

Chairman; Mr Murray Cowper; Mr Fran Logan; Mr Trevor Sprigg; Mr John Castrilli; Mr Tony O'Gorman; Ms Margaret Quirk; Mr Martin Whitely

Division 54: Housing and Works, \$85 699 000 -

Mr P.B. Watson, Chairman.

Mr F.M. Logan, Minister for Housing and Works.

Mr R.F. Thomas, Acting Director General.

Mrs R.F. Bradley, Executive Director, Financial Services.

Mr G. King, Manager, Financial Technology and Reporting.

Mr G. Vlahos, Manager, Financial Planning and Budgeting - Works.

Mr M.G. Bradshaw, Chief of Staff, Office of the Minister for Housing and Works.

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

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 fund. This is the prime focus of the committee. While there is scope for members to examine many matters, questions need to be clearly related to a page number, item, program or amount within the volumes. For example, members are free to pursue performance indicators that are included in the budget statements while there remains a clear link between the questions and the estimates. It is the intention of the Chairman to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point.

The minister may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. For the purpose of following up the provision of this information, I ask the minister to clearly indicate to the committee which supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the committee clerk by 17 June 2005, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers and accordingly I ask the minister to cooperate with those requirements.

I caution members that if the minister asks that a matter be put on notice, it is up to the member to lodge the question on notice with the clerk's office. Only supplementary information that the minister agrees to provide will be sought by 17 June 2005.

Mr M.J. COWPER: I welcome the advisers to the committee. I refer to the grand total for the 2003-04 actual compared with the 2005-06 budget estimate. Will the minister explain the huge difference between the figures?

Mr F.M. LOGAN: The 2003-04 actual was \$101.213 million and the 2005-06 budget estimate is \$85.699 million. The 2003-04 budget contained funds for the construction of the Perth Convention and Exhibition Centre. The centre is now completed and open. The capital has been spent.

Mr M.J. COWPER: Is it due to only the convention centre? Is that why the 2004-05 estimated actual is \$36.933 million?

Mr F.M. LOGAN: Yes. The \$36.933 million is the estimated actual of the 2004-05 budget. The difference between the \$101 million figure and the \$85 million figure is due to the adjustments made when projects come to the end of their life and the capital is spent.

Mr M.J. COWPER: There is a line item for other transfer payments for the 2005-06 budget estimate of \$50 million. That makes the grand total for the 2005-06 budget estimate \$85.699 million. What is that?

Mr F.M. LOGAN: It is an appropriation that has been granted by Treasury to the Department of Housing and Works.

Mr M.J. COWPER: Is it somewhat of a windfall for the department because of the condition of the economy?

Mr F.M. LOGAN: No. The \$50 million has been allocated so it can be in the forward estimates as part of the process for the multipurpose stadium incentive scheme. It is to encourage companies to tender for the multipurpose stadium. As the member will know from the media, although the money has been allocated as part of this year's budget, it will not be spent immediately. It is not listed in the out years because it will be spent over 20 years.

[9.10 am]

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Mr M.J. COWPER: Is it common practice for \$50 million to sit in limbo and to not be accessed?

Mr F.M. LOGAN: It will be accessed immediately.

Mr M.J. COWPER: Is it like a bank account?

Mr F.M. LOGAN: It is. It will be accessed immediately. The tenders for the multipurpose stadium close on 1 July. When the tender process has been completed towards the end of the year, obviously a proponent will have won the project to develop the multipurpose stadium. It will then begin construction and that amount of money immediately will be drawn upon.

Mr T.R. SPRIGG: Will the minister update us on what stage the tender process is at? It has received some publicity and is interesting to all of us.

Mr F.M. LOGAN: Sure. Members are aware that discussions about the multipurpose stadium have been continuing for a fair while. The media has closely examined the issue because it is related to the existing Hopman Cup and the use of the Burswood Dome. The expressions of interest were advertised some time ago, and three submissions complied with the criteria that was sought. The requests for tender have since been issued and will close on 1 July. There are three proponents in the bid. One is the Mirvac Fini project, which proposed a joint venture with the Royal Agricultural Society to make use of the Showgrounds at Claremont. The other two proposals are Multiplex joint ventures from a group called the Perth Arena Consortium. The first proposal is to locate the stadium near the tennis centre at Burswood and the second proposes to build a completely new multipurpose stadium on the site of the Perth Entertainment Centre in the middle of the city. We are waiting to see who will be left standing in the marketplace after 1 July, and the usual process of tendering will follow.

