

ECONOMICS AND INDUSTRY STANDING COMMITTEE

Sixth Report — “Annual Report 2018–19” — Tabling

MS J.J. SHAW (Swan Hills) [11.43 am]: I present for tabling the sixth report of the Economics and Industry Standing Committee titled “Annual Report 2018–19”.

[See paper 2655.]

Ms J.J. SHAW: The Economics and Industry Standing Committee undertook an ambitious program of work across 2018–19, tackling a number of challenging topics. Across the course of the year we have conducted three inquiries, held 27 deliberative meetings and 53 hearings and received 17 briefings.

Our first report, “Western Australia’s Smash Repair Industry: Structural Challenges”, examined the state’s smash repair industry, noting the significant changes underway in that sector. The committee observed vertical industry consolidation and increasing pressures on small operators to integrate into insurance companies’ business models and practices, squeezing their profit margins and forcing many small businesses to the wall. We were very disappointed to observe the lack of federal government leadership in tasking the Australian Competition and Consumer Commission to investigate market abuse allegations made against large insurers, despite repeated calls from a number of industry organisations and other state and federal parliamentary inquiries.

The committee was really appreciative of the willingness of some smash repair businesses to be open with us about their experiences with insurance companies, but because of the potential ramifications they saw for their businesses, they were very reluctant to go on the public record. That says a lot about the potential influence insurance companies might have on small business operators. The federal government’s continued inaction on this matter is disgraceful. We also heard some evidence to suggest that there are issues in the tow truck industry. Because of the terms of reference, we were not in a position to take a deep dive into that, but it is certainly a matter that might warrant further investigation or policy responses from government.

Our second major inquiry examined the emergence of microgrids and associated technologies in Western Australia’s energy industry. It is a really complex and technical policy issue, and again, we had an incredible amount of engagement from industry on that. We had the good fortune to travel to the United States to have a look at how other jurisdictions have tackled regulatory and policy responses. It was a fascinating trip, and we really appreciated the level of engagement and the hospitality of the many organisations in the US that we met with on the five days we were travelling there. We really had a very busy schedule, and it was great, actually.

In the final phase of the inquiry we applied the learnings we had acquired in the first phase in the US, to take a closer look at policy and regulatory issues. We are now in the process of drawing to a close the final report, and that will expand on some of the more challenging technical factors presented by these new technologies, and consider the technical market and regulatory aspects affecting the efficient roll-out of the technologies.

We have also initiated an inquiry into short-stay accommodation, following a number of representations from members of the public, both for and against this new industry. Again, we witnessed a sector in transition, and that seems to be so much of the business that comes to the Economics and Industry Standing Committee—looking at the ways in which new consumer preferences and technology platforms are affecting a whole series of industries. Short-stay accommodation is one of the latest such industries. This inquiry has attracted a significant amount of public interest. In fact, this inquiry broke our previous record, on the regional airfares inquiry, for the level of public engagement. We had a record number of submissions to a parliamentary inquiry and we are certainly grateful for the level of engagement we have had, and the number of different perspectives. This has been a very complex topic for the committee to tackle.

Given the wide range of views, we thought we would trial some innovative ways of engaging the community with the processes of Parliament. All too often this institution is seen to be a bit remote from the people we are here to represent. One of the things we tried to do was to experiment with some innovative ways of engaging people with the processes of their Parliament. In the regional airfares inquiry, we trialled broadcasting our hearings. We also trialled town hall meetings to make sure we were in touch with community sentiment. For this inquiry, we trialled a depositions process. Traditionally, committees tend to conduct very formal question-and-answer, hour-long interrogative hearings that can be very intimidating for people and discourage many people from participating in the processes of their Parliament. A lot of people do not realise that parliamentary committees are one of the most direct ways by which members of the public can influence policymaking and matters that are of significant interest to the community. Encouraging people to participate in the processes of Parliament is, I think, very important, and my committee colleagues certainly share that view. We encouraged people to make three to five-minute depositions on this topic. We did a couple of depositions sessions in the south west and a couple of sessions here in Perth, again, in order to hear from as many people as possible on this very important topic. We also held teleconferences across the state to make sure that through this process all the different perspectives were being heard on this issue, which seems to affect different regional communities in very different ways. The deposition format we trialled was very successful and very well received, and, as I say, we are very grateful for the level of engagement we received in all of our inquiries across 2018–19. We intend to continue our

