

Mr John McGrath; Mr Mick Murray; Chair; Mrs Lisa O'Malley; Mr Zak Kirkup; Mr Peter Rundle; Mr John Carey

Division 34: Local Government, Sport and Cultural Industries — Services 20 to 22, Sport and Recreation, \$103 591 000 —

Ms M.M. Quirk, Chair.

Mr M.P. Murray, Minister for Sport and Recreation.

Mr D. Ord, Director General.

Mr D. Rosielle, Finance Officer.

Mr N. Sloan, Executive Director, Planning and Service Delivery.

Mr S.K. Humfrey, Principal Project Manager, Optus Stadium.

Mr R. Thomson, Manager, Facilities Development.

Ms E. Ramage, Chief of Staff, Minister for Sport and Recreation.

[Witnesses introduced.]

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

The minister may agree to provide supplementary information to the committee rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information 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 principal clerk by Friday, 1 June 2018. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for South Perth.

Mr J.E. McGRATH: I refer to page 464, service 21, "Building Capacity and Participation". It states that this is to provide support for organisations and personnel delivering sport and recreation statewide from participation to the elite level through advice and funding support. On 17 May this year the minister announced grants to support inclusive sporting programs across Western Australia. That was listed as the McGowan government's targeted participation program. I think the minister listed 17 inclusive programs that promote sport and participation to low-participation groups. What was the decision-making process in allocating funds to the 17 projects the minister listed?

Mr M.P. MURRAY: There is certainly a process of collection of ideas around the place, and then they are worked through. It is not just about throwing your hat in the air and hoping someone will catch it. It is about working very hard with communities and different sports and understanding their needs. It is very important to understand their needs. After nearly 18 months I think most people understand that I am a person who really wants to support grassroots sport and will work accordingly to do that. Once people come in and start to give us the ideas it goes into the Department of Local Government, Sport and Cultural Industries and we work through them. The department sends out people to talk to different groups that are interested. Some of those may drop out and some may say, "This is what we want." The department is a key cog in doing that because we have different segments in the department—from consultants right the way through to the financial people, and some are here today. We ask them whether it is feasible. It is very important to make sure that we have the processes right and build facilities in the right area. I will hand over to the director general to give us a bit more about the process.

Mr D. Ord: Thank you, minister. I will ask Mr Sloan to give details on the 17 programs and the methodology used.

Mr N. Sloan: When the department develops these programs, it has a suite of guidelines that underpin the decision-making process and provide guidance to potential applicants about what the department and the government are looking for and priorities that reflect submissions that they might put in. We work with the organisations on the development of those applications, in line with the guidelines approved by the minister, before an internal assessment is made of those programs, and the recommendations progress through the normal governance structure within the department, the corporate executive, to the minister for him to approve.

[8.20 pm]

Mr J.E. McGRATH: I understand from what the adviser said that these people would make their application. They have already been given some advice on how to apply for the grants. How is the amount of the grant determined and how many organisations made applications?

Mr M.P. MURRAY: If someone is going to build a house, they have to work out how much they are going to spend. That is what we will do within the department. Again, I will defer on how that decision-making process occurs. Certainly, we had to tighten up in some areas to make sure that money went around to the whole lot of them. Some of them might not have got the Taj Mahal they were chasing, but they might have got something sufficient along the way. In saying that, I will hand over to the director general.

Mr D. Ord: The funding sources for the department include the lotteries account, which is of course variable, depending on the net operating surplus of the lotteries. We get a five per cent statutory application from that, and the balance of our funding comes from the consolidated account. In terms of the number of applications for grant rounds, we are quite happy to take that on notice and give the member a list of the number of applications and the success rates, if that would assist.

Mr J.E. McGRATH: Are these grants separate from the grant system that has been in place for some time, whereby sporting clubs apply to the Department of Sport and Recreation, which sometimes will come up with a third of the funding; a third will come from the local government organisation, which might own the ground or the facility; and a third will come from the club itself? This is not in that program; it is a different program.

Mr M.P. MURRAY: Again, I will defer. My understanding is that it is different. There are different organisations. Some might be for Aboriginal groups or different ethnic groups out there. For the finer detail, I will hand over to the director general.

Mr D. Ord: The fund the member referred to—the community sporting and recreation facilities fund—is a separate fund. This is a program fund for contestable grants.

Mr J.E. McGRATH: Is there an accountability process in place to make sure that the funds have been used to achieve the intended purpose?

Mr M.P. MURRAY: I am a bit surprised by the question, because this was brought in under the previous government. Accountability is something that I have been adamant about. I have certainly had some complaints, including one from the member for Dawesville, about accountability with the funds in one area. It was not particularly under this process, but one of his groups had to send money back. They were not too happy about that. That is about accountability. When someone signs off on something, they have signed an agreement. Just because it is the government it does not make it any easier for us to say, “You can keep the change.” It is not about that; it is about doing the job properly and making sure we get value for money. Again, for the finer detail, I will hand over to the director general.

