403 prisoners. These prisoners worked a combined total of 20,918 hours on this day, or 6.15 hours each on average.

Visits: Visits are also an essential component of the structured day routine, and naturally play an integral part in sustaining offender ties with their support base in the community, as well as ensuring their legal and welfare needs are addressed. Therefore, every prisoner in every prison across the State is given access to visits.

Visits have never been more readily facilitated now that video conferencing facilities are available at every prison.

On 1 June 2011, there were 139 social visits and 164 official visits paid to prisoners across the State.

Recreation: Recreation provides an opportunity for emotional release and improved physical well-being, which is vital in basis of securing more effective management of prisons.

Similar to visits, daily facilitated recreation time is compulsorily made available to all prisoners, but the nature (type of recreation / length of time) of the recreation depends largely on what regime a prisoner is on (i.e. maximum security prisoners typically recreate for less time and in more confined/secure spaces).

Due to the limitations of the Department's prison database, accurate data on the number of hours and type of recreational activity undertaken by prisoners is not available. As above however, all prisoners have daily access to some form of recreation, whether it be a closed in and secure space for basic exercise for an hour or participation in organised sports within the community.

Offender Services – Vocational Training

The following table shows the courses offered to prisoners for the 2011 education year.

EDUCATION & VOCATIONAL TRAINING UNIT Training Pathways for V.E.T	ACACIA	ALBANY	BANDYUP	BORONIA	BROOME	BUNBURY	CASUARINA	EASTERN GOLDFIELDS	GREENOUGH	HAKEA	KARNET	PARDELUP	ROEBOURNE	WOORLOO
Training Area ↓														
Agriculture					W						C/T	C/T		T
Automotive					W			C/W	C		T			C/T
Building and Construction	C	C		C/T	C	C	C/T	C/W	W		C/T	C/T	C/T	C/P/T
Business and Management	C	C		C	C	C	C	C		C	C	C	C	C
Cabinet Making						A								
Cleaning / Asset Maintenance	C/T	C/T	C/T	C	C/T	C/T	C/T	C/T	T	C/T	C/T	C/T	C/T	C/T
Clothing Production			C											
Community Services		C	C	C			C						C	C
Conservation & Land Management		C									C/T	C	C	
Desktop Publishing							T							
Engineering	C/T	T/C			W	C/T	C/T	C/W	C	C	C/T	T/P	C	C/T

Capital Works and Maintenance funding spent at Roebourne Regional Prison:

2008/2009:	\$2,486,957
2009/2010:	\$1,379,419
2010/2011:	\$1,043,800 estimated actual
2011/2012:	\$11,331,447 estimate

Division 13: Regional Development and Lands —

[Supplementary Information No B8.]

Question: Mr M. McGowan requested a list of uncompleted projects, their original cost and how much is unspent on each, and when they were originally scheduled to be completed, under the royalties for regions fund.

Answer: The \$334 million in the Special Purpose Account as at December 2010 related to expenditure that had been deferred to a future period to be drawn down by state agencies and local governments according to a Memorandum of Understanding and/or Financial Assistance Agreement.

The breakdown of the \$334 million relates to the following:

Country Local Government Fund — \$90 million deferred in 2009/10 into the forward estimates.

Regional Grants Scheme — \$52 million. The Regional Development Councils as part of their governance framework only disburse funds to recipients when financial agreements are in place and milestones are met by these recipients as part of their governance framework. This amount was deferred in 2009/10 and was yet to be drawn down by the individual Commissions.

Ord–East Kimberley Expansion Project — \$64 million deferred from 2009/10 into the forward estimates.

Housing for Workers — \$103 million deferred from 2009/10 into the forward estimates.

Government’s 3% Efficiency Dividend — \$25 million previously allocated as a savings contribution towards the achievement of the Government’s 3% Efficiency Dividend.

[Supplementary Information No B9.]

Question: Mr M. McGowan requested information on information on the spending profile of the Mid West solar farm project, how the project is tracking and other information that is deemed relevant.

Answer: Verve Energy is developing a 10 MW solar photovoltaic (PV) power plant in the Mid West Region, to demonstrate the viability of this form of grid-connected technology on a commercial scale in Western Australia. This will be Australia’s first utility scale solar farm, delivering Western Australia the largest solar PV facility in Australia.

Royalties for Regions is contributing \$10million towards the approximate \$50 million cost, with \$5 million allocated in 2010-11 and a further \$5 million in 2011-12.

Verve Energy has a Memorandum of Understanding with a major financial institution for the project. The parties have agreed to a Terms Sheet for a Shareholders Agreement which would underpin an Incorporated Joint Venture between Verve and the major financial institution for the project. The full Shareholders Agreement is expected to be executed by the end of June 2011.

Construction on the plant is scheduled to commence in September 2011, with works expected to be completed in April 2012 for commissioning and commencement of operations in May 2012.

The project is expected to encourage future private investment in solar technology by identifying unintended barriers in existing approvals, regulatory or market processes so they can be rectified, thus reducing investment risk for future developments and hence the cost of debt and equity finance.

The plant will provide the opportunity to identify network issues for solar power on the South West Interconnected System, facilitating future developments and ensuring that associated commercial decisions are made with knowledge of any technical requirements or constraints. It will also assist Western Power to review and if necessary amend its technical rules to deal effectively with large scale solar technology.

[Supplementary Information No B10.]

Question: Mr M. McGowan requested information on the breakdown of the \$58 million allocated to administrative expense under royalties for regions.

Answer: Of the \$58 million identified in the question, **\$27.4 million** relates directly to administering the program and as indicated by the Minister, the final funding allocation is subject to Cabinet approval. There is no further expenditure on direct administration of the program contained in the budget.

In responding to the question the Department of Regional Development and Lands (RDL) understands that the \$58 million refers to the following line items in the budget:

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000	Total over Fwd Estimates \$'000
Regional Development Program Support	2,562	2,832	2,936	2,981	3,027	14,338
Royalties for Regions - Administering the Royalties for Regions Fund	3,180	9,003	9,276	9,622	9,929	41,010
Royalties for Regions - Mid West Unit		750	750	750	750	3,000
Total	5,742	12,585	12,962	13,353	13,706	58,348

Regional Development Support Program (\$14.3 million) – This relates to an increase in RDL's appropriation to deliver services and initiatives **not** funded through the Royalties for Regions program. It is the only item from the table above that has received final approval to access the funds.

Royalties for Regions - Administering the Royalties for Regions Fund (\$41 million) – This budget item still requires the approval of Cabinet to access the full funding entitlement. Increased resourcing for administering the program includes:

- support to the Western Australian Regional Development Trust;
- a new Research unit that would look to address an information gap in relation to key statistics for the people living in regional Western Australia;
- support for Royalties for Regions initiatives that have a significant lands component such as Pilbara Cities; and
- support for budget management and evaluation.

The \$41 million can be broken down as follows:

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	Total \$'000
Royalties for Regions Program Administration		6,528	6,740	6,961	7,186	27,415
North West Projects - Land Support		1,105	1,143	1,183	1,225	4,656
Western Australian Regional Development Trust		409	427	453	473	1,762
Research and Information Team (Policy)		961	966	1,025	1,045	3,997
Administering the Royalties for Regions Fund	3,180	9,003	9,276	9,622	9,929	41,010

Royalties for Regions - Mid West Unit (\$3 million) – This is still subject to final approval of Cabinet and will fund a unit directly involved in delivering the Mid West Investment Plan budget initiative.

Western Australian Land Authority —

[Supplementary Information No B11.]

Question: Mr M. McGowan requested information on the average cost of land in Karratha, Hedland, Newman and Broome north; how many residential blocks are expected to be released in 2011–12 and 2012–13; and the average cost, or estimated average and/or median price, of those blocks.

Answer: LandCorp has delivery of the following lots proposed in the 2011-12 Residential program:

Karratha	1. possible delivery of 140 lots – development currently under investigation at Madigan Road. 2. 39 lots at Baynton West.
Port Hedland	six higher density sites in South Hedland that will accommodate 500 to 600 apartments
Newman	48 lots
Broome north	121 lots

LandCorp has delivery of the following lots proposed in the 2012-13 Residential program:

Karratha	LandCorp is working with the Pilbara Cities Office to investigate the potential of delivering infill sites (known as the “Lazy Land” project)
Port Hedland	LandCorp is currently investigating the potential of developing up to 100 hectares of land, some of which may be available within this timeframe
Newman	147 lots
Broome north	159 lots

The values for each lot will be determined by LandCorp in conjunction with licensed valuers immediately prior to the lots being offered to the market. However, the following sale prices for residential lots released in 2010-11 may provide an indication:

A total of 442 lots were released in Baynton West. The average sale prices (GST inclusive) for lots released in the following size ranges were:

- 350m² to 450m² for \$177,484
- 451m² to 550m² for \$206,198
- Over 551m² for \$236,918.

A total of 121 lots were released in Broome North. The average sale price for lots released was \$200,000, with a minimum price of \$130,000 for 400m² lots, and a maximum price of \$285,000 for 800m² lots (please note – this excludes grouped housing lots which are more expensive).