Mr G.M. CASTRILLI: I refer to the eleventh dot point of major initiatives on page 931 of the *Budget Statements*, which refers to the Department of Education and Training's Fixing Our Schools program in 2005-06. Under that program, Western Property's metropolitan division has been allocated \$9.2 million and an allocation of \$8.2 million has been made to the regional services division for works procurement on nominated schools. Which schools will benefit from these funds? What amount of funding has been allocated to the schools? Precisely what works will be carried out? That might be a fair list, I dare say. I am happy for the minister to provide that information as supplementary information, unless he has the information to hand. I am interested in the schools in Bunbury, in knowing what schools in my electorate will receive funding and the amount they will be allocated. I would like to know also the precise nature of the works that will be carried out on those schools.

Mr F.M. LOGAN: I will tell the member about how it works. I do not have the details of each school as yet, but I will explain how it works because it is illuminating and members should know. As a local member, it is important to understand the process. It was certainly important for me as a local member to understand the process. There are two streams of responsibility for school maintenance and repair. The first is through the Department of Housing and Works and Western Property, which is one of its subsidiaries. Effectively, Western Property is the maintenance arm of the department. In turn, Western Property contracts out work to a major maintenance contractor for school repairs. The contractors do a lot of work themselves and occasionally subcontract some specialist work, such as lawn mowing or electrical work etc, to a smaller firm. That is how the Department of Housing and Works repairs schools. That is one stream of responsibility.

The second stream of responsibility is the Department of Education and Training. The overall decision-making powers of that department lie within the department itself. The department allocates the capital it receives for the maintenance and upgrade of schools to the department's asset management group. The asset management group appears to provide responsibility to the regional managers, such as the Fremantle Education Centre, for example. That is in my electorate. The Fremantle Education Centre would then liaise with the principals of the schools about what they and the parents and citizens associations would like the money spent on. It appears that much of the authority regarding which schools get which maintenance stems from these regional offices of education. The member for Bunbury will find that is where the decision-making process lies in Bunbury. Unfortunately - I have raised this issue previously - it does not lie with the Department of Housing and Works, which is the asset manager of government-owned buildings. The decision-making process lies with the regional offices, which liaise with the Department of Education and Training's asset management group about which schools receive maintenance and at what time. I raise that as a matter of illumination for all members who lobby the schools in their own areas to get work done. That will help members know to whom they should go to get the work done. It is a bit of a goose chase sometimes.

Mr G.M. CASTRILLI: Is the minister saying that the budget allocation for 2005-06 has not been allocated to specific schools and for specific works but that it is yet to be applied for and allocated, or has it been allocated for that purpose?

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Mr F.M. LOGAN: From what I understand, it has been allocated to specific schools. This is not my portfolio, so I am not speaking with absolute authority. My understanding is that it has been granted to schools. I know which schools in my electorate have been allocated funds, and I know how much that is. Members must find out from the regional office of education the purpose for which money is specifically allocated.

Mr G.M. CASTRILLI: Can I access that information directly from that office?

Mr F.M. LOGAN: That should be possible. I strongly encourage the member to get in touch with the local regional education centre.

Mr G.M. CASTRILLI: Would the minister access that information for me as supplementary information from the Department of Education and Training? I would not mind if the minister did, because the last time I tried to find out information from the Department of Education and Training, I was told to ask the Department of Housing and Works. I was told by the Department of Housing and Works that I could not be given that information because it was a matter of privacy. I was shunted all over the place. If the minister would not mind helping me out, I would appreciate it.

Mr F.M. LOGAN: That is the reason I have gone into a long explanation about how it works. It is a labyrinth.

The CHAIRMAN: Will the minister explain what supplementary information will be provided?