Mr D. Ord: Thank you, minister. All the grants given out by the department are under a funding agreement, which has requirements for an acquittal process. The party receiving the grant will be required to write back to the department and acquit the funds for how they were spent and the outcomes achieved. Those details are reported in our annual report.

Mr M.P. MURRAY: Before the member asks his next question, I will go back to that again. There is another area that I am very concerned about. While it is not exactly about this group, it is about progress payments, which I think we have to go to. We say that a group will get X amount. Some of the smarter contractors in the building area know exactly what that amount is about. This is sport and recreation right across the board, but relates to how we acquit things. I would like to see that brought in. I do not know whether the department would totally agree with me because it is extra work, but as I said in the grievance the other day, we should do progress payments in the future, rather than saying, “Here’s your money.” It is really great to see that some of those people have been very good at saving money, but then they will not want to send it back. Let us look at it from a forward view and of keeping the pressure on contractors. I hate to think that as a government we have been stitched up because the word “government” is written up the top, whereby contractors will put another 10 per cent on top because of the government issue. We have to be tighter and we have to be smarter. The acquittals must come out.

Mr J.E. McGRATH: How are the funds meant to generate interest among the nominated groups of people who are, in the minister’s words, typically not engaged in organised sport and recreation? I am a big believer in getting disengaged people into sport—I think it is great for young people especially. How does the minister define disengaged youth?

Mr M.P. MURRAY: All departments look around for disengaged youth around the place. Sometimes they are referred through the courts. It is not hard. Street basketball is an example of how we find those people. They cannot

get a basketball team inside, but if they organise a game of street basketball, 50 kids turn up. Straightaway there is an area where people can gain their confidence and start to get them into organised sport. I think it is very important to do that. That is only one example; there are many others. There are mechanics programs. Kids love to tinker with cars. Police and community youth centres do that quite well. We do get those people in. I will again tell one of my stories about the PCYC in Collie. The manager was leaving. He was of the times when the police were part of the police force. A group of kids came up to have a cup of tea. They had been invited, because they were kids who had been outside the circle. They had more earrings, studs and tattoos over them than any member would ever usually see. Do members know what they said to that copper? I reckon he will remember it for his lifetime, because I did. He had gained their confidence. He had taken them off the street through that program and brought them inside. Their words to him were, "You're leaving today." He said, "Yeah." They said, "You're not a bad bloke for a copper." That meant he had won. He had got those kids inside. That is the sort of work we need to do and keep doing.

The CHAIR: I have the member for Dawesville, then the member for Roe and then the member for Bicton.

Mrs L.M. O'MALLEY: Sorry, my question is a further question on this matter on behalf of my colleague the member for Armadale. Further to targeted programs, I refer to item 68 on page 446 of budget paper No 2. What funding is available for programs that use sport to engage at-risk youth and prevent them from entering the justice system?

The CHAIR: I think that is actually a new question, but the minister will take it.

Mr M.P. MURRAY: As I have previously said, I am pleased to advise that the department has provided funding to two sporting programs in Armadale. As we have heard in recent times, there have been some disengaged youth out there who need programs. An amount of \$25 000 was provided to the Armadale Youth Intervention Partnership's holiday program through the City of Armadale. The city has come on board as well, along with the rest of the community. Again, it is very important that we have these partnerships to be able to bring them together. The intervention strategy engages seven young people who have been identified by the Western Australia Police Force, schools and partner groups as having severe, complex needs. The program involves community work or education in the morning, followed by sport and recreation in the afternoon—I would have loved to have been in one of those programs, to be quite honest. That is over a four-week period, followed by a year of engagement with a youth worker, who assists in building them a tailor-made education support plan. Again, it is about getting down to the grassroots of the problem. Most of it is about education. Sport is a great provider of other areas—mental health, physical health and all those sorts of things—but if they are not educated and then cannot communicate properly or fill out job application forms, they are going backwards.

[8.30 pm]

Using sport as part of an intensive early intervention strategy is highly effective, and the grant that the government has given will help steer people away from youth justice programs. Funding has been provided to further develop the Armadale night fields program through the department's targeted participation program funding scheme. That program is one of the best I have seen because it is not just one sport, it is not just about soccer; rather, it involves many sports so the kids do not get bored quickly. They can move to another sport and be a part of that sport. People are always watching, helping and assisting those kids to get through the hiccups. Some of them do not want to go home. Some of them want to play sport all night, because home is not a very nice place. If they get mentoring and form friendships, they can work it through. One of the really important things about the program is that it is free. A lot of kids do not play sport because playing sport is not free. I was at Balga the other day. Balga Soccer Club has dropped all fees, which is tremendous. The rule at Balga Soccer Club is a little bit different because the parents must do volunteering work, whether that is working behind the goalposts or whatever. The parents are probably of the view that it is easier to go that way than not having their kids play soccer. I met two of the parents. It was really special to meet them. They were fathers, who are very shy. They did not want to be part of the front thing and did not want their photo taken, that sort of thing. But they came to the club because it meant that their kids could play sport. One of them was coaching the kids in soccer. Remember, there are 40-odd different languages out there so he would have had a job and a half sorting that lot out. The other father was picking up the balls, putting up the nets, those sorts of things.