In line with the Government’s initiative to attract the private sector into the housing and land market, LandCorp has also facilitated the delivery of land to private sector companies. The following list identifies development opportunities that have been released to the private sector in Karratha (please note - timing of delivery, land values and housing values will be determined by those companies).

- Pindan - 300 lots over three years; Stage 1 is anticipated to be released in 2011/12
- The ABN Group - 88 house and land packages are anticipated to be released in 2011/12
- Finbar - 300 apartments in the Town Centre (over 2 stages) are currently on the market
- FJM Equities - 300 mixed use dwellings

To facilitate the release of these sites, LandCorp has undertaken de-risking work, such as clearing heritage and native title issues, obtaining environmental clearances and the zoning of land. In the longer term, the Mulataga and Karratha Town Centre Expression of Interest/Request for Proposal will generate up to 2000 homesites and a diversity of residential accommodation opportunities.

LandCorp is working to de-risk several large areas of land on the eastern end of Port Hedland, with the view to creating land for development. The land has the potential to accommodate over 2500 new homes, however, some key issues need to be resolved to pave the way for that development. LandCorp has recently completed a coastal vulnerability study to determine finished lot levels, and is undertaking a fill study to identify sources of reasonable cost fill to allow the site to be developed.

Work is still progressing on the relocation of the Wastewater Treatment Plant through the Water Corporation, with heritage studies, geotechnical site assessments, and planning to relocate social and physical infrastructure from these sites to be undertaken. In South Hedland, LandCorp is progressing the town centre revitalisation which will generate a range of density sites and de-risk around 100 hectares for traditional residential lot development.

Division 43: Western Australia Police —**[Supplementary Information No B12.]**

Question: Ms M.M. Quirk requested the estimated recurrent funding needed for the upkeep of the sex offender register.

Answer: WA Police has received recurrent funding of \$6.960m over 5 years from 2010/11 for the Community Protection Act (Public Sex Offender Register) as follows:

Year	Recurrent funding \$m
2010-11	\$ 1.431 m
2011-12	\$ 1.348 m
2012-13	\$ 1.369 m
2013-14	\$ 1.406 m
2014-15	\$ 1.406 m

[Supplementary Information No B13.]

Question: Mr P.C. Tinley requested a list of all rent-free police residential properties.

Answer:

Bencubbin	Beverley	Boyup Brook	Brookton	
Bruce Rock	Carnamah	Corrigin	Cranbrook	
Cue	Cunderdin	Dalwallinu	Dowerin	
Dumbleyung	Dwellingup	Eucla	Fitzroy Crossing	
Goomalling	Halls Creek	Jerramungup	Kondinin	
Koorda	Kulin	Lake Grace	Laverton	
Leinster	Leonora	Marble Bar	Meekatharra	
Mingenew	Morawa	Mt Magnet	Mukinbudin	
Mullewa	Nannup	Narembeen	Norseman	
Nullagine	Perenjori	Pingelly	Port Hedland	
Quairading	Ravensthorpe	Roebourne	Southern Cross	
South Hedland	Tambellup	Three Springs	Wickepin	Wickepin
Wickham	Wiluna	Wongan Hills	Wyalkatchem	
Wyndham	Yalgoo	Yarloop		

[Supplementary Information No B14.]

Question: Mr J.C. Kobelke requested a list of the sources of WA Police income for the financial year.

Answer: Source of income for Service 7 – Traffic and Law Enforcement Revenue is outlined in the table below:

Source of Income	2009-10 Actual \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Target \$'000
Direct Revenue	4,070	13,431	14,879
Crash Information	140	412	212
Police Escorts	2,507	3,037	3,315
Road Trauma Trust Fund (RTTF)	1,423	2,532	2,132
Hoon and No Motor Driver's Licence	-	7,450	9,400
Indirect Revenue	4,723	2,787	2,833
Total Revenue	8,793	16,218	17,712

- Operating revenue comprises of direct and indirect components (as shown in the table above). In general, revenue generated by a service is allocated directly to that service (Direct revenue). The remainder of operating revenue (Indirect revenue) is allocated across services based on the percentages obtained from the annual survey results which can vary from year to year as a result of the reactive nature of Policing.

[Supplementary Information No B15.]

Question: Ms M.M. Quirk requested the raw number of homicides over the past three or four years in Western Australia.

Answer:

Financial Year	Homicides
2007-08	84
2008-09	68
2009-10	87

'Homicide' includes: murder, attempted murder and manslaughter.

Due to recording issues associated with 'driving causing death' offences, all 'driving causing death' offences are incorporated within the offence category of 'manslaughter' and therefore under the offence category of 'homicide'.

[Supplementary Information No B16.]

Question: Ms M.M. Quirk requested information on how much has been paid in rewards under the Goodbye Graffiti program over the past 12 months, the criteria that WA Police uses for the issuing of rewards, and the number of successful prosecutions under section 216 of the Criminal Code, which relates to the sale of graffiti implements to minors.

Answer: Eight rewards, totalling \$2300 have been paid out in the 2010-11 financial year. A further two applications are pending.

Graffiti Rewards are available to a person or persons who supplies information resulting in the resolution of a graffiti crime or an offence under Statute Law in Australia and / or the charge/ cautioning of an offender. The payment of a reward is not based upon the conviction of the graffiti offender.

There have been no prosecutions under s216.

Division 44: Fire and Emergency Services Authority —**[Supplementary Information No B17.]**

Question: Ms M.M. Quirk requested information on the highest and lowest costs of repair of fire hydrants in the past year.

Answer: Lowest \$12.35; Highest \$6,564.89

[Supplementary Information No B18.]

Question: Mr J.C. Kobelke requested a breakdown of amounts allocated to disaster relief in the past two financial years, and across the forward estimates.

Answer:

Details	2009/10	2010/11	2010/11	2011/12	2012/13	2013/14	2014/15
	Actual	Budget	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Surf Life Saving WA	579	599	599	620	640	660	680
Volunteer Marine Rescue Service (*)	3,489	4,079	4,079	2,965	2,406	2,593	2,648
Subsidy towards FESA's Operations	21,630	19,866	18,109	17,976	18,840	19,511	19,693
Sub-Total	25,698	24,544	22,787	21,561	21,886	22,764	23,021
Supplementary Funding (**)	20,211	0	0	0	0	0	0
Total - Item 69 Net amount appropriated to deliver services	45,909	24,544	22,787	21,561	21,886	22,764	23,021

(*) Fluctuations are primarily due to the non-linear capital requirements of the approved Hull and Vessel Replacement Program which commenced in 2009/10.

(**) Primarily represents unbudgeted costs associated with administering the Western Australian Natural Disaster Relief and Recovery Arrangements on behalf of the State Government, and Wildfire and SES incident response costs.

Additional Information	2009/10 Actual	2010/11 Budget	2010/11 Estimated Actual	2011/12 Budget Estimate	2012/13 Forward Estimate	2013/14 Forward Estimate	2014/15 Forward Estimate
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<i>Direct and Indirect Subsidies towards FESA's Operations</i>							
Item 69 Net amount appropriated to deliver services	45,909	24,544	22,787	21,561	21,886	22,764	23,021
Amounts Authorised by Other Statutes - Salaries and Allowances Act 1975	0	0	0	490	504	519	534
Capital Appropriation	27,761	0	0	0	0	0	0
Sub-Total	73,670	24,544	22,787	22,051	22,390	23,283	23,555
ESL on State Government Owned Properties (refer BP No. 2, Vol 1, page 299, item 46)	11,636	14,000	14,742	16,000	16,000	16,000	16,000
Pensioner Concessions - ESL (refer BP No. 2, Vol 2, page 455)	8,914	11,854	12,400	13,500	14,700	16,000	17,400
<i>Total Direct and Indirect Subsidies towards FESA's Operations</i>	94,220	50,398	49,929	51,551	53,090	55,283	56,955

Division 27: Attorney General (Office of Native Title) —

[Supplementary Information No B19.]

Question: Mr E.S. Ripper requested a list of the consent native title determinations that have been concluded since the government was elected.

Answer: During the current term of Government, the following consent determinations have been concluded:

Uunguu Part A;
Dambimangari;
Thudgari; and
Nyangumarta People (Part A).

The State's acceptance of an applicant's connection evidence is done in the confines of confidential mediation with the National Native Title Tribunal and it is not appropriate to disclose this information as these matters are the subject of sensitive negotiations. Cabinet decisions giving approval for negotiations towards consent determination remain subject to cabinet confidentiality.

Division 27: Attorney General —

[Supplementary Information No B20.]

Question: Mr W.J. Johnston requested information on what portion of the \$144 million listed as referred back to court or written off by the Fines Enforcement Registry was written off.

Answer: \$99 million of the \$144 million has been written off.

Division 28: Corruption and Crime Commission —

[Supplementary Information No B21.]

Question: Mr W.J. Johnston asked how many persons mentioned in transcripts of public Corruption and Crime Commission hearings requested that their names be suppressed; how many of those requests were granted and how many refused; and how many of those refused a suppression order have then been phoned by an investigator and asked whether the aggrieved person would like the investigator to seek their name to be removed from the transcript.