[9.20 am]

Mr F.M. LOGAN: The supplementary information relates to the capital works projects for schools. The reference is found at the eleventh dot point of major initiatives on page 931 of the *Budget Statements*. It specifically refers to "\$8.2 million for Western Property Metro and \$9.2 million to Regional Services". The member for Bunbury is seeking information on how that money will be allocated to schools. If we can provide a list of schools, we will do that by way of supplementary information.

Mr G.M. CASTRILLI: And, if the minister does not mind, the amount of money to each school and the precise work that will be carried out at those schools.

The CHAIRMAN: In alphabetical order, Albany first!

Mr G.M. CASTRILLI: The Chairman is in a privileged position!

[*Supplementary Information No B28.*]

Mr A.P. O'GORMAN: I refer to the first dot point of significant issues and trends on page 927, which states that the building cost index has risen 15 per cent in 2004-05 as a direct result of market pressures. What is the government doing to assist prospective home buyers?

Mr F.M. LOGAN: Obviously the reduction in stamp duty and various other benefits that have been put forward have been of major assistance to prospective home buyers. Last year, as the industry informed me, the increase in funding available to first home buyers had a major impact on the industry and really kicked it along. In fact, it is probably one aspect that has generated the current heat in the market. Another activity that the Department of Housing and Works undertakes is the provision of loans to home buyers. It may be beneficial at this time to explain the structure of the Department of Housing and Works to members, particularly new members who may not be aware of how the department is structured. Obviously, members have seen elements of the budget for the Department of Housing and Works in the budget papers. Within the Department of Housing and Works is the State Housing Commission, which is a statutory authority. Keystart, which is the housing loan vehicle for the Department of Housing and Works, is a subsidiary company of the State Housing Commission. Keystart is a privately owned company of one shareholder, the State Housing Commission, and that is why it does not appear in the budget papers. Within the State Housing Commission is Landstart, which is the landholding body and developer for the Department of Housing and Works. It is a very well organised and proficient developer and has done some fantastic housing projects on behalf of the government. Another organisation that falls under the State Housing Commission is one I referred to a moment ago; that is, Western Property, which is also a subsidiary of the State Housing Commission, but is not a company like Keystart. Landstart and Western Property are both arms of the State Housing Commission and, therefore, part of the Department of Housing and Works. Western Property looks after the maintenance and repair of government-owned buildings, Landstart is a developer and landholder on behalf of the department and Keystart is a wholly owned loans vehicle on behalf of the department and the State Housing Commission. Separate to that, although it falls under the Department of Housing and Works, is the works section of the department, which is basically an organisation that manages the construction of projects, such as the multipurpose stadium, the upgrade of the old Treasury buildings etc. Then there is the Country Housing Authority and the Government Employees Housing Authority. That is the way in which the Department of Housing and Works is broken up. In this budget the Department of Housing and Works, the Country Housing Authority and GEHA are set out separately because they are accountable with

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separate funding arrangements. However, the other organisations I mentioned are not in the budget papers as they are, as I said, wholly owned companies.

I will now answer the question about assisting home owners. In 2005-06, 5 200 loans will be provided to assist Western Australians with home ownership through Keystart. Those loans include funding of \$650.9 million for Keystart loans and a further \$8.6 million for GoodStart loans, Access loans and Aboriginal home ownership schemes. An estimated \$205 million will be provided for the construction of new homes, which will obviously have a very significant input into the housing industry. Of the loans provided in 2005-06, 34 per cent are expected to be in regional Western Australia, and approximately 4 000 will be provided to first home owners. In the next four years the scheme will provide funding of more than \$2 billion, continuing the largest program in the history of the scheme. As I indicated, the reduction in stamp duty on 1 July 2004 has continued to provide assistance to first home owners. From the feedback I have had, that really kicked along the housing industry. As a result of that money, the member for Bunbury will be pleased to hear, regional towns will receive an estimated injection of \$224 million in 2005-06.

Mr G.M. CASTRILLI: I have an additional question.

The CHAIRMAN: A further question from the member for Bunbury.

Mr G.M. CASTRILLI: I do not know whether to ask the question now about the additional housing for regional Western Australia and Bunbury that the minister referred to. I think it may come under the state housing section.