Having that connection means that kids who otherwise would not play sport are able to play sport. While one program has been funded, Balga Soccer Club has taken it upon itself to bring the kids in. The council is very much involved. The other little thing is that the kids got \$2, \$3 or \$5 to go there and spent it in the canteen. There was a spin-off where it went up by about 20 per cent, but they could not have paid their dues and have the same thing in the canteen. Funding programs, such as the youth engagement scheme and targeted participation program, are provided for social groups that would usually not be involved. I am sure that many of these kids will remember some of the words of advice given to them along the way. They do not get that at home because of some disruption

or other, and having the \$2 or \$3 to spend in the shop meant that they did not hear mum saying, “You can’t go”. It is very important that we have those programs, and I am certainly proud to be a part of them.

Mr Z.R.F. KIRKUP: I refer to accommodation expenses in the “Income Statement” table on page 468. It is quite a variable line item and goes up to \$23.8 million in the out years. I am keen to understand how the Department of Sport and Recreation’s former headquarters in Vincent Street will be utilised as a result of the machinery-of-government changes.

Mr M.P. MURRAY: I understand where the member is coming from and I do have some notes, but I think it is far better for me to hand over to someone with more expertise than I have.

Mr D. Ord: Thank you, minister. The department has obviously been formed as part of the machinery-of-government change and, as a consequence, we have inherited a range of accommodation, including the Leederville facility. We are also headquartered at 140 William Street. The sport and recreation facility in Leederville is leased from the City of Vincent. It is very affordable accommodation for us at about 50 per cent of the rate of 140 William Street on a per-square-metre basis. It was purpose-designed for the department. It fulfils the function of not only hosting the department, but also providing facilities for sporting clubs and organisations to use for training, development and engagement. We are keen to maintain a public-facing agency and, as such, we are looking to make sure that we optimise the accommodation at Leederville and retain that public-facing organisation status. In fact, other elements of our department have moved into or are moving into Leederville to fully utilise the space availability. While there is some adjustment downwards of accommodation, we expect to consolidate from 140 William Street from three floors down to two floors as a consequence, so the savings projected in the budget are related to the consolidation in overall accommodation. We also lease facilities in the regions because we maintain regional offices. There has been no staffing reduction in regional staff in the new department. We had staff only in the sport and recreation division, but those accommodation costs are also included in this division.

Mr Z.R.F. KIRKUP: I appreciate that response. In relation to the costs associated with withdrawing from one of the floors at 140 William Street, is there any anticipated cost? Does the government understand how that will be filled by other agencies or will the minister’s agency continue to bear the cost of rent associated with a vacant floor?

Mr M.P. MURRAY: I will again pass over.

Mr D. Ord: Thank you, minister. We are working with the Department of Finance. All government accommodation is managed through the Department of Finance. It is consolidating other accommodation that the government uses across the city. We have expectations, given that 140 William Street is a desirable location with a number of central agencies there, that it will be able to backfill the space in time. Clearly, we have commitments to meet with the Department of Finance and I have to negotiate those savings back to my budget, but Treasury in its generosity is reflecting that I will achieve that end.

Mr Z.R.F. KIRKUP: Thank you for the response. Am I right in understanding that although the Vincent Street facility is obviously part of the Department of Local Government, Sport and Cultural Industries, it will be a hub of and maintain its sports focus? Is that right?

Mr M.P. MURRAY: That is nice simple one, but to keep the continuity, I will pass it across.

Mr D. Ord: I thank the minister. The department is essentially now made up of service delivery and regulation. We have the Combat Sports Commission in sport and recreation, so the regulatory elements of our department, which cover racing and gaming, liquor and local government. We are giving some additional support to the Combat Sports Commission and some of that will be operated from 140 William Street. We are also seeing the advantage of linking our strength into local government through the integrated planning model for local government. We are hoping to strengthen the local government delivery of services of sport, recreation, culture and the arts. As such, Mr Sloan is taking a leadership role around integrated planning and will operate from Leederville. It will be a sports specialist. We are retaining the public service areas in that building so that the sports community still consider it their spiritual home within government. Hopefully, they will also have the opportunity to take advantage of the better connects between the agencies that we now have within the department.

Mr Z.R.F. KIRKUP: I appreciate that response. As a result of a lot more full-time equivalents being moved to the Vincent Street location, does the minister anticipate seeing a lot of frontline, sport-orientated staff being moved out of that facility; and, if so, has the government identified who they may be and where they will be going? I appreciate that some of the racing and gaming functions will move out. Are there any other frontline, sport-oriented roles that will likely move to other locations, such as regional areas, to cope with one floor of 140 William Street being consolidated within the Vincent Street head office site?