Answer: The Corruption and Crime Commission (CCC) provides the following responses to the questions asked by Mr Johnston relating to Suppression Orders issued by the CCC.

- (1) It is not uncommon for witnesses and other persons to request that their names be suppressed and, hence, not be published in the publicly available transcripts of public examinations conducted by the CCC. These requests arise before, during and after the conduct of public examinations and may be

made by either witnesses appearing at examinations or individuals named in evidence before the Commission. Each request is considered on its merits. Additionally, the Commission often makes suppression orders on its own initiative.

- (2) Since 1 January 2004, the CCC has issued 77 Suppression Orders.
- (3) The Commission has no record or knowledge of any CCC investigator contacting an aggrieved person to ask whether the aggrieved person would like the investigator to seek their name to be removed from the transcript. On one occasion, a person not having been called as a witness who had had their representations to have their name suppressed refused by the Commission has made further representations about that. In the course of assessing the merits of those representations the Commission directed a Commission investigator to make contact with them in order to obtain a succinct letter detailing the relevant grounds for the request.

[Supplementary Information No B22.]

Question: Ms M.M. Quirk requested figures on complaints against serving Western Australian police officers received by the Corruption and Crime Commission.

Answer: The Corruption and Crime Commission (CCC) provides the following responses to the questions asked by Ms Quirk relating to the volume of complaints received by the CCC against Western Australia Police (WAPOL) officers.

- (1) The volume of complaints received by the CCC against WAPOL officers is decreasing. In the period 2004-2005 to 2009-2010 allegations about police misconduct declined by 23%, from 1,580 to 1,221. However, in the corresponding period non-police allegations increased by 141% from 832 to 2016.
- (2) In the 2009-2010 period the WAPOL share of notifications accounted for 38% of total notifications received by the CCC, compared with 67% in the 2004-2005 period. In the first half of 2010-2011 the WAPOL share of notifications declined a further 2% to 36% (640 allegations).

Division 24: Treasury —

[Supplementary Information No B23.]

Question: Mrs M.H. Roberts requested information on the quantum of funds raised through the pricing assumptions across the forward estimates of increases of five per cent, five per cent, 12 per cent and 12 per cent in retail electricity tariffs, and the 14 per cent increase in the household water charge.

Answer:

Electricity

Consistent with the assumption made by the previous Government in the 2008-09 Budget, dividends and taxes paid by the electricity corporations are not affected by the increase in retail electricity tariffs. Since the electricity tariffs charged to consumers do not reflect the cost of supply, the increase in the electricity tariffs only serves to reduce the operating subsidy paid by Government. If electricity tariffs for contestable and non contestable customers were not increased, the operating subsidy would be around \$1.9 billion higher over 2011–12 to 2014–15, as shown below, whilst dividends and taxes would remain the same.

The table below outlines the additional subsidy that would be paid between 2011–12 and 2014–15 if the tariff increase did not occur.

2011-12 (\$M)	2012-13 (\$M)	2013-14 (\$M)	2014-15 (\$M)	Total (\$M)
207	316	556	867	1,947

Water

The Water Corporation receives operating subsidies to provide services for country customers, pensioner and senior concession recipients, rural irrigation schemes and the infill sewerage program. The subsidies meet the difference between the cost of providing these services and the revenue raised through tariffs. The projected value of these subsidies is included in the table below (please note totals may not add due to rounding). These projections include forecast tariff increases.

	2011-12 (\$M)	2012-13 (\$M)	2013-14 (\$M)	2014-15 (\$M)	Total (\$M)
Total Operating Subsidies from Government	464	462	476	505	1,906

The additional dividends and taxes received by the general government sector as a result of the planned tariff increases are outlined in the table below.

	2011-12 (\$M)	2012-13 (\$M)	2013-14 (\$M)	2014-15 (\$M)	Total (\$M)
Tax equivalent payments	23	58	99	134	314
Dividend	42	111	190	261	604
Total	65	169	289	395	918

The difference in the way water and electricity subsidies are treated remains unchanged from the 2008–09 Budget. Unlike the electricity sector, there is not a State-wide operating subsidy paid to the Water Corporation. This means that, if there was no increase in tariffs, its profitability would be affected and payments to Government reduced.

The basis for the different treatment of the Water Corporation and the electricity sector is that the Water Corporation experiences higher levels of cost recovery in operating expenditure. This is illustrated by the fact that, prior to 2009-10, the electricity sector operated without a State-wide subsidy, resulting in Verve Energy carrying significant losses for the sector, leading to its financial position deteriorating significantly.

[Supplementary Information No B24.]

Question: Mrs M.H. Roberts requested a consolidated list of full-time equivalent numbers across public sector agencies.

Answer:

2011-12 FTE Ceiling Estimates	
Agency	2011-12 FTE Estimate
Department of Education	33,222
Health	33,145
Western Australia Police	7,661
Corrective Services	4,429
Environment and Conservation	1,965
Child Protection	2,216
Disability Services Commission	1,723
Agriculture and Food	1,275
Attorney General	2,296
Finance	1,420
Treasury	453
Fire and Emergency Services Authority	1,422
Department of Transport	1,468
Commissioner of Main Roads	1,014
Polytechnic West (Swan TAFE)	1,185
Commerce	1,030
Western Australian Land Information Authority	869
Central Institute of Technology (Central TAFE)	1,070
Department of Mines and Petroleum	854
Department of Planning	568
Culture and the Arts	664
Challenger Institute of Technology (Challenger TAFE)	705
Premier and Cabinet	737
Department of Water	580
Department of Training and Workforce Development	710
Department of Fisheries	401
West Coast Institute of Training (West Coast TAFE)	299
South West Regional College of TAFE	236
2011-12 FTE Ceiling Estimates	
Agency	2011-12 FTE Estimate

Department for Communities	222
Office of the Director of Public Prosecutions	242
Western Australian Sports Centre Trust	227
Pilbara TAFE	219
Durack Institute of Technology (Central West TAFE)	216
Department of Regional Development and Lands	268
Great Southern Institute of Technology (Great Southern TAFE)	209
Department of Sport and Recreation	180
Corruption and Crime Commission	154
Zoological Parks Authority	166
Department of State Development	185
Western Australian Tourism Commission	107
Curriculum Council	134
Indigenous Affairs	186
CY O'Connor College of TAFE	148
Botanic Gardens and Parks Authority	137
Kimberley TAFE	175
Department of Local Government	120
Chemistry Centre WA	116
Country High School Hostels Authority	114
Department of Racing, Gaming and Liquor	107
Parliamentary Services	103
Office of the Auditor General	113
Public Sector Commission	151
Office of Environmental Protection Authority	103
Office of Energy	91
Western Australian Electoral Commission	48
Small Business Development Corporation	57
Education Services	81
Swan River Trust	58
Economic Regulation Authority	55
Parliamentary Commissioner for Administrative Investigations (Ombudsman)	63
Mental Health Commission	47
Department of the Registrar Western Australian Industrial Relations Commission	55
Office of the Public Sector Standards Commissioner	-
Legislative Assembly	32
Legislative Council	31
2011-12 FTE Ceiling Estimates	
Agency	2011-12 FTE Estimate
The National Trust of Australia (Western Australia)	29
Commissioner for Equal Opportunity	30
Governor's Establishment	33
Heritage Council of Western Australia	30
South West Development Commission	25
Wheatbelt Development Commission	15
Office of the Inspector of Custodial Services	20
Commissioner for Children and Young People	18
Mid West Development Commission	15
Goldfields-Esperance Development Commission	12
Peel Development Commission	13
Great Southern Development Commission	15
Pilbara Development Commission	12
Kimberley Development Commission	14
Gascoyne Development Commission	13
Office of the Information Commissioner	12
Law Reform Commission of Western Australia	4
Parliamentary Inspector of the Corruption and Crime Commission	2

Salaries and Allowances Tribunal	2
TOTAL for all agencies	108,651

[Supplementary Information No B25.]

Question: Mrs M.H. Roberts asked the Treasurer to provide the date on which he first became aware of the full cost of the Hale House development.

Answer: The current Treasurer became aware of the total budget of \$25.5 million in March 2011.

The Under Treasurer provided a briefing note to the Premier (who also carried the portfolio of Treasurer) in October 2010. The briefing note referred to a draft Cabinet submission that proposed the redevelopment of Hale House to accommodate the Office of the Premier and the Cabinet room.

Christian Porter became Treasurer in December 2010.

The Premier made a submission to Cabinet in January 2011 that recommended that Cabinet approve the redevelopment with a budget of “\$17 million for construction and site works, plus an amount to be determined for fees, fitout and contingencies”. Cabinet approved the recommendations on 24 January 2011.

A submission from the Department of Treasury and Finance to the Expenditure and Economic Reform Committee resulted in an approved budget of \$8.5 million for “fees, fitout and contingencies” on 28 March 2011. The current Treasurer became aware of the estimated total cost through that approval process.

[Supplementary Information No B26.]

Question: Ms R. Saffioti requested information on the cost estimates that were placed before the commonwealth government when the state government first sought funding for the City Link project, in 2008.