Mr F.M. LOGAN: Yes.

Mr G.M. CASTRILLI: I will leave that question until the division on state housing.

Mr T.R. SPRIGG: I was reading these papers fairly late last night, but I was sober!

The CHAIRMAN: We are not touching that line.

Mr T.R. SPRIGG: That was quite unusual; I did not realise there was a power cut last night. On page 927, the second dot point of significant issues and trends refers to Fremantle Prison. The statement seems to be a bit misplaced. I know that Fremantle Prison is a heritage precinct and is undergoing development, but surely that is a tourism statement. Will the minister vouch for me that the statement is out of place there?

Mr F.M. LOGAN: No, it is not. I realise, on first reading, it would be easy to come to that conclusion.

Mr T.R. SPRIGG: It is listed as the second most important point under significant issues and trends.

Mr F.M. LOGAN: Not in terms of revenue. I can see the way the member may have read it. I will read it out so that members can get the gist -

Tourism represents a substantial portion of the Fremantle Prison's activities accounting for almost three quarters of revenues.

That means that tourism accounts for three-quarters of Fremantle Prison's revenue, which is quite correct. Fremantle Prison is in this division as opposed to the tourism portfolio because Fremantle Prison comes under the responsibility of the Department of Housing and Works. That statement in the budget papers is correct. I imagine that revenue will get a significant kick along through the Fremantle Prison tunnel tours, which started on Tuesday. I encourage everybody to don a hard hat, harness and caving gear and take a look. It is a fantastic contribution to Fremantle and tourism in Western Australia. I acknowledge that the project started under the previous coalition government, but money flowed for it under the Gallop government. It is a great addition to Fremantle, and certainly to Fremantle Prison. Interestingly, many people visit the Port Arthur precinct in Tasmania to see convict history. However, as was pointed out to me by people in Fremantle Prison, Port Arthur is a ruin, and the only wholly constructed convict prison left in Australia is Fremantle Prison. People who want to see what a convict prison was like in Australia must visit Fremantle. Hence, it is a big attraction for tourism. The tunnel tour has put another spin on tourism with an extreme heritage adventure experience that involves climbing down ladders, boarding boats and looking at what people thought were escape tunnels, but was a water source for Fremantle Prison and the Fremantle area.

I seek the leave of the committee, through the Chair, for the committee, as part of division 54, to deal with the Department of Housing and Works, the State Housing Commission, the Government Employees Housing Authority and -

[9.30 am]

The CHAIRMAN: That cannot be done, minister.

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Mr F.M. LOGAN: Can all four agencies not be dealt with together? I thought it would be easier for everyone if it were handled in that way.

The CHAIRMAN: Life was not meant to be easy, minister.

Ms M.M. QUIRK: I refer to major policy decisions since the state election outlined on page 928 of the *Budget Statements*, and the reference to strategic asset management framework implementation. I would be grateful if the minister would elaborate on what this entails.

Mr F.M. LOGAN: The Department of Treasury and Finance, with the support of the Department of Housing and Works, has developed a strategic asset management framework to draft stage. The initiative was undertaken in response to recommendations of the Functional Review Taskforce, and comprises the review and update of existing management policies and the development of new asset management policies and guidelines within a framework for strategic asset management. The framework was endorsed by the cabinet expenditure review committee in April 2005. It is now ready for implementation by all government departments. Basically, the Department of Housing and Works will work in partnership with other agencies to ensure that assets owned by agencies are maintained in an appropriate way. I ask Mr Thomas to explain the rollout of the framework.

Mr R.F. Thomas: The idea is also to manage projects for agencies earlier in the piece so that we can scope and cost them more thoroughly. Therefore, when projects go through the expenditure review committee process, details and costings of projects will be firmed up. We will manage proposals through the tendering and construction phase so that they run smoothly. This process will fit in neatly with the new Major Projects Taskforce that the minister is chairing.

Mr F.M. LOGAN: I also call on Mr Bradshaw, my chief of staff, who formerly worked for the Department of Housing and Works in the works section and had a significant amount to do with the framework development.

