

**TREASURER'S ADVANCE AUTHORISATION BILL 2021**

*Committee*

Resumed from an earlier stage of the sitting. The Deputy Chair of Committees (Hon Peter Foster) in the chair; Hon Stephen Dawson (Minister for Mental Health) in charge of the bill.

**Clause 1: Short title —**

Progress was reported after the clause had been partly considered.

**Hon Dr STEVE THOMAS:** Congratulations, Mr Deputy Chair, on your entry into the chair.

**The DEPUTY CHAIR:** Thank you.

**Hon Dr STEVE THOMAS:** It is something I did for four years in the last term of Parliament.

**Hon Stephen Dawson:** You did it very well.

**Hon Dr STEVE THOMAS:** The minister is too kind. The minister is a very good minister as well.

Now that the lovefest is over, we might continue with the bill. In terms of attachment 1, which the minister referred us to before the untimely interruption of the dinner break, the \$20.5 million potential payment by the Electricity Generation and Retail Corporation—Synergy—is predominantly attributable to the \$500 small business and charity offset in response to the five-day lockdown announced on 31 January 2021. This was, in effect, the February lockdown. I am particularly interested in whether the minister has any information about the total level of applications and how much of that money has been distributed. My understanding is that this is a fairly slow process. I know that this is an additional potential revenue source for that, but how has it been calculated that this additional revenue source is required?

**Hon STEPHEN DAWSON:** I am not sure how helpful this is going to be, honourable member. The whole offset amount for the \$500 small business and charity tariff offset is actually \$39.7 million. It is using savings and other things to make up the difference between the \$20.5 million that is on the Treasurer's advance summary and the \$39.7 million. This is being processed by Synergy rather than Treasury, so we do not have the detail. Apparently, the processing for some of the organisations has been slow. In relation to Synergy, this credit was provided, I think, in January or February—it was one of those bills—and some of the businesses or charities that got the credit have used it already while others will not have used it; it will sit on their bill until they use it. Treasury will not get the figures until the annual report, so we are not in a position to tell the member what amount of that money has been used so far.

**Hon Dr Steve Thomas:** Before you sit down, will it be potentially the August annual reporting season?

**Hon STEPHEN DAWSON:** Yes, it will be August or September, honourable member.

**Hon TJORN SIBMA:** I refer to attachment A of the schedule that has been helpfully tabled by the minister concerning individual election commitments. I have a series of very brief questions. First of all, I note a commitment to the Chung Wah Association community centre of \$5 million. I recall dimly the time at which the government made that election commitment, but I also recall a commitment made to the Indian Society of WA and note its absence from this attachment. Can the minister explain why this commitment is missing?

**Hon STEPHEN DAWSON:** I am told this is just for 2020–21, which will be expended between now and the end of June this year. I presume the commitment for that Indian Society centre that the member referred to is in a future financial year, so it will appear in the next forward estimates.

**Hon NEIL THOMSON:** Following up on the Kalgoorlie–Boulder basketball court infrastructure, which I assume is the home of the Goldfields Giants basketball club, I know there was quite a bit of discussion on that around election time. I have a couple of questions about that. It is fantastic and I fully support it.

**Hon Kyle McGinn** interjected.

**Hon NEIL THOMSON:** Yes, well done! I know it was a commitment by all major parties going into the election. If that \$5 million commitment is for expenditure in 2020–21, I assume that means works will have started. But I understand that commitment is contingent upon funding from the Building Better Regions Fund from the federal government. I ask the minister to clarify that. I can see my colleague on the other side nodding his head, but I would like to understand whether that funding is likely to be extended past 2020–21. I assume that this list contains only funds that are likely to be expended because, as my colleague Hon Tjorn Sibma has mentioned, a number of election commitments are not listed. I am interested in the background on this and whether full funding is available to that proposed development in Kalgoorlie.