Answer: The submission made to the Commonwealth Government in 2008 indicated a preliminary cost estimate of \$263 million for the underground railway works. It is noted that the option also existed to build an underground bus station at a cost of approximately \$205 million. The total preliminary estimate therefore was \$468 million. The submission did not include the East Perth Redevelopment Authority’s (EPRA) proposed plans to develop the area above the rail and bus stations, which was considered as a separate project of EPRA.

The current estimated total cost for the Perth City Link Rail and Bus Project is \$609.3 million, consisting of \$360.3 million for the underground railway works (previously estimated at \$263 million) and \$249 million for the underground bus station (previously estimated at \$205 million).

The current project budget of \$609.3 million was developed after a lengthy and rigorous master planning phase where key risks were examined and the costs were developed in light of known risks to a sufficient level of confidence. This revised cost (up by \$141.3 million) was disclosed in the 2010-11 Budget. It remains unchanged in the 2011–12 Budget.

The 2011–12 Budget also includes \$128 million for the development of City Square (i.e. the EPRA component). This is considered a separate project.

When this project was submitted to the Commonwealth in late 2008, soon after the election of the Government, it was not developed to our normal high standards. Unlike Perth Arena there has been no fundamental changes to design impacting cost and the project fully complies with Strategic Asset Management Framework.

In the case of the Perth Arena, fundamental changes to the form of contract and design of the facility during the tender process have resulted in the State accepting design risk and hence, exposure to significant delay and related costs. In this regard:

- In September 2005, the previous Government announced it would build the Perth Arena indoor entertainment and sporting stadium for \$160 million with completion in 2008, ready for the January 2009 Hopman Cup. More than a year later, the Perth Arena business case was completed. It detailed a revised estimated cost of \$320 million, with completion delayed until late 2009. The project budget was adjusted accordingly. Then, during negotiations before award of the Perth Arena construction contract in May 2007, the procurement strategy for the project was effectively abandoned. Instead of transferring design risk to the private sector under a design and construct contract, the Government opted to retain responsibility for design of the Arena and entered into a construct-only contract with BGC Construction – with the design only 40% complete. In addition, the stadium design was fundamentally changed during the tender period by incorporating a basement car park, rather than a stand-alone structure as assumed in the business case.
- Not surprising, these major departures from the business case scope and procurement strategy have also impacted significantly on budget and completion date. In April 2009, the budget was increased to \$483

million and anticipated completion date extended out to mid 2011. Despite the establishment of strong project governance and management by DTF in its new project delivery role, the legacy of poor planning and procurement process continues to affect the project. Now, completion is not expected to be achieved until mid 2012 and the final cost is expected to exceed \$500 million.

- The Perth Arena is not an isolated case – prior to the introduction of Works Reform by this Government in February 2009, cost and program overruns were commonplace on major non-residential building projects with a value over \$50 million, such as hospitals, prisons and major high schools.

A sample of more than 50 major building projects commenced before June 2009 highlights the problem. At June 2009—just after Government launched *Works Reform*—the total current budget of these projects was \$3.9 billion, compared to an original approved budget of \$1.5 billion. The overrun of \$2.4 billion represented a staggering 153% of the original approved budget. Almost half of the projects in question had exceeded their original budgets by more than 100%.

To date, the Government's track record post-*Works Reform* is encouraging. The total budget of the seven major building projects valued at \$50 million or more and commenced after June 2009 has increased by only 2.2%, from \$2.43 billion to \$2.49 billion. Extended to the 45 projects valued at \$10 million or more, the increase is less than 1%. All indications are that *Works Reform* is moving towards its primary objective: elimination of project overruns.

[Supplementary Information No B27.]

Question: Ms R. Saffioti requested information about the costing of the City Link project and the current scope of the project with respect to present costings.

Answer: The scope of the original submission to the Commonwealth Government in 2008 was developed in 2006 during the final stages of the New MetroRail Project. This was for the 'sinking' of a small section of the Fremantle railway line west of the Horseshoe Bridge as far as Lake Street to remove the barrier effect of the railway, and to enable the creation of at-grade pedestrian links across the railway land between Wellington Street and Roe Street. This submission noted that the option also existed to build an underground bus station at a cost of approximately \$205 million, based on planning undertaken in 2006.

Public Transport Authority (PTA)

The final scope of the railway and bus station works is described in the Perth City Link Rail and Bus Master Plans released in March 2010. This master planning was undertaken through 2009 to examine scope, engineering studies, risk assessment, cost estimating and incorporation of stakeholder requirements.

The review process and independent examination of the costs at the master plan stage was validated by the tender result for the rail alliance works. It is important to note that there are significant scope (and hence cost) differences between the first submission to the Commonwealth Government in 2008 and the current, well-established and firmly developed scope and cost for the rail and bus project.

Some of the main differences in scope between the first submission and the current approved project scope include the following:

- an additional track and platform to replace platform capacity lost after the demolition of the western platforms 6 (west) and 8;
- the additional track on the north side of the station requires extensive alterations to the City Place Childcare Centre and requires a new rail underpass beneath Barrack Street and additional track and infrastructure works east of Barrack Street;
- a pedestrian underpass connection between the Perth Underground station link and the existing Perth platforms. This underpass will also require additional passenger lifts, escalators and stairs to provide efficient and safe access between platforms;
- additional underground infrastructure for bus accommodation, bus layovers and a longer bus tunnel; and
- additional engineering to strengthen the structures containing the railway and the bus station to accommodate construction of buildings of up to thirty storeys above them.

East Perth Redevelopment Authority (EPRA)

The EPRA component of the Perth City Link project was announced in January 2005, and following a public comment period in 2007 and development of a Master Plan, the State Government approved funding of

\$9 million for Stages One and Two of the Master Plan. This was predominantly for planning costs and the development works required around the Perth Arena.

In March 2010, the State Government approved EPRA expenditure of \$47 million. The State Government also requested that EPRA reassess the timing of the City Square development to coincide with the completion of the rail and underground bus station works program.

Consequently and as part of the 2011-12 Budget, Government approved the acceleration of the City Square development to align with the rail and bus works program. Whilst there was no change to the scope of the project, the EPRA identified that as the proposed accelerated program would be delivered in advance of any commercial land development, the works would need to be fully delivered by EPRA, rather than via a land development partner. As a result, the estimated cost of the project has increased from \$47 million in the 2010-11 Budget to \$128 million in the 2011-12 Budget and is predominantly due to the accelerated delivery of City Square, and the adjusted City Square delivery strategy of EPRA as sole developer.

Division 39: Finance —

[Supplementary Information No B28.]

Question: Ms R. Saffioti requested a list of projects overseen by the Office of Strategic Projects and the current estimated cost of each of those projects.

Answer: The projects currently overseen by the Department of Treasury and Finance's Strategic Projects business unit and their current estimated costs are listed below.

Project	Estimated Cost (\$ million)
Royal Perth Hospital	10.0 ¹
Midland Health Campus	360.2
New Children's Hospital	1,178.8
Karratha Health Campus	150.0
Busselton Health Campus	117.9
Albany Health Campus	170.4
Fiona Stanley Hospital	1,761.5
State Rehabilitation Service	255.7
Joondalup Health Campus	229.8
Queen Elizabeth II Medical Centre Car Parking	9.6 ²
Queen Elizabeth II Medical Centre Central Energy Plant	225.2
Acacia Prison Expansion	126.0
Eastern Goldfields Regional Prison	232.0
Old Treasury Buildings Redevelopment	7.3 ²
Perth Arena	520.5
State Theatre Centre	104.0

¹ Planning phase only; project scope and cost yet to be determined.

² State management costs only; privately financed projects.

[Supplementary Information No B29.]

Question: Mrs M.H. Roberts requested detailed information to explain why the 2009–10 profitability of the state's light vehicle fleet was better than the long-run average and why we are returning to the long-run average.

Answer: A significant part of the 2010-11 State Fleet profit was derived through higher than expected vehicle sale values from a buoyant used car market. Factors contributing to overall good sale values on State Fleet vehicles were the hail storms of March 2010 which created extraordinary demand for new and used vehicles coupled with a generally lesser supply of quality used vehicles through the private sector (including hire car companies) generally retaining vehicles longer following the global financial crisis. Both factors have largely dissipated with a more normal used car supply situation occurring from early 2011.

The decrease in State Fleet's profit forecast for 2010-11 to 2011-12 is due mainly to a more conservative outlook for the used car market going forward. As a matter of course, State Fleet does not attempt to accommodate speculative factors into its sales forecasting. These factors might include the vagaries/variability of the used car market, the Japanese earthquake/tsunami impacts on vehicle supply and any effects from the wider scale introduction of new lower priced Chinese imported vehicles into the Australian market.

[Supplementary Information No B30.]

Question: Mrs M.H. Roberts requested a copy of the schedule of rates charged by Building Management and Works for maintenance on school facilities.