Mr M.G. Bradshaw: This is a timely piece of policy work because the last strategic asset management suite of policies was developed back in 1995-96 by the then Department of Treasury. At that stage, strategic asset management within government departments was a fairly important policy initiative. To some extent, perhaps the rigour of strategic asset management over that time has declined. This initiative by the Department of Housing and Works, supported by the Department of Treasury and Finance, is extremely important as it will place greater rigour into the project initiation process. Therefore, government departments must prepare fairly solid business cases before any new capital works proposals can receive budget funding support. Whole-of-lifecycle costs need to be considered. Long-term issues such as planning, sustainability and environmental issues will be considered as part of a project. It is a policy framework applying more rigour to new projects and putting in place mechanisms for the ongoing management of assets, and, ultimately, making sure that assets deliver better services for the taxpayer.

Mr F.M. LOGAN: Basically, when agencies develop new projects, be it a hospital, school or other major infrastructure, it always seems like a good idea to those involved at the time. The agency must approach the expenditure review committee to ask for funding for the project. The framework will ensure the need for the project to be analysed, along with cost benefits for government. It also provides some discipline to the department by ensuring that officers have thought about all aspects of the proposal before funding is sought. Capital works usually involve millions of dollars. Therefore, a very strict analysis will be undertaken of why the project is needed, what benefits the public will receive from the project and what ongoing costs to the taxpayer through the government will apply for the out years. The process will ensure that the agency is aware of what it is doing with its proposal.

Mr M.J. COWPER: I ask Mr Bradshaw a question through the minister. Does the strategic asset management scheme also facilitate or incorporate a scheduled replacement program for equipment that belongs to various government departments? As we move around our electorates, we see on occasions a lot of wear and tear of infrastructure and equipment that has not been maintained in a timely manner. Does the framework program referred to facilitate that process?

Mr M.G. Bradshaw: The strategic asset management framework primarily applied to non-residential buildings. That was it. It was non-residential buildings only. Obviously, parts of non-residential buildings such as airconditioning plants are items of equipment that should be included in that process. In direct answer, yes, it should apply to items of machinery that are part of non-residential buildings.

[9.40 am]

Mr M.J. COWPER: Is there a program to have all government schools airconditioned? Some of the schools in my electorate still do not have airconditioning. I was wondering what the situation is.

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Mr F.M. LOGAN: A commitment was made by the government in its last term to provide airconditioning for all schools. There is a program and a time frame, and priority was given to the schools that were to receive the airconditioning first. To detail the continued rollout of that program and the time frame, I will defer to Mr Thomas.

Mr R.F. Thomas: The program in the north west has been completed and further works are being carried out in other areas. I do not have the details with me, although they could be provided by way of supplementary information.

Mr M.J. COWPER: Would it be possible to provide, by way of supplementary information, the rollout program and the estimated time frame for the completion of that program?

Mr F.M. LOGAN: I will go back to the line item that was referred to by the member for Girraween, under major policy decisions on page 928. The line item refers to strategic asset management framework implementation under the heading "Decisions taken since State Election". With specific reference to schools, the question raised by the member for Murray referred to the issue of airconditioning in schools. We will provide a list of the schools that are still outstanding and a time frame for the completion of that project.

[Supplementary Information No B29.]

Ms M.M. QUIRK: The member for Murray asked about airconditioning for schools. I am hopeful that the department is designing new buildings in such a way that airconditioning will not be necessary in all cases. Can the minister outline what initiatives are being taken in the area of renewable energy and more appropriate design for climate?