[8.40 pm]

Mr M.P. MURRAY: That is quite a long bow to draw. Again, I will give Mr Ord the final touch on that.

Extract from Hansard

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Mr D. Ord: No, we are not anticipating the need to put sport and recreation staff elsewhere. There may be some consolidation of corporate services staff into different locations, but no frontline sport staff will need to move out of Leederville to go to other locations. We are currently hosting some organisations that use Leederville. I think it is an aged sports group, the Seniors Recreation Council, which is a tenant. That tenancy is quite short term, so if there were a need—I do not see at this stage that we have an imperative for it—that we had to move somebody, it would be an external person who was occupying the space on a temporary basis.

Mr Z.R.F. KIRKUP: To tie up all this in that case, referring to the table in which accommodation expenses grow in the out years by about \$3 million, is that in relation to the minister's portfolio areas or is that expense growth in other areas of the Department of Local Government, Sport and Cultural Industries? If it is within the minister's portfolio, can he explain why that growth exists?

Mr M.P. MURRAY: Mr Ord will answer.

Mr D. Ord: I think it is just an escalation cost related to consumer price index adjustments and the like.

Mr D. Rosielle: The increase for 2020–21 is also related to the new Museum and the initial operating costs of that.

Mr J.E. McGRATH: I refer to page 447 and the second dot point under the heading “Significant Issues Impacting the Agency”. The dot point refers to the decline in Lotterywest's revenue and how it will impact the funding available to arts and cultural organisation, and also sporting groups. Is that reflected on page 446, item 70, in which budgeted expenditure goes from \$19 million in 2018–19 to only \$12 million in 2021–22? Has that been brought about by the impact of the decline in Lotterywest's revenue?

Mr M.P. MURRAY: No, that is a different fund. There is some carryover in that fund and then it drops back down again.

Mr J.E. McGRATH: Can the minister explain why the expenditure will drop from \$19 million in 2018–19 to \$12 million in 2021–22? Is that a budget cut?

Mr M.P. MURRAY: I will pass that over to Mr Ord.

Mr D. Ord: That is the community sporting and recreation facilities fund. Essentially, the program is a rolling program over three years, so at times, due to the fact that it is one-third investment, with two-thirds from other parties, we commit funds but then have to roll them over while we wait for the other money to come together, so every now and then we get a rolling number. We have not estimated what the carry forward might be in the forward estimates. The appropriation, which is a consolidated revenue appropriation, is \$12 million a year and that has been there for a time. The \$17 million represents the \$12 million plus a \$5 million carryover essentially of un-finalised capital works programs. The following year it will be \$12 million, but it might end up being \$15 million next time the budget is refreshed.

Mr J.E. McGRATH: The minister has been away with me to events interstate, and the one thing that people in other states are really impressed with is this funding arrangement for sporting clubs that we have in Western Australia. Mind you, we do not have poker machines. I guess the fact that sporting clubs in those states can have pokies means that they are not as reliant on a fund such as this, but it is an outstanding fund. I think that when the National Party's Hon Terry Redman was minister, the fund got up to \$25 million at one stage—I am not sure, but it was fairly high—and it has been reduced a bit since. That leads me to my question: is there an ever-increasing demand to tap into this fund? There would be huge demand from all the clubs in our electorates that need work done or rebuilding.

Mr M.P. MURRAY: That brings in several issues. First, I am adamant that from now on there must be a sinking fund that goes with the grants from the fund as well. Too often, people do not put anything away for the future and then they come to the government crying broke. In the future, there will be no excuse for that because part of the grant will require clubs to establish a sinking fund alongside their existing funds. I pick on the poor old bowls, but I do not mean it. Knowing the member's ability as a bowler, the absolute far side of the courts is worn out and there is not enough down the middle. Over 10 or 12 years, clubs have not put anything away for a replacement court. To me, if the club had put 5c on a glass of beer and said that it was going to a sinking fund, they would have enough money to buy their own replacement court. Why not do that? Why should the clubs always come back to government?

I am very surprised that the member brought up CSRFF funding, because looking at some of the figures in the budget papers, it went as low as roughly \$9.5 million in 2014–15. I thought the member was in charge of the fund then. I thought the member was the man running the show from the Liberal Party. To criticise us because the fund in our budget is above the marker, I find that quite remarkable. Honestly, it is a great fund, because it levers communities, volunteers and people out of their comfort zones. Shires come in and give a hand as well, and they can do a lot with in-kind work. Into the future, I have to be adamant that we can no longer, as a government of either ilk, just replace facilities, whether it be a bowling carpet, a hot water system or a building that is falling

down because the roof has not been fixed. Those days have to stop. Some clubs built Taj Mahals that they cannot afford to run. That is totally wrong. Clubs should build facilities that suit their size and that they will be able to maintain into the future.