Answer:

A – Fees for BMW Metro and Regional

Maintenance Type	BMW Metro	BMW Regional
Breakdown repairs	14%	17.5%
Planned maintenance < \$100,000	8% to 14% depending on involvement of external consultants	8% to 17.5% depending on involvement of external consultants
Planned maintenance > \$100,000	Based on a sliding scale from 2% to 8% depending on the value of work, with multiplier applied according to Consultant Commission Type	Same as metro
Transportables	10.5%	10.5% to 14%
Maintenance Type	BMW Metro	BMW Regional
Property services	10% x value of work	10% to 17.5% depending on level of involvement

B – Fees for Contracted Service Arrangers (metro Perth only)

Maintenance Type	Programmed Facility Management	Spotless
Breakdowns	11.6% to 13.2%	3.5% to 8.0%
< \$10,000	3.5% to 9.4%	3.0% to 7.5%
\$10,001 - \$20,000	3.5% to 9.4%	3.0% to 7.5%
\$20,001 - \$50,000	3.5% to 9.4%	3.0% to 6.5%
\$50,001 - \$100,000	3.4% to 8.3%	2.5% to 6.3%
\$100,001 - \$150,000	3.3% to 7.7%	2.3% to 6.0%
\$150,001 - \$200,000	3.2% to 7.2%	2.0% to 5.8%
\$200,001 - \$300,000	By negotiation	By negotiation
\$300,001 - \$500,000	By negotiation	By negotiation
\$500,000	By negotiation	By negotiation
Cleaning	7.7%	Nil to 3.5%
Other property services	6.6%	Nil to 3.5%

NOTE:

For maintenance types other than breakdown repairs where an external consultant is involved the above fees are multiplied by a factor of 0.6 where documentation is prepared by the consultant or 0.45 where the consultant is engaged for project management.

[Supplementary Information No B31.]

Question: Ms R. Saffioti requested information on the excess of income from the Perth parking licence fee and expenditure on the central area transit bus service.

Answer: See table below.

Perth Parking Levy – Estimated Revenue and Expenditure

	2011-12 (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)	Total (\$'000)
Forecast opening balance*	36,854	54,086	71,957	90,317	N/A
Revenue	30,706	31,627	32,576	33,553	128,462
Expenditure	13,474	13,756	14,216	14,230	55,676
Net Movement in Cash Balances	17,232	17,871	18,360	19,323	72,786
Forecast closing balance*	54,086	71,957	90,317	109,640	N/A

*Figures provided by Department of Transport

Division 61: Local Government —**[Supplementary Information No B32.]**

Question: Ms J.M. Freeman requested information on how much money or percentage of moneys have been paid to consultants and local Western Australian companies for services to Western Australia local governments.

Answer: To date, the Department of Local Government has paid one consultant (as per the definition provided in Premier's Circular 2005/08) in the 2010-2011 financial year. That consultant was KPMG who were paid \$51 290 to provide a Performance Measurement Framework. KPMG are an international company with offices based in Western Australia.

The Department of Local Government does not have access to expenditure information for individual local governments.

[Supplementary Information No B33.]

Question: Mr P. Papalia requested information, from the results of the self-assessment checklists, on which local governments have or do not have asset management, strategic planning and financial management plans.

Answer:

The following data is based on the results of the Local Government Capability Assessment conducted by the Local Government Reform Steering Committee in June 2009. Each local government completed a self assessment checklist which was then assessed by the Department of Local Government.

Asset Management

112 or 81% local governments undertake limited or no planning for asset maintenance and renewal while 27 or 19% undertake comprehensive planning. This is comprised of the following:

Comprehensive (27 / 19%)

Great Southern (4)

Albany
Plantagenet

Broomehill–Tambellup

Jerramungup

Metropolitan (17)

Armadale
Cambridge
Cottesloe
Kwinana
Perth
SwanBassendean
Claremont
Gosnells
Melville
Stirling
WannerooBelmont
Cockburn
Joondalup
Mundaring
Subiaco

Midwest (1)

Geraldton–Greenough

Peel (2)

Mandurah
Murray

South West (3)

Augusta-Margaret River

Dardanup

Harvey

Limited / None (112 / 81%)

Gascoyne (4)

Carnarvon
Upper Gascoyne

Exmouth

Shark Bay

Goldfields (9)

Coolgardie
Kalgoorlie-Boulder
MenziesDundas
Laverton
NgaanyatjarrakuEsperance
Leonora
Ravensthorpe

Great Southern (7)

Cranbrook
Katanning
WoodanillingDenmark
KentGnowangerup
Kojonup

Kimberley (4)		
Broome	Derby–West Kimberley	Halls Creek
Wyndham-East Kimberley		
Metropolitan (12)		
Bayswater;	Canning	East Fremantle
Fremantle	Kalamunda	Mosman Park
Nedlands	Peppermint Grove	Rockingham
South Perth	Victoria Park;	Vincent
Midwest (17)		
Carnamah	Chapman Valley	Coorow
Cue	Irwin	Meekatharra
Mingenew	Morawa	Mount Magnet
Mullewa	Murchison	Northampton
Perenjori	Sandstone	Three Springs
Wiluna	Yalgoo	
Peel (3)		
Boddington	Serpentine–Jarrahdale	Waroona
Pilbara (4)		
Ashburton	East Pilbara	Roebourne
Port Hedland		
South West (9)		
Boyup Brook	Bridgetown–Greenbushes	Bunbury
Busselton	Capel	Collie
Donnybrook-Balingup	Manjimup	Nannup
Wheatbelt (43)		
Beverley	Brookton	Bruce Rock
Chittering	Corrigin	Cuballing
Cunderdin	Dalwallinu	Dandaragan
Dowerin	Dumbleyung	Gingin
Goomalling	Kellerberrin	Kondinin
Koorda	Kulin	Lake Grace
Merredin	Moora	Mount Marshall
Mukinbudin	Narembeen	Narrogin (S)
Narrogin (T)	Northam	Nungarin
Pingelly	Quairading	Tammin
Toodyay	Trayning	Victoria Plains
Wagin	Wandering	West Arthur
Westonia	Wickepin	Williams
Wongan-Ballidu	Wyalkatchem	Yilgarn
York		

Strategic Planning

50 or 36% of local governments undertake limited or no strategic planning. 89 or 64% of local governments undertake comprehensive planning. This is comprised of the following:

Comprehensive (89 / 64%)

Gascoyne (2)

Exmouth

Upper Gascoyne

Goldfields (4)

 Dundas

 Esperance

 Kalgoorlie–Boulder

 Leonora

Great Southern (9)

 Albany

 Broomehill–Tambellup

 Cranbrook

 Denmark

 Gnowangerup

 Jerramungup

 Kojonup

 Plantagenet

 Woodanilling

Kimberley (3)		
Broome	Derby-West Kimberley	Wyndham-East Kimberley
Metropolitan (26)		
Armadale	Bassendean	Bayswater
Belmont	Cambridge	Canning
Claremont	Cockburn	Cottesloe
East Fremantle	Fremantle	Gosnells
Joondalup	Kalamunda	Kwinana
Melville	Mundaring	Nedlands
Perth	South Perth	Stirling
Subiaco	Swan	Victoria Park
Vincent	Wanneroo	
Midwest (9)		
Carnamah	Chapman Valley	Coorow
Geraldton-Greenough	Irwin	Northampton
Perenjori	Sandstone	Wiluna
Peel (5)		
Boddington	Mandurah	Murray
Serpentine Jarrahdale	Waroona	
Pilbara (3)		
Ashburton	East Pilbara	Port Hedland
South West (10)		
Augusta-Margaret River	Boyup Brook	Bunbury
Busselton	Capel	Collie
Dardanup	Harvey	Manjimup
Nannup		
Wheatbelt (18)		
Brookton	Bruce Rock	Chittering
Dowerin	Dumbleyung	Kulin
Merredin	Moora	Northam
Tammin	Toodyay	Victoria Plains
West Arthur	Williams	Wongan-Ballidu
Wyalkatchem	Yilgarn	Narrogin (T)
Limited / None (50 / 36%)		
Gascoyne (2)		
Carnarvon		
Shark Bay		
Goldfields (5)		
Coolgardie	Laverton	Menzies
Ngaanyatjarraku	Ravensthorpe	
Great Southern (2)		
Katanning		
Kent		
Kimberley (1)		
Halls Creek		
Metropolitan (3)		
Mosman Park	Peppermint Grove	Rockingham
Midwest (9)		
Cue	Meekatharra	Mingenew
Morawa	Mount Magnet	Mullewa
Murchison	Three Springs	Yalgoo
Pilbara (1)		
Roebourne		
South West (2)		
Bridgetown–Greenbushes		
Donnybrook–Balingup		

Wheatbelt (25)

Beverley	Corrigin	Cunderdin
Dalwallinu	Dandaragan	Kellerberrin
Lake Grace	Mount Marshall	Mukinbudin
Narembeen	Narrogin (S)	Wandering
Cuballing	Gingin	Goomalling
Kondinin	Koorda	Nungarin
Pingelly	Quairading	Trayning
Wagin	Westonia	Wickepin
York		

Financial Management

107 or 77% of local governments undertake limited or no financial management planning. 32 or 23% undertake comprehensive planning. This is comprised of the following:

Comprehensive (32 / 23%)