**Hon STEPHEN DAWSON:** I thank the honourable member and I appreciate and acknowledge his support for this election commitment. As a member for the Mining and Pastoral Region I, too, am supportive of that facility, and the great clubs that use it. The money will be expended by the state between now and 30 June. The state will

Hon Dr Steve Thomas; Hon Stephen Dawson; Hon Tjorn Sibma; Hon Neil Thomson; Hon Steve Martin; Hon Brian Walker; Hon James Hayward

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provide a grant to the local organisation and it is then up to it whether it uses existing funding or seeks co-contributions from others. Certainly, the state's grant will be expended because we will give them that money shortly.

**Hon TJORN SIBMA:** Continuing in the multicultural support vein, I note a multicultural community support line there of \$676 000. Can the minister explain what that is for?

**Hon STEPHEN DAWSON:** I am advised that this is a series of grants and it supports a number of multicultural communities and their supporting associations around the state. It is not an amount for one organisation but is for a number of organisations. Their grants are added together and that brings us to that amount.

**Hon TJORN SIBMA:** Would the minister be able to table by the end of this financial year, please those organisations that are likely to be beneficiaries of those grants moneys?

**Hon STEPHEN DAWSON:** I am happy to take that on notice, and I undertake to provide the member with a list. I will not provide it tonight as the document I have here is not in a format that suits being tabled tonight. I undertake to provide the member with a list tomorrow or the next day, once I have it.

**Hon TJORN SIBMA:** It is not intended to be a leading question, but obviously there are some items listed for expenditure that are designated as election commitments that will be spent before the expiration of this financial year. For example, I refer to the Byford skate park. Barely does an election go by that funding for skate parks throughout the length and breadth of this state are not committed to. I recall a commitment to a skate park in Kingsley by the government in the course of the election. Using this skate park example, what logic determines that certain commitments get funded within this financial year compared to the 2021–22 financial year?

**Hon STEPHEN DAWSON:** There could be quite a lot of variables. Again, it might be that certain things are ready to go and can be funded immediately, such as a grant to a council, as in the case of the goldfields basketball centre; for others, it may well be that more work needs to be done or it is for a different organisation that is not ready to proceed at this stage. I give the member an undertaking that if a commitment was made at the election, certainly we are focused on delivering those commitments.

**Hon STEVE MARTIN:** Would the minister be able to outline now or table the animal welfare groups on attachment A that were election commitments receiving funding of \$728 000?

**Hon STEPHEN DAWSON:** I can certainly undertake to get the honourable member a list as well. The list I have has “Committee of Cabinet” stamped on it, not to be copied, so it probably is a cabinet-in-confidence document. However, I can give the member a list. I am happy to give him the same undertaking as I gave Hon Tjorn Sibma. I will take that away and provide the member with a list over the coming days.

**Hon STEVE MARTIN:** I have a follow-up question to the animal welfare package of \$5 250 000—some details around that, please.

**Hon STEPHEN DAWSON:** I do not have a list as I had for the earlier animal welfare groups. I think there are probably two or three big organisations, like the RSPCA. We are not sure whether the guide dogs funding is in that, and there will be a couple of smaller ones. It will not be a list, but I can certainly find the member the names of what is included in that.

**Hon Dr BRIAN WALKER:** I welcome very much the government's commitment to road safety. I see there are two relevant areas here. One is “Metro Intersection/Black Spot Program”, for which there is \$16 million or thereabouts, and another one is “Transport and Road Safety—Minor”. There is perhaps a disproportionate number of deaths in rural and remote areas. I am wondering, do we —

**Hon Stephen Dawson:** Honourable member, a polite interjection, if you don't mind: can you tell me what you're reading from so I can find the same page?

**Hon Dr BRIAN WALKER:** I beg the minister's pardon. This is attachment A.

**Hon Stephen Dawson:** Attachment A? Thank you. Sorry, keep going.

**Hon Dr BRIAN WALKER:** I am just wondering: do we have a breakdown as to where these amounts are being spent, and is there any idea of how well road safety in rural and remote areas is being catered for within this budget?