Mr J.E. McGRATH: I would like to ask a further question on Lotterywest. This is very important because Lotterywest is now coming under a lot more pressure from other gaming organisations and international lotto games. How big a risk is that for the department of sport and recreation under the funding model that it has, which is, I think the director general said, five per cent of Lotterywest's profits? How big a risk will that be in the future? What challenges will be put on future governments if we cannot arrest this slide in Lotterywest's profitability?

Mr M.P. MURRAY: It is a concern. I have broached the subject with the Treasurer, and he has come to realise that there are some problems there. As the member said, people's behaviour changes about where they put their money, and it has been a bit different. Of course, Lottoland has caused us some heartache and we hope to deal with that Australia-wide. It is good that the federal government has had some say in this area, because I think it has been very slow to pick up on it. It is about outside bookmakers coming through as well. Again, we are not putting that money back through that area. It is something that we have, over and above, but we have had to cut back. I will pass it to the director general to go into more detail.

[8.50 pm]

Mr D. Ord: I thank the minister. We have benefited, of course, in that the Lotteries Commission had traditionally grown by just above the rate of inflation, so over a prolonged period we have had an escalating sum into the sports lotteries account. That has certainly enabled the department to undertake a range of new initiatives that it would not have been able to do under the normal budget situation. That, of course, came to an end in the 2015–16 year when the first downturn in Lotteries revenue became apparent. It has stabilised around the \$15 million, or just over, mark. The Lotteries Commission projected revenue growth was fairly ambitious. It set a target of growing at around five per cent. Budget estimates last year and the year before were projections on, we might say, really ambitious targets for Lotteries growth, and therefore there has been a significant writedown in those numbers. In reality, the amount, in today's dollar terms, is roughly what it was last year. We are not getting the benefit in growth, but the loss of funds to the department is about \$1 million from where we were estimated to be and we have had to modify or reduce our program ambitions by that \$1 million. If it has stabilised, then we would be very grateful for that, because a further downturn would start impacting on our ability to support sporting organisations in this state. However, we have been working very closely with the Lotteries Commission and its new CEO towards looking at all of the net expenditure, because Lotteries can support various activities in its own right, given the charitable intent of that money. The money is intended to be applied to areas of greatest social need, including social need in the sports area, and the member has referred to some of the types of initiatives that we have been able to support through Lotteries funding, which includes getting older people mobile and all these things. We hope that if we cannot support Lotteries directly through the department, with the support of Lotteries we might be able to apply support directly through the rest of its allocation. If we allow for the other components of Lotteries, arts and sport in total is around 15 per cent, 40 per cent goes to health and the rest is available for discretionary spending. There is still quite a considerable sum available to Lotteries to do good in this area. We are, I guess, indicating some areas of need. If we cannot support them through the Lotteries account, we hope that Lotteries might enable people to apply to them directly.

Mr J.E. McGRATH: The director general has just highlighted something else: the sports betting fund—money from sports betting. A lot more people are now betting on sport, in fact in some cases more so than horseracing. Does the Department of Local Government, Sport and Cultural Industries get some money out of that sports gaming account and could the minister indicate how much that is and is it growing?

Mr M.P. MURRAY: Again, I will defer to the director general.

Mr D. Ord: I thank the minister. I can certainly ask the chief finance officer to give the member some specifics on it, but in general terms, yes, we get money from the sports gaming account. Those funds have been growing this year. The member is right, there is an uptake; however, there had been a significant diminution of that. We were requested to take a lower percentage to enable some advertising and marketing around sports gaming, I suppose to make WA a bit more competitive because so much of it has gone offshore. The department took a financial hit for the better good.

Mr J.E. McGRATH: They took it out of the department's bucket of money.

Mr D. Ord: That is right, but that has seemed to have now generated some positive revenue, and one of my other ministers, the Minister for Racing and Gaming, is of course moving with new legislation to support the ability to support both Lotteries revenue in Western Australia and also look to deal with some of the offshore sports betting

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concerns so that we can retain that sense of community service and good community outcomes from those activities.

Mr P.J. RUNDLE: I have a further question.

The CHAIR: Was it a further question or a new question? You are on the list for a new question.

Mr P.J. RUNDLE: This is a further question to the community sporting and recreation facilities fund.

The CHAIR: Thank you. Where is the item number? We were talking about Lotterywest.

Mr P.J. RUNDLE: Item 70 on page 446, following on from the member for South Perth. Are there any election commitments being funded from this fund?

Mr M.P. MURRAY: Of course. There are some of them there. I do not have the list in front of me at this stage, but I will defer to the director general. If they came out of sport and recreation, certainly it has been done in some of those election commitments. I have gone not only there but also to some, what we would call, safe Liberal seats, including the member's leader's safe seat. Sorry; wrong department. I will just move across one member to make sure. I do not have that list.

Mr D. Ord: A total of \$6.3 million of commitments will be funded out of that community sporting and recreation facilities fund, which includes \$500 000 to upgrade the Kingsway Wanneroo netball facilities —

The CHAIR: Money well spent, might I say.