Mr F.M. LOGAN: The application of sustainability principles to school design involves making them more appropriate and more comfortable for children. This involves more appropriate use of energy; the solar orientation of the school - that is, which way the building faces - and the wise use of water. A good example of the application of sustainability principles to school design is the Harmony Primary School in Atwell, which was opened early last year. The whole subdivision of that area of Atwell, Harvest Lakes, is a LandCorp development, and is based around sustainability principles. The blocks are laid out so that they face north, and the wetlands in the area were conserved. Even the timber that was cut down on the area was reused to create community facilities. It was quite appropriate, therefore, that if the government was to build a school in the area, it should be in keeping with the way in which the housing estate was laid out; that is, in line with the principles of sustainability. Harmony Primary School is an example of what schools can be like. The government has a major school building program planned over the next four years. Six new primary schools will be constructed over the next 12 months, all of which will have sustainability principles built into them, in lower energy use, water-wise systems and solar orientation. We can return to this issue later if the member likes, but the Department of Housing and Works is one of the leading agencies of government in not simply talking about sustainability principles but putting them into practice in the buildings that it constructs. The Pier Street apartments in Perth are at the cutting edge.

Mr M.J. COWPER: It is all very well that these new principles be applied to new schools, but in my electorate there are schools that were built in 1925, which do not necessarily fulfil those great design principles. If the minister is not happy to build new schools at North Dandalup, Carcoola, Dwellingup and Pinjarra, I will settle for airconditioning in those schools.

Mr T.R. SPRIGG: I refer to the table on page 929, under the heading "Service 1: Delivery, Management and Maintenance of Government Buildings, Projects and Office Accommodation". The first line item is the total cost of service. The budget amount for 2004-05 is \$49.402 million, and the estimated actual for 2004-05 is \$55.212 million. This is a blow-out of some \$6 million, or 13 per cent. Can the minister explain the reason for the blow-out?

Mr F.M. LOGAN: As that is a specific issue dealing with the Department of Housing and Works, I will refer the question to Mr Vlahos.

Mr G. Vlahos: The key reasons for some of the increases is that the department, from time to time, receives specific funding for certain projects. These projects start off and finish in different years. The difference between the 2004-05 budget amount and the estimated actual amount was due partly to the fact that the department was given some extra funding for planning costs for the multipurpose indoor sports stadium project. An amount of \$1 million was provided for that. There were also some carryover projects from the previous year worth about \$584 000. The Western Property arm of the department also had some increased expenditure of \$691 000, which related to schools and the accommodation of some of the Functional Review Implementation Team maintenance procurement reforms that are being developed. A significant amount, approximately

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\$883 000, was allocated to Fremantle Prison for tunnel development and maintenance. They are most of the major items. I can provide some other detail if required.

[9.50 am]

Mr T.R. SPRIGG: Mr Vlahos outlined roughly \$3 million worth of projects, which is about half of the \$6 million. A further \$3 million is allocated somewhere. I am happy to be provided with those details by way of supplementary information.

Mr G. Vlahos: There were some normal increases in payroll and superannuation costs. There was also a significant increase, roughly \$500 000, in the capital user charge for the department, and there were depreciation increases of \$500 000, so that is another \$1 million.

Mr F.M. LOGAN: Mr Vlahos has referred to some projects. Money was already flowing through for the Fixing Our Schools program. Funding was provided for the planning of the multipurpose indoor sports stadium and for the FRIT reforms, which is basically a concentration of government services in shared services programs, and nearly \$1 million was provided for the tunnels program.

The CHAIRMAN: Will supplementary information be provided?

Mr T.R. SPRIGG: I am happy to accept some supplementary information.

The CHAIRMAN: Could the minister provide supplementary information on the difference? That would be a lot quicker than going through it now.

Mr F.M. LOGAN: I was coming to that; I was just getting further advice. We also receive money from other departments as fees for services, which accounts for nearly \$3 million.

Mr T.R. SPRIGG: Perhaps I could have that provided by way of supplementary information.

Mr F.M. LOGAN: We have outlined the range of things that it relates to. We can package the whole lot and provide it to the member for Murdoch as supplementary information. The member is asking for a breakdown of the figures, which is normally not provided in the *Budget Statements*. The reference for the supplementary information is service 1, delivery, management and maintenance of government buildings, projects and office accommodation, on page 929. The member for Murdoch has requested further information on the disparity between the 2003-04 actual -

Mr T.R. SPRIGG: No, 2004-05.

Mr F.M. LOGAN: I will come to that. The total cost of the service in 2003-04 was \$44.482 million and the 2004-05 estimated actual amount is \$55.212 million. The member for Murray has requested a breakdown of what appears to be a significant increase in the estimated amount for 2004-05 from the budgeted amount for 2004-05 and the actual amount for 2003-04. We will provide that breakdown to the member for Murdoch.