efforts to inquire into topics of significance to the economic development of the state and facilitate a greater level of public participation and parliamentary processes. Throughout the course of 2018 we were greatly assisted by principal research officer, David Worth; research officers, Lachlan Gregory and Franchesca Walker; and the Hansard staff. We maintained a very heavy hearing and inquiry schedule this year.

I would also like to take this opportunity to acknowledge that next week our principal research officer, David Worth, retires from the committee's office and from the very distinguished career in the service of this Parliament. David spent 11 years in the committee's office, tabling over 60 reports, so he has made an outstanding contribution to the work of this Parliament. As a brand-new member of Parliament, being immediately appointed chair of the Economics and Industry Standing Committee upon election was a fairly daunting task. A lot of my colleagues asked me who my principal research officer was. When I said it was this guy called David Worth, everyone said, "You'll be all right", and indeed we have been. On behalf of the committee, David, I would like to thank you, congratulate you on a very distinguished career and wish you all the best in the future. I have no doubt that you will contribute significantly in many other ways to your community. Thank you for your support of me and of us.

[Applause.]

Ms J.J. SHAW: Finally, I would like to thank my fellow committee members, Sean L'Estrange, Yaz Mubarakai, Stephen Price and Terry Redman, for working in such a collegial and constructive manner on the committee's work program. The committee is working brilliantly and I think we certainly do some very good work tackling some complex and very topical issues, and I believe we have produced some really helpful multi-partisan contributions to public debate. In that spirit, I look forward to continuing to working with my fellow members on our exciting agenda in 2019–20.

MR S.K. L'ESTRANGE (Churchlands) [11.52 am]: I, too, rise to talk very briefly on the sixth report of the Economics and Industry Standing Committee, the annual report of 2018–19, and what a year it has been. Members need only have a look at this report. It may well form the blueprint of how committees should conduct their work into the future, because it has certainly been a very, very busy and active year for this committee. As the chair outlined, we have embarked on some pretty exciting and difficult topics, getting into Western Australia's smash repairer industry and then uncovering issues to do with the tow truck industry, which was just one aspect of the economy that we looked into to see where some support could be given. The big one, the really difficult, challenging and complex one, was of course our look into the emergence of microgrids and associated technologies and how they may influence the delivery of power and electricity to communities throughout Western Australia. We tabled the interim report "Implications of a Distributed Energy Future" in April this year, and we are still finalising the other aspect of that inquiry in the second report due to be handed down soon. We also looked into other technologies associated with microgrids and energy technologies, and that even got us into the Tesla space and the emergence of electric vehicles. Although that was not the main focus of our inquiry, we certainly had a look at it and thought about some of the implications for transport infrastructure in the future. No doubt, a topic of some discussion for future Economics and Industry Standing Committees is how our infrastructure networks need to adapt to the changing technologies of the future. Members will notice in the annual report that we had a look at policy and regulatory issues to do the whole energy space, and, as I said, that is going to form the basis of our next report.

Just to show how we delve into all sorts of areas of economic engagement in Western Australia, we had a look at short-stay accommodation, and that report is also being put together at the moment. That got us to listen to a number of different sectors of the community who are adjusting to what is a short-stay accommodation sector in transition as it has adapted to the online platforms and the influence they are having. That also got us down to the south west.