Mr D. Ord: — potentially \$1.5 million to upgrade Robinson Reserve in Osborne Park, \$1.8 million to upgrade netball courts in Gibson Park in Bicton, \$2 million to redevelop the Morley Sport and Recreation Centre, \$500 000 for the beach emergency numbers signage program and \$150 000 to the Perth Soccer Club.

Mr P.J. RUNDLE: I think the minister understands how important this fund is to regional people as well as metropolitan people. I am really concerned about the \$7 million drop-off. I understand part of that comes from those election commitments. Is there an opportunity for a slight increase in the out years to be supplemented from royalties for regions funding?

Mr M.P. MURRAY: Again, I cannot speak for the minister for royalties for regions, but one thing I will agree with is how important this fund is, certainly in regional areas, because sometimes we do not have the volume of people to raise money, but we still need some of those facilities. We do not need the Taj Mahals that were built under the last government, including a \$64 million sporting facility in Port Hedland from the royalties for regions fund. The member's side of politics should have a good look at themselves and see the money wasted. The sporting facility, such as the member would wish in other areas, was built on a swamp that cannot be used in the middle of winter. It is just ludicrous. The Langoulant report has put that back out there. I find it quite galling that the member is willing to criticise where some of that money has gone, when I have seen what has happened in areas such as Port Hedland. And to think that there are only 18 000 to 19 000 people there with a \$64 million-facility. Sure, they needed some facilities, but Taj Mahals? Not at all. That money could have been put to use in other areas across the board. The opposition did not choose to do that when it was in government, so I find it really against the grain and certainly against the spirit of a fund such as this. The fund also takes into consideration the ability of some of the communities to raise that money. That then assists people in country areas. I will support it and it has been supported, not reduced, as the previous government had done to \$8 million. We will keep it at the \$12 million as per the forward estimates. At the moment, as we see, it is over \$12 million because of carryovers. I do not have a problem supporting that fund.

[9.00 pm]

The CHAIR: Member for Roe, you are down for a question next if you are game.

Mr P.J. RUNDLE: Yes, I am game.

The CHAIR: I indicate that it is then the member for Dawesville. To keep to the quotas, one of the government members might want to stick up their hand.

Mr J.N. CAREY: I think they are nearly at the end of their questioning.

Mr Z.R.F. KIRKUP: I am curious to know more about these quotas, Madam Chair.

Mr P.J. RUNDLE: I refer to “Voluntary Targeted Separation Scheme” under the spending changes on page 437. How many of the redundancies have been department of sport and recreation positions based in regional Western Australia?

Mr M.P. MURRAY: I am very proud to answer that question and say: none. The member is not happy? Surely the member is happy!

Mr P.J. RUNDLE: Yes, I am very happy with that. Would the minister be able to provide supplementary information about the whole department and the positions, the location, which I assume are all in the metropolitan area by the sound of it, and the level of each position made redundant?

Mr M.P. MURRAY: If the member turns just slightly and looks to the person sitting next to him, he will see someone who has asked that question 25 times. He would have that information, so I suggest that the member puts the question on notice. We will be able to copy it out for the member, the same as has been done on many occasions for the member for Dawesville.

Mr P.J. RUNDLE: I am happy to accept that as supplementary information.

The CHAIR: The minister has asked for it to be put on notice.

Mr M.P. MURRAY: We have the answer and it will be available straightaway, without having to go through the system as such.

The CHAIR: Member, I have to say that what you have asked for is broader than the minister's portfolio. That is an issue. You would have to narrow down your request in any event.

Mr M.P. MURRAY: The director general would like to answer.

Mr D. Ord: The voluntary separation scheme runs through to 30 June. When the budget was prepared, we were only halfway through. We can give a response related to the budget now, but it would not necessarily be the full number at the end of the financial year. I want to make sure that the member is aware that the information we give him correlates with that in the budget papers.

Mr P.J. RUNDLE: I am happy to receive that information up to the point of the budget.

The CHAIR: Member, you understand that it is a question on notice, so you will have to draft that.

Mr P.J. RUNDLE: Yes, I understand.

Mr Z.R.F. KIRKUP: I refer to the table "Income Statement (Controlled)" on page 468, specifically looking at the cost of services and the employee benefits. I appreciate that this is within the minister's portfolio area as part of a larger sort of allocation. I note that employee benefits continue to increase although the rider at footnote (b) states that the full-time equivalent positions will decrease over the out years. I am keen to understand why employee benefits increase while the number of FTE positions decrease—within the minister's portfolio area, if that is possible.

Mr M.P. MURRAY: Again, I will defer that to the director general.

Mr D. Ord: Yes. The budget is at a point in time. The budget, including the out-year forward estimates around employee benefits, reflects the staffing establishment at the time when the budget was drawn up. Further savings measures are underway through the voluntary targeted separation scheme. As they mature, they will be reflected in the midyear financial review and we expect those numbers to decrease.

Mr Z.R.F. KIRKUP: I thank the minister for the answer. In reference to the decrease that already exists as a result of machinery-of-government changes, has there been a decrease in state executive service positions within the minister's portfolio areas? I do not think I have asked a question about that.