**Hon STEPHEN DAWSON:** An amount of \$40 000 is going towards an electronic speed sign on Huntington Parkway, Landsdale. That work will be undertaken by Main Roads. There is \$40 000 for the Gngangara Road, Madeley, electronic speed indicator sign. I understand that that will be going to the local government to undertake that work. There is \$25 000 for road safety measures in Mt Hawthorn. That is a capped local grant as well so, again, it is presumably going to the local government. There is \$475 000 for speed chicanes. We do not have a breakdown for that, but that is again local grants, so I presume it is going to a variety of local governments. There is \$200 000 being spent on bus stop shelter upgrades; again, that is a capped local grant. There is also \$100 000 being spent on Avey

Hon Dr Steve Thomas; Hon Stephen Dawson; Hon Tjorn Sibma; Hon Neil Thomson; Hon Steve Martin; Hon Brian Walker; Hon James Hayward

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bus shelters, and that is also a capped local grant. Bearing in mind that this is not the full extent of what is being spent on road safety, these are the sorts of smaller commitments that were made, and those are the projects that are listed.

**Hon NEIL THOMSON:** If the minister could indulge me a little on this one, I refer to the line “Kimberley Sport and Community Infrastructure”. I assume that that is for the Shire of Wyndham–East Kimberley; could we have some clarification on that? If that is another project, I think it is a good one. But the main area of concern, if I can just do a double-banger here, is the \$10 million for “Port Hedland Sporting and Community Hub”. It is my understanding that that is for the Town of Port Hedland. It is well short of the funding that would be required to complete the development that has been proposed. I am wondering whether Treasury has a view on this, knowing the discipline in the management of our finances. When the funding of grants for local governments do not fully cover the costs of a capital project, they can end up basically sitting in the bank account of that local government. According to attachment A, that money is going to be transferred in 2020–21 to the Town of Port Hedland, and I assume that that is what it is for; the minister can please correct me if I am wrong. But the project will then pretty much sit in limbo until there is the ability for that council to come up with the other \$40 million. I am wondering whether that is good financial practice, in relation to the management of this budget.

**Hon STEPHEN DAWSON:** It is the same as any grant program administered by agencies. Agencies would enter into a grant agreement with the council or organisation. Everything is auditable and if, at the end of the day, the money is not spent, it will be required to be repaid. In relation to the Port Hedland example, the Town of Port Hedland’s cash reserves in the bank are significant; from memory, it is about \$200 million. Obviously, the \$10 million contribution from the state government is significant, and it is my understanding that members of that council have indicated that they are supportive of this project. I am sure we will see that built in no time at all.

In relation to the “Kimberley Sport and Community Infrastructure” line, there is \$2.35 million going towards upgrades to basketball courts, the sport field and lighting at Warmun. There is \$300 000 for the new Mowanjum community change rooms, and \$4 million for upgrades to the multiuse courts at Fitzroy Crossing. There were other commitments—some in Kununurra and some in Wyndham—but that is a different process, and that will be done after 1 July.

**Hon Dr STEVE THOMAS:** I am looking at the \$220 million in election commitments at attachment A and I note that of that, roughly \$153 500 000 appears to be for community sporting infrastructure. Is the minister in a position to tell us how much of this, if any, is going via or through the royalties for regions fund; and, if so, which ones, and to what extent?

**Hon STEPHEN DAWSON:** I am told that this is all appropriations-funded. My understanding is that it is not to be paid for out of royalties for regions.

**Hon Dr STEVE THOMAS:** Just to follow up, none of this will go through the royalties for regions fund, for example, before it is expended?

**Hon STEPHEN DAWSON:** No, the bill before us allows us to spend this money. My advice is that this will not go through the royalties for regions process.

**Hon TJORN SIBMA:** I have the same issue, minister. Would it be fair for me to assume, in relation to the response the minister just gave Hon Dr Steve Thomas, that those funds will not be expended through the community sporting and recreation facilities fund standard process that exists in what used to be called the Department of Sport and Recreation?

**Hon STEPHEN DAWSON:** It will not be done through the community sporting and recreation facilities fund process. That is not to say it will not be done by the department. The grant agreements will be done by the respective state government departments, so if it is a sporting grant, it will be done by the Department of Local Government, Sport and Cultural Industries, but it will not be out of the CSRFF, which is a dedicated process that is set aside.