The annual report speaks for itself. Page 1 shows that we have tabled three reports, had 27 deliberative meetings, 53 public and closed hearings, four public debt position sessions, 17 briefings and 109 witnesses appearing. It certainly has been busy. The variety of groups we interacted with are all outlined on pages 2 to 12. I will not go through them all, but they are diverse, from the Commonwealth Scientific and Industrial Research Organisation through to the Geraldton Community Energy steering committee, Australian Energy Market Commission, Tourism Council of Western Australia, Airbnb Australia, Australian Hotels Association and Edith Cowan University's school of business and law and faculty of business and law. There were also registered accommodation providers, tourism operators in Rockingham, Denmark Chamber of Commerce, City of Albany and it goes on. The committee gets out and about. It also managed to get over to the United States. I sat through quite a few of those hearings and had to scratch my head at times. It reminded me of having walked into the wrong lecture—of walking into a physics lecture when I thought I was going to the economics class, with these people talking about electricity, microgrids and how it all works. But we did our best and we got in there. We listened to Pacific Gas and Electric Company, California Public Utilities Commission, Tesla, Californian Energy Commission, New York Power Authority and New York State Energy Research and Development Authority, just to name a few. Back here in Western Australia, we got to Margaret River and we had a good listen to a number of businesses down there on how they are adapting and being impacted by Airbnb and other online providers as well, which is important.

Ms R. Saffioti interjected.

Mr S.K. L'ESTRANGE: We dropped into New York had a good look at what was going on over there—New York, Margaret River! The Minister for Transport; Planning makes a good point: investigative travel is a key requirement of Parliaments throughout Australia. If we do not do investigative travel, we sit in a little vacuum and not really know what is going on out there. We can do desktop studies, and it is critically important to do good desktop studies, but we have to get out and talk to people and learn from the experiences around Australia and overseas. No doubt, the minister will understand the value of that, because that is the only way we get to listen, learn and appreciate the issues and to really get a sense of the complexity of what might be going on. I do not think we can do the job of advancing Western Australia and understanding how the economy can better operate if we simply sit in this place without going and having a look and a listen out there. I think we would be doing ourselves a disservice and really would not be doing our jobs properly.

Bringing it back to the committee's efforts, I am very grateful to the member for Forrestfield and the member for Jandakot, who is not here. Those two really pushed us. I remember the committee meetings and the member for Forrestfield would often say that we were not working hard enough and that we needed to do more, that we needed to have more deliberations. That was probably a driving force behind the member for Swan Hills as chair generating the work that we were able to do. It was because we had some very, very keen and enthusiastic members in the members for Forrestfield and Jandakot, who always pushed us to go harder, go further, do more, listen to more people and take on more evidence. As highlighted by the chair, we could not do this without the committee staff. To the principal research officer, David Worth; the research officers, Lachlan Gregory and Franchesca Walker; and the Hansard staff who supported us throughout, thanks so much for your efforts and energy. They, too, might have had the opportunity to learn something valuable about the economy of Western Australia and how it can be better supported with these types of inquiries and recommendations.

I also thank my fellow committee members: Jessica Shaw, the Chair; Yaz Mubarakai, the member for Jandakot; Stephen Price, the member for Forrestfield; and Terry Redman, the member for Warren–Blackwood. Thank you so much for the collegiate approach you have taken on the committee to complete what has been a very rigorous agenda.

In my closing remarks, I would like to thank Dr David Worth, whose last day at Parliament is next Friday. It is good to see him in the Speaker's gallery today. Dr Worth has had a fantastic career in supporting parliamentarians on a variety of committees over the years. He, too, thoroughly enjoyed the tempo and rigour of this committee. He is in the Speaker's gallery right now wiping the sweat from his brow! Thank you so much for your efforts and contribution to not only this committee, but also other committees throughout your career here in the Parliament of Western Australia.

I encourage all members of Parliament to have a good look at the sixth report of the Economics and Industry Standing Committee because it sets a standard that all of us can aspire to in the various committees throughout our parliamentary careers.

MR D.T. REDMAN (Warren–Blackwood) [12 noon]: I would also like to make some comments about the sixth report of the Economics and Industry Standing Committee titled "Annual Report 2018–19".

Mr D.A. Templeman: Is this the mutual back-slapping society?