Gascoyne (1)

Shark Bay

Goldfields (1)

Dundas

Great Southern (4)

Broomehill-Tambellup
Plantagenet

Gnowangerup

Jerramungup

Kimberley (1)

Derby–West Kimberley

Metropolitan (13)

Armadale
Claremont
Gosnells
Perth
SubiacoBassendean
Cockburn
Joondalup
South PerthCanning
Fremantle
Melville
Stirling

Midwest (2)

Sandstone

Murchison

Peel (3)

Mandurah

Murray

Serpentine–Jarrahdale

South West (3)

Bridgetown–Greenbushes

Bunbury

Donnybrook–Balingup

Wheatbelt (4)

Koorda
Wongan–Ballidu

Chittering

West Arthur

Limited / None (107 / 77%)Gascoyne (3)
Upper Gascoyne

Carnarvon

Exmouth

Goldfields (8)

Coolgardie
Laverton
NgaanyatjarrakuEsperance
Leonora
RavensthorpeKalgoorlie–Boulder
Menzies

Great Southern (7)

Albany
Katanning
WoodanillingCranbrook
KentDenmark
Kojonup

Kimberley (3)

Broome

Halls Creek

Wyndham–East
Kimberley

Metropolitan (16)

Bayswater	Belmont	Cambridge
Cottesloe	East Fremantle	Kalamunda
Kwinana	Mosman Park	Mundaring
Nedlands	Peppermint Grove	Rockingham
Swan	Victoria Park	Vincent
Wanneroo		

Midwest (16)

Carnamah	Chapman Valley	Coorow
Cue	Geraldton–Greenough	Irwin
Meekatharra	Mingenew	Morawa
Mount Magnet	Mullewa	Northampton
Perenjori	Three Springs	Wiluna
Yalgoo		

Peel (2)

Boddington
Waroona

Pilbara (4)

Ashburton	East Pilbara	Roebourne
Port Hedland		

South West (9)

Augusta-Margaret River	Boyup Brook	Busselton
Capel	Collie	Dardanup
Harvey	Manjimup	Nannup

Wheatbelt (39)

Beverley	Brookton	Bruce Rock
Corrigin	Cuballing	Cunderdin
Dalwallinu	Dandaragan	Dowerin
Dumbleyung	Gingin	Goomalling
Kellerberrin	Kondinin	Kulin
Lake Grace	Merredin	Moora
Mount Marshall	Mukinbudin	Narembeen
Narrogin	Narrogin (S)	Northam
Nungarin	Pingelly	Quairading
Tammin	Toodyay	Trayning
Victoria Plains	Wagin	Wandering
Westonia	Wickepin	Williams
Wyalkatchem	Yilgarn	York

[Supplementary Information No B34.]

Question: Ms J.M. Freeman requested information on the rate recovery ratio for the last three years in Stirling, Joondalup, Wanneroo, Swan and Cockburn.

Answer: Local governments are required by regulations [Local Government (Financial Management) Regulations 1996 r.50] to report the Outstanding Rates Ratio calculated as:

$$\frac{\text{Rates Outstanding}}{\text{Rates Collectable}}$$

The following Outstanding Rates Ratios were reported by the subject local governments in their Annual Financial Reports.

Local Government	2007/08	2008/09	2009/10
City of Stirling	0.0644 (6.44%)	0.0492 (4.92%)	0.0411 (4.11%)
City of Joondalup	0.002 (0.2%)	0.01 (1%)	0.009 (0.9%)
City of Wanneroo	0.029 (2.9%)	0.032 (3.2%)	0.09 (9%)
City of Swan	0.0637 (6.37%)	0.0602 (6.02%)	0.0534 (5.34%)
City of Cockburn	0.0036 (0.36%)	0 (0.0%)	0.0117 (1.17%)

[Supplementary Information No B35.]

Question: Mr P. Papalia requested information on the amount of money from the national partnerships that was paid to KPMG or any other consultants in the local government reform process.

Answer: Under the National Partnership Agreement to Support Local Government and Regional Development, \$4.751 million has been allocated to building the capacity of local governments in WA to undertake Integrated Strategic Planning and Asset Management. The Department of Local Government has not used this funding to directly engage consultants. However \$2.412 million has been provided to individual local governments and groups of local governments by way of grants. Each of these recipients can determine how this funding will be used to meet the outcomes expected under each of the relevant grant agreements. Where recipients choose to engage consultants to assist in achieving these outcomes, they are required to source these consultants from the Panel of Approved Consultants established by the Department of Local Government.

[Supplementary Information No B36.]

Question: Mr A.J. Waddell requested information regarding the percentage of digitalisation of Office of Multicultural Interests records to date.

Answer: 47% of record types created and/or received since 1 March 2009 (the date that the Office of Multicultural Interests transferred to the Department of Local Government) are digitalised.

40% of the records received as part of the transfer from Department for Communities are digitalised.

[Supplementary Information No B37.]

Question: Mr J.N. Hyde requested the number of consultants paid through the Office of Multicultural Interests for 2010–11 and 2011–12.

Answer: The Office of Multicultural Interests has not engaged consultants (as per the definition provided in Premier's Circular 2005/08) in the 2010-2011 financial year.

Division 62: Heritage Council of Western Australia —**[Supplementary Information No B38.]**

Question: Mr J.N. Hyde asked for a list of people already consulted and also to provide him with the steps he anticipates engaging in, in the review of the Heritage of Western Australia Act 1990.

Answer: The following government agencies and stakeholder groups have been consulted on the review of the *Heritage of Western Australia Act 1990 (the Act)* from the launch of the project on 19 April 2011 until 1 June 2011:

Department of Indigenous Affairs
 Department of Planning
 East Perth Redevelopment Authority
 Building Management and Works
 Building Commission
 Department of Culture and the Arts
 Real Estate Institute of Western Australia
 Property Council of Australia (WA)
 City of Fremantle
 Fremantle Society
 National Trust of Australia (WA)

Direct consultation with stakeholders is ongoing, with further meetings scheduled with other key agencies and groups.

The review of *the Act* is being approached as an iterative process, with each step informing the next. At each stage, stakeholder and community feedback will be actively sought and encouraged. This commenced with the publication of a Consultation Paper on 19 April 2011, which seeks feedback and ideas from interested groups and persons on a range of strategic issues.

500 copies of the Consultation Paper have been posted to stakeholder agencies, professional and interest groups, members of Parliament and local governments. In addition to general media coverage of the review project and a public notice in the *West Australian*, 1,200 postcards seeking comment were sent out to all private owners of places on the State Register of Heritage Places, and others on the Heritage Council's mailing lists.

The Consultation Paper was made available for download on the Heritage Council's web site, which also provides an online survey. The survey allows interested persons to respond in a free text format to the Consultation Paper issues, and to raise any other issues associated with the review. Written submissions are also encouraged. The initial consultation phase concludes on 10 June 2011.

In Phase 2, feedback from the Consultation Paper will be analysed and policy positions developed and incorporated into a discussion paper, which will be published for public comment. This is expected to be completed in August and be available for comment for about three months.

Following this second round of public consultation, Phase 3 will commence with State Government approval to be sought for the preparation of an Exposure Draft Bill, also referred to as a Green Bill, which sets out what a new Act may look like. This will also be published for public comment.

The feedback from Phase 3 will inform the preparation of a new Bill for consideration by State Parliament.

[Supplementary Information No B39.]

Question: Mr J.N. Hyde asked for information on the advice given on the installation of a lift at Government House.

Answer: On 10 March 2011, the Office of Heritage received a proposal from the Governor's Establishment through its heritage architect to install an eight-person passenger lift in the courtyard, and the refurbishment of the first floor quarters and wet areas of Government House. The lift was proposed to resolve accessibility issues to the Governor's Residence, which is only accessible by stair.

The Office of Heritage processed the development proposal under delegated authority from the Heritage Council, as the works were minor in nature, had minimal impact on significant fabric and no impact on the setting of Government House.

On 23 March 2011, the Office of Heritage advised that the works were supported, subject to revision of the steel cladding of the lift structure and detailed drawings of internal elevations of the proposed new openings at the ground and first floor being provided.

On 20 April 2011, revised drawings that satisfied the conditions outlined on the Office of Heritage advice of 23 March were received. The Office of Heritage advised the project architects on 27 April that the amended proposal was supported. This included the substitution of the proposed steel cladding with zinc sheeting similar to the Government House turret roofs.

Division 35: Education —

[Supplementary Information No B40.]

Question: Mr B.S. Wyatt asked how much of the \$660.5 million capital appropriation on page 399 for the 2011–12 financial year is delayed money, whether it is federal or state, from 2010–11 year and how much is new appropriation for the 2011–12 year.

Answer: \$404 184 000 was carried over from 2010/11. \$256 342 000 is new appropriation for the 2011/12 year.

[Supplementary Information No B41.]

Question: Mr M.P. Whitely requested an estimate of the secondary school student enrolments for the school year 2011.

Answer: I am advised that the estimated 2010/11 secondary enrolments were 75 239 student FTEs.

[Supplementary Information No B42.]