Mr M.P. MURRAY: I would have to check. I will defer that question straight across to the director general.

Mr D. Ord: There is some reference to the savings directly at the director general level because we have consolidated to have fewer directors general, and that is reflected in the papers. Beyond that, there have been reductions in the state executive service staff in line with government's requirement for a 20 per cent reduction. In our agency, the reduction also included SES officers who were essentially on temporary contracts related to the Perth Stadium project. When those contracts have come to an end, naturally those positions will also have declined or separated from the agency. In net, we were down about 40 per cent of our SES level prior to the original amalgamation, but we have met the savings target.

Mr Z.R.F. KIRKUP: Does the minister intend to backfill? Obviously, 40 per cent is in excess of the target initially imposed by Treasury. Does the minister imagine backfilling some of those SES positions that are vacant or are those positions no longer considered to be required as a result of the machinery-of-government changes?

Mr D. Ord: Yes. As I said, a number of the positions were created as a result of major projects underway within the portfolio.

Mr Z.R.F. KIRKUP: Are they short-term contracts?

Mr D. Ord: Yes, that is right. The short-term contracts are factored into that number, so they will not be replaced. However, we will fill our allotted number of SES positions that complied with the numbers given to us by Treasury.

Mr Z.R.F. KIRKUP: It may be a bit too large. I appreciate that the Chair will rule me out, but it seems to me that Department of Sport and Recreation has cut quite a lot of SES positions. I am just trying to understand that. That seems like quite a significant portion of the SES reduction in the overall agencies' SES quota. To me, it seems almost disproportionate compared with the other functions.

Mr D. Ord: Essentially, we had to create a new executive structure for the agency. For instance, Mr Sloan next to me is undertaking a dual role across Local Government and Sport and Recreation. There has not been any disproportionate reduction. More senior project officers were employed in relation to the football stadium than in other areas. One senior executive came over from the old Department of Local Government and Communities and they took a separation package. Essentially, the executives from the other agencies have formed the new executive. That is essentially how it is structured.

Mr P.J. RUNDLE: I refer to item 20, "Industry Leadership and Infrastructure Development", on page 464. I note that the \$2.5 million commitment from the 2017–18 budget to replace the courts at the State Tennis Centre does not appear in this year's budget. Can the minister tell me whether this has been done or where that \$2.5 million is under infrastructure development?

The CHAIR: Strictly speaking, if it is not in the budget papers, can you ask that question?

Mr P.J. RUNDLE: I am just asking for some guidance from the —

The CHAIR: You can ask whether it includes the centre, but you cannot talk about a matter that is not necessarily referred to in the budget papers.

Mr P.J. RUNDLE: Does this budget include the \$2.5 million that was previously committed to the State Tennis Centre?

[9.10 pm]

Mr M.P. MURRAY: I am aware of what the member is talking about, so that is fine. Just to make sure that I am on the right on track, I will defer to the director general.

Mr D. Ord: I will pass over to Rob Thomson, who is responsible for that project.

Mr R. Thomson: The total cost of service line item includes the \$2.5 million from that project.

Mr P.J. RUNDLE: It does include that?

Mr R. Thomson: It does.

Mr P.J. RUNDLE: What stage of the project is the department at with that \$2.5 million?

Mr M.P. MURRAY: Strong discussions are going on behind the scenes, and Tennis West has put forward different views on what it wishes to do. Talks with the department are ongoing. What Tennis West comes back with on where it wants to head in the future will be considered very, very closely by the government. But in saying that, we need a business case from Tennis West on where it wants to go and what it wants to do before any decisions are made. The member might be a bit surprised at that, but the opposition has been asking for that for quite some time so we have exceeded the opposition's request and that will be done. I think we probably need a little more explanation so I will pass that over to the director general.

Mr D. Ord: I will ask Mr Thomson to provide further information.

Mr R. Thomson: We have been working with Tennis West on a business case, and looking at a state tennis centre and the infrastructure requirements that will meet the needs of tennis over the longer term. We have been doing that and are into that process. In terms of the court replacement—the \$2.5 million referred to—Tennis West wrote to us and put forward some options to consider. An offer has been put to Tennis West in the last couple of weeks, and it is considering the offer on what those funds can be put towards. That is again obviously subject to the business case that the minister mentioned.

Mr P.J. RUNDLE: I am a big tennis fan, and I am concerned about how the Public Transport Authority has dealt with Tennis West and where the new train station has been built. I understood that fit-for-purpose courts would be put in place. I am a concerned as a member of the tennis public, and I look forward to the support of the department on this.

The CHAIR: Minister, that is a statement and you can choose not to answer it.