Mr D.T. REDMAN: Yes. It is a committee that has been working terribly hard. I am not going to say a lot about the comments that have been made already. That was touched on by the member for Churchlands in terms of the level of work that sits in 12 months, and that is only one piece of the activities of a committee. I am certainly not going to talk about other committees. I am one of those people who has a huge amount of support for and interest in committee work as a part of our parliamentary process. I know that Dr Harry Phillips is doing a bit of research work right now on the activities of parliamentary committees. They are truly one of the anchor points, in my view, of the parliamentary process.

[Interruption from the gallery.]

The ACTING SPEAKER (Ms S.E. Winton): Thank you. You are welcome to be here, but you need to be quiet.

[Interruption from the gallery.]

The ACTING SPEAKER: I will leave the chair until the ringing of the bells.

Sitting suspended from 12.02 to 12.39 pm

Mr D.T. REDMAN: Thank you, Mr Speaker. I cannot quite remember what I finished up talking about, but I will try to fill in some of the gaps in my response to the annual report being tabled today. I think, reflecting on the comments from the chair of the committee, the member for Swan Hills, and the deputy chair, the member for Churchlands, I was making a point about the value of committees. I see committees as the anchor point of our parliamentary process. They are bipartisan and quite independent. Committees bring views to the table after lots of research that hopefully guide and impact on government policy, and therefore change our communities.

I want to highlight that anyone who reads this report will see the committee's activities over the course of one defined financial year—there was a lot of work, a fair amount of travel and a lot of community engagement opportunities. I pay tribute to the chair for allowing alternative opportunities for engagement—the depositions that brought other representations to the committee. The depositions started in my electorate in response to the Airbnb inquiry. The feedback on that process was that people in our communities deeply appreciated it. People greatly appreciated the opportunity to say their piece. I know that sitting on the committee side, we get a lot of representations and written reports to read, but we do not often hear about how people appreciate being able to make a representation. I hope we can do those people justice with the final report on the Airbnb inquiry. I know processes need to run to get support for committees to hold inquiries. I put a motion to this house on this issue and I appreciate getting broader committee support for the inquiry.

As has been mentioned, we reported on an inquiry into the smash repair industry. Sometimes we are not quite sure what we are going to find when we undertake these inquiries, but they are terribly, terribly interesting, particularly delving into the insurance industry. Of course, I have paid a lot of attention to the important inquiry into micro-grids and the broader impact of distributed energy resources on our networks. We have already tabled an interim report, but, once again, there is a lot of work to be done on that inquiry. The short-stay accommodation inquiry is also happening as we speak. Interestingly, of all the committee's inquiries the greatest number of submissions were to the Airbnb inquiry. I am not sure how many submissions there were—I know the chair mentioned it was the largest number of submissions received. We, therefore, have a hell of a lot of work to go through to land with some recommendations that will make a difference.

People really put in effort to get an inquiry to work, particularly committee staff. I pay tribute to Dr David Worth, Lachlan Gregory and Franchesca Walker. As others have done, I would like to wish David all the very best in his retirement. I do not think he is here now. I know this is not the only committee he has been involved with, but after his contribution for many, many years, we are absolutely certain that he has made a difference to not only the committees but also to getting support for feedback from committees to help change government policy. We should never pay that contribution short shrift. I have also enjoyed the collegiate spirit of my committee members. The chair, Jessica Shaw, member for Swan Hills; the deputy chair, Sean L'Estrange, member for Churchlands; Stephen Price, member for Forrestfield; and Yaz Mubarakai, member for Jandakot. An inquiry to go to India was announced yesterday. If that opportunity arises, I think the merits of the inquiry are absolutely sound and I know that the member for Jandakot will bring a lot of capacity to the table on Western Australia's engagement with a massive emerging economy. It is really one of the few committees that has a tripartisan approach.

To reinforce the points I have made: I think the report is worth reading if for nothing else than for members to fully appreciate the committee's efforts to reflect in this place good research that can hopefully be used to guide government policy and make our communities better. Thank you very much. I commend the report to the house.

The SPEAKER: Thank you, member. A little footnote to what you said about going to India. Is this the same committee of which members rang me from New York when Collingwood was beaten in the grand final? It will be interesting to see how you go getting a trip next year!