Question: Mr M.P. Whitely requested an estimate of the secondary school student enrolments for the school year 2012.

Answer: I am advised that the estimated 2011/12 secondary enrolments were 75 033 student FTEs.

[Supplementary Information No B43.]

Question: Ms R. Saffioti asked when the Department of Education employees working in Hale House were informed that they would be moving out of Hale House; the date on which that was publicly announced; and the date on which they actually left Hale House.

Answer:

- (a) Department of Education employees who worked at Hale House were informed that they would be vacating on Thursday, 24 February 2011.

- (b) The public announcement was made on Thursday, 24 February 2011 after the Department of Education employees were advised.
- (c) Department of Education employees departed Hale House on Thursday, 21 April 2011.

[Supplementary Information No B44.]

Question: Mr B.S. Wyatt asked for the number of applications for Schools Plus funding on behalf of students during the school year 2010 and the number so far for 2011.

Answer:

- (a) 3 761
- (b) 2 702 (As at 8 June 2011)

[Supplementary Information No B45.]

Question: Mr B.S. Wyatt asked how much funding each of the 10 AIM schools mentioned in the minister's media release received Towards the Attendance program.

Answer: The 10 schools, as identified below, referred to by the Member are part of 40 AIM schools which have received grants to improve attendance. The grants were supplemented by Aboriginal Education funding where the school has a significant number of Aboriginal student enrolments.

School	2011 AIM Funding	2011 Aboriginal Education Funding
Armadale Senior High School	\$44 480	\$20 000
Yule Brook College		\$70 000
Belmont Community College		\$90 000
Cecil Andrews Senior High School	\$33 350	\$45 000
Coodanup Community College	\$26 550	\$20 000
Mandurah Senior High	\$17 830	\$20 000
Gilmore College	\$70 450	\$25 000
Swan View Senior High School	} * \$75 000	
Balga Senior High School		
Clarkson Community High School		

* Swan View Senior High School, Balga Senior High School, Clarkson Community High School, Ashfield Primary School and Moorditj Noongar Community College have formed a cluster and share the 2011 AIM funds.

Please also note that, \$450 000 in funding was also separately allocated to research, develop and deliver the public information campaign — *It all starts at school* — including television, radio, cinema, out of home and online advertising to promote regular student attendance.

[Supplementary Information No B46.]

Question: Mr B.S. Wyatt asked how many children the Department of Education expects to be diagnosed as vulnerable and what the approximate resource allocation is.

Answer: 198 students who may be diagnosed with Global Development Delay in 2011-2012 will receive *Schools Plus* funding. This is estimated from the 2010/11 *Schools Plus* data provided by the Australian Bureau of Statistics "A Series" projections. Actual numbers will depend upon diagnostic practices amongst Paediatricians. Parents of some students with Global Development Delay diagnoses who are eligible for *Schools Plus* may instead opt to receive support through targeted Early Intervention Program funding, which is not included in *Schools Plus* estimates.

The approximate average resource allocation currently stands at \$25 000 per student. Actual allocations are dependent upon levels of teaching and learning adjustment planned by schools. Estimate is based on average *Schools Plus* allocation per student with Global Development Delay in 2010/11.

[Supplementary Information No B47.]

Question: Mr B.S. Wyatt requested information on the number of provisionally registered school psychologists, and their percentage of the entire complement of school psychologists.

Answer: As at the 26 May 2011 pay date, records indicate that the Department of Education does not employ any provisionally registered school psychologists.

FYI - Comment

Provisionally registered psychologists need to be working for a minimum of 17 and a half hours per week in order to complete provisional registration with the Psychology Board of Australia in a two year period.

[Supplementary Information No B48.]

Question: Mr B.S. Wyatt requested information on Department of Education membership of interagency dyslexia working groups, when the groups meet and any recommendations they have made to the department.

Answer:

- (a) The Department of Education convened an internal working party, the Dyslexia Working Group in 2010. The Group met three times between 3 October 2010 and 30 November 2010 and will meet in future as required.
- (b) The Department's Working Group developed a position paper, for internal use, to inform its future responses to Dyslexia. I am advised by the Department of Education that this paper includes possible actions regarding:
 - policy development to support effective teaching practice;
 - acceptance of the definition provided by the Dyslexia SPELD Foundation WA;
 - the development of a strategy and communication plan to promote the Department's position;
 - publication of information for parents; and
 - increasing teacher skills through online learning and providing expanded support to schools through the Visiting Teacher Service.
- (c) The following Departmental officers were on the Dyslexia Working Group:
 - Manager, Disabilities Branch
 - Manager, School Psychology Service
 - Manager, Early Childhood
 - Manager, Primary Programs
 - Manager, K-12 Curriculum Assessment and Reporting
 - Manager, Visiting Teacher Service
 - Principal, Hospital School Services
 - Principal Consultant, Early Childhood
 - Principal Education Officer
 - Team Leader, Visiting Teacher Service (Learning Difficulties)
 - Principal Consultant, K-12 Curriculum Assessment and Reporting (Special Education Needs)
 - Principal Consultant, Pathways and Transitions (Disabilities)
 - Principal Consultant, Disabilities

Division 59: Child Protection —

[Supplementary Information No B49.]

Question: Mr A.P. O'Gorman requested a full update on the progress of the new women's refuge in the northern suburbs, and when it is anticipated that it will be available for use.

Answer: In 2006-07, funding of \$1.5 million over four years was allocated for the operation of a new domestic violence women's refuge service in the upper North West metropolitan corridor. In February 2007, the Patricia Giles Centre commenced the refuge known as Damara House which currently operates from a rental property in Wanneroo. Damara House provides accommodation and support for two families and provides outreach and counselling services to women experiencing domestic and family violence and in the community.

The Department for Housing is responsible for the construction of a new purpose built facility for Damara House located in Ridgewood. The Department of Housing has advised that currently the architect is finalising the documentation and it is anticipated the project will go to tender on 29 June 2011. Allowing for the tender process, the contract should be let by late July or early August 2011. Working with the latest timeframes, the Department of Housing has estimated date for completion of construction and handover to the Patricia Giles Centre is May 2012.

[Supplementary Information No B50.]

Question: Ms L.L. Baker requested information on the number of calls to Crisis Care about domestic violence—as specific as possible when refuge accommodation has been sought—and information on unmet need that has been provided to the Department for Child Protection by refuge providers.

Answer: Currently data collected from women's refuge providers measures the availability of vacancies in the women's refuge system.

In November 2008, the Women's Council for Domestic and Family Violence Services (WA) developed a State wide database that provides details of bed availability in women's domestic violence refuges. Women's refuges are expected to update the database as vacancies occur in order to provide daily information regarding refuge vacancies.

The Department for Child Protection accesses the database twice daily, Monday to Friday, regarding the vacancies available across metropolitan women's refuges. This information is then averaged for the month to identify the average vacancies available for women and children experiencing domestic violence and seeking accommodation.

This information is below;

**METROPOLITAN DOMESTIC VIOLENCE REFUGES AVERAGE VACANCIES
FROM 1 JULY 2010 TO 31 MAY 2011**

	JULY 2010	AUG 2010	SEPT 2010	OCT 2010	NOV 2010	DEC 2010
Single Women (individual vacancies)	0.7	0.9	0.2	1.2	1.3	1.4
Women and Children (family vacancies)	5.6	4.5	3.7	3.9	3.3	2.8

In addition, the Australian Institute of Health and Welfare (AIHW) report: *People turned away from government-funded specialist homelessness accommodation 2009–10*, provides information on people turned away from government-funded specialist homelessness accommodation 2009-10. Unpublished 2009-10 data shows the following information for services for women escaping domestic violence:

On an average day 390 people either requested immediate accommodation or were accommodated in government-funded specialist homelessness accommodation services for women escaping domestic violence. Of this total:

- 11 made a request for immediate accommodation and did not obtain accommodation by the end of the day;
- 17 were ending their accommodation;
- 17 were newly accommodated; and
- 361 were continuing their accommodation from the previous day and into the next day.

On any given day 11 out of 390 people (2.9%), were unable to be accommodated by Western Australian services for women escaping domestic violence.

The Department for Child Protection and the Women's Council for Domestic and Family Violence Services (WA) are currently working together on developing a project to gain insight into the work currently being done by the domestic violence sector, the demand for new and existing services and where capacity can be enhanced.

[Supplementary Information No B51.]

Question: Mr A.J. Waddell requested the data that indicates some unmet need for financial counsellors to access hardship utility grant scheme funds and that has informed the Department for Child Protection to fund some additional financial counselling positions.

Answer: The Department for Child Protection (the Department) utilises the number of Hardship Utility Grant Scheme (HUGS) grants approved by region to assist with identifying increased demand for additional financial counseling services to access HUGS grants. In addition, the Department reviews progress reports provided by the financial counseling services which provide anecdotal information regarding service delivery.