Mr M.P. MURRAY: I will make a very quick statement on that because I understand the concerns. We are working with Tennis West very, very closely. Several options have been looked at, some of which we put forward and Tennis West went away and had a good think about because it thought that the money would be tied to one

particular job. We told Tennis West to have another think about where it wants to go. We know that the tennis centre has problems with subsidence and that has created some problems around the sort of tennis courts that will be built. Some would cost far, far above the \$2.5 million available, and that would create an argument. The member has heard that the department is working very closely with Tennis West and has put forward some options. I have spoken with some of those people, including the board, and we are confident that in the future there will be something that is acceptable to both parties. I suggest that the member looks at his colleagues over that side and asks the federal Minister for Sport to chip in a bit, and he might get a very nice surprise.

Mr J.E. McGRATH: We are working on it.

The CHAIR: Is that a lob to the federal government, minister?

Mrs L.M. O'MALLEY: I refer to the fourth line on page 469, which relates to women in sport and the community sporting and recreation facilities fund. What is the government doing about the lack of female-friendly facilities in light of the increasing participation of women in sports such as footy and cricket?

Mr M.P. MURRAY: A lot.

Mrs L.M. O'MALLEY: Good to hear.

Mr M.P. MURRAY: We have seen a bit of a revolution, I suppose, from the women's side of sport. They have come very strongly into what has traditionally been a male-dominated area, and good on them. We certainly support that. A lot of work will have to be done to provide facilities for women playing those sports. We cannot have what was previously okay in the men's showers, if you want to call it that, where all sorts of shenanigans used to go on when I was a younger person playing football. I see the member for South Perth over there, and I assume he would have played some of those silly games that were played in men's changing rooms. But now that the change is there we need to encourage and keep those participants, and encourage younger ones to come through. The increase has been really, really surprising. One of the, I suppose, smaller issues is around women crossing over into different sports. It is now acceptable to play a different sport, say like rugby or Australian Football League football, when previously they might have gone to surf life saving and those sorts of things. There is a bit of competition there, and I think it is quite healthy that people are choosing other sports.

The department has funded programs to increase participation, with projects such as the Volleyball WA female-only volleyball and the Perth parkour participation program receiving grants for women. We have to come to grips with that over the next three years or so that we are in government and we are working very, very closely on that. In my community I went and had a look at what were previously dongas that have been done up for men's sport. The women said they could not use them, and I hate to think of women coming in and having mixed sport days during which women are first or second—whichever way—but are not able to use the showers or the toilet facilities because they are not suitable. We really, really have to deal with that to keep those people there.

As we move further on and different people come through, the community sporting and recreation fund will prioritise funding for new or upgraded toilet and changing room facilities to meet the needs of female participants. That will be at a huge cost. There is no cheap way around it. We have to do that, and we recognise the increased participation of women in sport. At nearly every footy club the thinking was not forward enough to think that women would want to play AFL football. They have urinals, shower cubicles and doors that open out so people can see into them. So we will have to work hard to make sure that the money goes the full distance, but we will put women's sports first and we will continue to support that area through whichever funding and partnerships we can find. We have to do that, otherwise we will see a drop-off. It has been so hard to get some women, especially younger women, into sports and participating for their health and wellbeing. I assure the member that we understand the problem and we are working very hard to solve it.

[9.20 pm]

Mr P.J. RUNDLE: Minister, I refer to the three programs, YourMove, ActiveSmart, and KidSport, in the first dot point on page 449. Where is the funding for those programs?

Mr M.P. MURRAY: As we know, those programs have been put on the block and adjusted slightly to suit today's model, moving forward. But I will handball the question on the funding to make sure that we get the right figures in the right place. I can assure the member that all those programs are quite dear to sport and rec and me to get people out and about, whether they be seniors or juniors. I am sure that we can get a run-down from the director general or one of his helpers on the funding for those programs.

Mr D. Ord: They are primarily in the consolidated account for the agency to run its programs. Those costs are embedded in that. ActiveSmart was a trial program that we undertook and we are looking at partnering with

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Mr John McGrath; Mr Mick Murray; Chair; Mrs Lisa O'Malley; Mr Zak Kirkup; Mr Peter Rundle; Mr John Carey

Healthway to gain some of the funding there. There is a statutory allocation for sport in the Healthway account, and we believe this program, which has proved in its pilot to be highly successful at getting whole communities to increase their level of physical activity, is perfectly targeted to a number of the key indicators in the Healthway program. We are therefore working with Healthway on the potential for direct funding for that program.

Mr P.J. RUNDLE: Is the minister quite comfortable that those three programs are fully funded from the consolidated account and will continue as they have been over the last few years?

Mr M.P. MURRAY: I see no reason for them not to be funded. As we heard from the director general, there is a consolidated account and there will be discussions, as always, about where funding goes and who are partners in the funding. We are not putting out programs just to have another press release; we are about seriously engaging the community in sport. I must say that sport is the greatest leveller in all things. When we talk about those programs being active, in Western Australia, we are held in high regard—I have been to the Australian sports ministers' meetings—in the way we use sport to help people in our communities integrate, especially new Australians, who integrate very quickly through our sports programs. I do not see any reason why we would not fund some of those programs.

The appropriation was recommended.