**Hon Dr STEVE THOMAS:** Minister, I think have come to the end of my questions on this one. This is obviously money that will be made available in the current financial year, which now has 30 days to go. Is the minister in a position to give us an indication of the expected date by which the moneys will be expended; that is, will it be made available now? Do we know when the funds are likely to be transferred? I presume, based on this, that it will be before the end of the financial year, although this is a capacity, not necessarily a guarantee, for the money to be out there by the end of the financial year. Is it likely to go out by the end of the financial year? At that point, is there any expectation that it will be acquitted by a certain time?

**Hon STEPHEN DAWSON:** The commitment is to get this money out the door before the end of this financial year. Of course, there will be grant agreements, and the intention is to have them written up very soon and for the money to go to the organisations before 30 June. Regarding what is said in the grant agreement, it will depend on the organisation—some will be more advanced. For some, money will be sitting there and we will be ready to start immediately, but for others it might take a little longer. There will be a report at the end of the financial year to indicate what has been spent and what is outstanding. If the grant agreement says they need to spend the money in

Hon Dr Steve Thomas; Hon Stephen Dawson; Hon Tjorn Sibma; Hon Neil Thomson; Hon Steve Martin; Hon Brian Walker; Hon James Hayward

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the next financial year and they have not, the state could certainly seek to recoup that money based on the grant agreement they have signed.

**Hon TJORN SIBMA:** I have one remaining question and it concerns the line item in attachment 1 on the Department of Jobs, Tourism, Science and Innovation. This matter was addressed before the dinner adjournment and concerns the Perth City Deal. I put on the record that I think it is a good concept. I have been a worker in the tertiary sector. I am a supporter of the city deal and I recognise the commonwealth's contribution. Nevertheless, could I get a bit more clarity on how that \$100 million, which I think was a cash payment, to Edith Cowan University will be used? What purpose will it fulfil? What is the imperative to give provision for that before the end of this financial year?

**Hon STEPHEN DAWSON:** We will pay that amount to DJTISI so it can draw it down. The intention is to try to get this money out the door, again, before 30 June. The member is right; the money is cash. It is to go towards the construction costs of the city campus. We are hopeful that some commonwealth money will flow at the same time as our money does over the next few weeks. It will certainly be drawn down by DJTISI, but the intention is to hopefully get it out the door to ECU over the next few weeks as well.

**Hon NEIL THOMSON:** This, my last question, is more to help me better understand the appropriations bill. It will be my first comment on an authorisation bill like this in this place. I see that with the \$750 million is an increase to the expense limit of the total expenditure of about \$23 million, which is approximately another three per cent increase. I am interested in the projected revenue increases from the last Treasurer's Advance Authorisation Bill. I assume there was one when the \$688.8 million increase was made. We know there is a massive surplus in the budget—we believe there is anyhow—so how will this impact on the overall net operating balance of the state going forward?

**Hon STEPHEN DAWSON:** I am told that that information is available in the *Pre-election financial projections statement*. We do not have that with us here now, but it is easily accessible on the Treasury website.

**Hon JAMES HAYWARD:** All this stuff is fantastic news for our community, and it is fantastic to see the money being spent. The minister mentioned that he would provide some more detailed information at a later time. Could the minister also do that for the community sport and infrastructure amount of \$57 million?

**Hon STEPHEN DAWSON:** I can provide that to the honourable member at a later stage. We do not have it here now. We just have an in globo figure, but if the member gives me a couple of days, I will provide that information to the house at a later stage.

**Hon Dr STEVE THOMAS:** What does the minister expect the iron ore price to be in a year's time?

**Hon STEPHEN DAWSON:** I am not a soothsayer. Who knows? If someone had said to me 14, 15 or 16 months ago that the world would go crazy and we would have a global pandemic that would close down businesses and millions of people would die, I would not have believed them. Having lived through that, I am not in a position to make a guesstimate today, unfortunately.

**Clause put and passed.**

**Clauses 2 and 3 put and passed.**

**Title put and passed.**

*Report*

Bill reported, without amendment, and the report adopted.

*Third Reading*

Bill read a third time, on motion by **Hon Stephen Dawson (Minister for Mental Health)**, and passed.