The table below outlines the number of applications by region from the inception of HUGS in August 2008 to April 2011:

Period	Region	Number of Grants Paid	% of Total Grants Paid
	Gascoyne	10	0.38%
	Goldfields/Esperance	56	2.09%
	Great Southern	139	5.17%
	Kimberley	66	2.46%
August 2008 –	Metropolitan	1680	62.52%
	Midwest	121	4.50%
June 2009	Peel	182	6.77%
	Pilbara	48	1.79%
	Southwest	257	9.56%
	Wheatbelt	128	4.76%
	TOTAL	2687	100%
	Gascoyne	59	0.88%
	Goldfields/Esperance	141	2.10%
	Great Southern	268	4.00%
	Kimberley	223	3.33%
July 2009 –	Metropolitan	4401	65.68%
	Midwest	193	2.88%
June 2010	Peel	484	7.22%
	Pilbara	211	3.15%
	Southwest	528	7.88%
	Wheatbelt	193	2.88%
	TOTAL	6701	100%
	Gascoyne	52	0.55%
	Goldfields/Esperance	190	1.99%
	Great Southern	273	2.88%
	Kimberley	369	3.89%
July 2010 –	Metropolitan	5998	63.20%
	Midwest	355	3.74%
April 2011	Peel	778	8.20%
	Pilbara	301	3.17%
	Southwest	875	9.22%
	Wheatbelt	300	3.16%
	TOTAL	9491	100%

In 2009-10, the Department provided 4.5 new financial counsellors, in Fitzroy Crossing, Merredin/Moora, Bunbury, Mandurah/Peel, Armadale/Byford.

In April 2010 financial counselling services were further expanded with an additional six recurrent and two non-recurrent financial counsellors within the Metropolitan area in Stirling, Belmont, Balga, Wanneroo, Midland, Port Kennedy, Rockingham, Kwinana, Cockburn, Coolbellup and Atwell. One of the six recurrent financial counsellors was provided to the Financial Counsellors' Associations of Western Australia (FCAWA) Hotline to provide telephone financial counselling and process HUGS applications for clients across the State.

In December 2010 to further assist with the increasing demand, the Department provided additional funding for six non-recurrent financial counselling services to assist clients in the following areas: Mandurah, Mirrabooka, Balga, Girrawheen, Fremantle, Rockingham, Kwinana, Merriwa, Clarkson, Quinns Rock, Gosnells, Cannington, Foothills and Midland.

In April 2011, The FCAWA Hotline was provided with a recurrent funding increase to employ an additional full time financial counsellor and additional non-recurrent funding to employ two full time financial counsellors. These increases are to provide additional telephone financial counselling services to process HUGS applications and assist clients and HUGS applicants from other financial counselling services.

In summary, since 2009-10 an additional 19.5 financial counsellors have been funded to assist with HUGS and financial counselling.

Information from a cross section of financial counsellors in the metropolitan area has indicated the waitlist to see a financial counsellor is currently one to two weeks. If people are experiencing delays in accessing a HUGS grant they can contact the FCAWA Hotline on 1800 007 007.

A range of improvements to HUGS have been implemented aimed at better supporting those people experiencing financial hardship such as expansion of the exceptional circumstances criteria and provision of an addition grant within a 12 month period. The Department will be further reviewing HUGS to streamline the application process and determine how to deliver the service to ensure maximum take-up of the HUGS.

DIVISION 60: COMMUNITIES —

[Supplementary Information No B52.]

Question: Ms J.M. Freeman requested a breakdown of the figures regarding the stage of Redress WA applications as of 2 June.

Answer: Because running a retrospective report is likely to cause data inaccuracies and slow the speed of processing, data has been provided as of 7 June.

The answer is as follows:

Finalised Applications	3977
Waiting for Documents from Applicant	465
Applications Currently Being Approved	890
Applications Currently Being Assessed	251
Applications Waiting for Assessment	335
Total	5918

[Supplementary Information No B53.]

Question: Ms L.L. Baker requested the current number of full-time equivalents in the Office for Women's Policy.

Answer: The Women's Interests portfolio involves 6.7 FTE.

[Supplementary Information No B54.]

Question: Ms J.M. Freeman asked about the number of full-time equivalents in the youth portfolio; how many FTEs are involved in running the cadets; and whether any FTEs work with culturally and linguistically diverse youth.

Answer: Work across the youth portfolio is inclusive of culturally and linguistically diverse young people and does not fall within the domain of any one officer.

Division 52: Office of Energy —

(Synergy)

[Supplementary Information No B55.]

Question: Mr E.S. Ripper requested information on annual average residential electricity bill for each of the past four years.

Answer:

2007 —	\$914.13
2008 —	\$957.63
2009 —	\$1033.68
2010 —	\$1082.81

[Supplementary Information No B56.]

Question: Mr E.S. Ripper requested information on the cost of each SmartPower meter if it was part of a large roll-out scheme.

Answer:

Existing Home Meter Prices:
 SmartPower Single Phase 240V Meter - \$171.00
 SmartPower Three Phase 415V Meter - \$268.00

New Home Meter Prices:
 SmartPower Single Phase 240V Meter - \$66.00
 SmartPower Three Phase 415V Meter - \$66.00

A connection fee of \$240.40 also applies to any newly built home installing a three phase meter

(Horizon Power)

[Supplementary Information No B57.]

Question: Mr E.S. Ripper asked whether the Esperance part of Horizon Power's network operates at a profit or a loss.

Answer: Esperance is operating at a loss. Actuals for the Financial Year to Date to April indicate a before tax loss of \$19 million (without Tariff Equalisation Fund (TEF) allocation). Forecast cost to serve for 11/12 is \$0.60/kWh.

[Supplementary Information No B58.]

Question: Mr E.S. Ripper requested the list of communities that will be provided with power by the Aboriginal remote communities power supply program, the list of hub communities that will not be provided with power by the end of the program, and some estimate of the number of communities with more than 200 people that are still remaining to be serviced.

Answer: List of remote communities that will be provided with regularised power by Horizon Power under the currently funded Aboriginal and Remote Communities Power Supply Program (ARCPSP):

1. Beagle Bay
2. Warmun
3. Ardyaloon
4. Bidyadanga
5. Djarindjin
6. Lombadina
7. Kalumburu (work currently in progress)
8. Yunggora (work currently in progress)

List of hub communities on the ARCPSP list that will not be provided with power by the end of the currently funded program:

1. Balgo
2. Mindibungu
3. Yandeyarra
4. Burringurrah
5. Jigalong
6. Warburton
7. Blackstone

Estimate of the number of other communities (not on the ARCPSP list) with more than 200 people yet to be serviced:

Five (5). Bayulu, Mowanjum, Looma, Wangkatjungka and Warakurna.

Division 8: Health —

[Supplementary Information No A23.] — [See page E619.] —

Table

1

Metro Perth CDS	Central Region			North Region						South Region					Other	
Discipline	West Perth /State	Bentley	Total	Clarkson	Joondalup	Koondoola	Lockridge	Midland	Total	Armadale	Fremantle	Peel	Rockingham / Kwinana	Total	Metro- wide	TOTAL
Speech Pathology	1.0	2.0	3.0	1.0	2.0	0	0	1.0	4.0	3.0	1.6	2.0	2.4	9.0	1.0	17.0
Occupational Therapy	1.0	0.5	1.5	1.0	1.5	1.0	0.5	1.0	5.0	1.0	0	0	1.5	2.5	0	9.0
Physiotherapy	0	0	0	1.0	1.0	1.0	1.0	1.0	5.0	0	0	0	0	0	0	5.0
Clinical Psychology	0	0.5	0.5	0	0.5	0.5	0	0	1.0	0.5	0	0	0	0.5	0	2.0
Social Work	0	0.4	0.4	0	0	0.4	0	0	0.4	0.7	0.5	0	0	1.2	0	2.0
Paediatrics	0	0	0	0	0	0	0	0	0	0.5	0	0	0	0.5	0	0.5
Audiology	0	0	0	0	0.5	0	0	0	0.5	0	0	0	0	0	0	0.5
Nurse & Clinical Intake Support	0	0.5	0.5		1.2				1.2	0.8		1.0	0.5	2.3	1.0	5.0
Therapy Assistants	0	0.5	0.5	0	1.0	0	0	0	1.0	1.0	0	0	0.5	1.5	0	3.0
Clinical Nurse Specialist															1.0	1.0
TOTAL	2.0	4.4	6.4	3.0	7.7	2.9	1.5	3.0	18.1	7.5	2.1	3.0	4.9	17.5	3.0	45.0

A23 — Table 2

FTE per each discipline/region	Wheatbelt	Great Southern	South West	Midwest	Goldfields	Pilbara	Kimberley	Total FTE
Speech Pathologist	1.00	1.00	1.00	0.75	0.00	0.00	1.00	4.75
Occupational Therapist	1.00	1.00	1.20	0.00	1.00	0.00	0.00	4.20
Audiologist	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.40
Social Worker	0.00	0.00	0.00	0.75	1.00	1.00	0.00	2.75
Therapy Assistant	0.00	0.00	1.00	0.50	0.00	1.00	0.00	2.50
Physiotherapist	0.00	0.00	0.00	0.00	1.00	0.00	0.00	1.00
TOTAL FTE	2.0	2.0	3.6	2.0	3.0	2.0	1.0	15.6