[*Supplementary Information No B30.*]

Mr M.P. WHITELY: Reference is made on page 941 to the installation program for residual current devices. I ask the minister to provide an update on that program.

Mr F.M. LOGAN: I tried to do the whole lot together but, unfortunately, we jumped a division. We cannot answer that question.

Mr M.J. COWPER: I am trying to track some information that relates to a committee that I am on; that is, on the allocation of a specific amount to implement the recommendation from the Gordon Inquiry into Response by Government Agencies to Complaints of Family Violence and Child Abuse in Aboriginal Communities on remote community police stations and associated housing. Does that come within the framework of the Department of Housing and Works?

Mr F.M. LOGAN: It does, through the construction program for those police stations.

Mr M.J. COWPER: I cannot find anything in the *Budget Statements* that refers specifically to it.

Mr F.M. LOGAN: It will not be listed as a specific item. We can provide some information. Mr Thomas might like to talk about that program. It is basically the building program for police stations that emerged as a result of the recommendations of the Gordon inquiry.

Mr R.F. Thomas: The department constructs those facilities. The funding comes through our administered fund, so it does not appear specifically in the *Budget Statements*. As the minister said, we can provide some information on that matter for the member.

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Mr M.J. COWPER: I note that it is listed on page 940 under the Government Employees Housing Authority. That item would relate only to the housing aspect of the program. The construction of the police stations is funded by the Department of Housing and Works. I understand that it will cost in the vicinity of \$3.7 million to construct each of those police stations. Are nine police stations under construction?

Mr F.M. LOGAN: I think there are nine under construction, but I ask the member not to hold me to that. I have seen a briefing note that outlined that six had been allocated funding for construction this year. I do not know the total number; it could well be nine. I will take advice on that.

Mr M.J. COWPER: Why is that work listed under the divisions for both the Police Service, as part of its capital expenditure, and the Department of Housing and Works? Is that not duplicity, or is the funding cross-referenced by those portfolios?

Mr F.M. LOGAN: The funding cannot be double-counted. The money is first allocated to the Police Service, which expends it through the Department of Housing and Works. For the purposes of accounting, both organisations must account for that money. We are accounting for it because, ultimately, we spend that money through the tender processes and in paying contractors.

Mr M.J. COWPER: How is the construction of those stations progressing? I understand that the construction of the Kalumburu station in particular struck problems because of the onset of the wet season. Officers in those locations may be operating under trying conditions.

Mr F.M. LOGAN: Mr Thomas will provide some specifics on the construction program.

Mr R.F. Thomas: There are some concerns with the construction of the Kalumburu station. Construction of the Warburton station is also progressing. I do not have specific details on each project, but we could provide those to the member.

Mr M.J. COWPER: That would be great. I sit on a committee that is examining different portfolios; the chairman of that committee has just left the chamber. We would like to look at those matters.

Mr F.M. LOGAN: We will provide that information.

The CHAIRMAN: What is the reference in the *Budget Statements* for that supplementary information?

Mr F.M. LOGAN: I could take it from the net appropriation.

Mr G.M. CASTRILLI: As a point of clarification, we are in agreement with the minister on GEHA and the State Housing Commission. They are all under division 54, even though they are listed separately.

The CHAIRMAN: I have been advised by the committee clerk that we cannot do that, as they are not under the one division.

Mr F.M. LOGAN: That was the reason I suggested that we do the lot together, because we are chopping and changing. I refer to the net amount appropriated to deliver services, which is listed on page 927. One of the questions the member for Murray highlighted under that line item was the construction program for police stations in remote locations, which was recommended by the Gordon inquiry. The member for Murray has sought an update on the construction program and the time lines for those police stations. We will provide him with a briefing note.

[*Supplementary Information No B31.*]

[10.00 am]

[Mr A.P. O'Gorman took the chair.]

Mr G.M. CASTRILLI: I think I can relate my question to the key efficiency indicators on page 930. Under full-time equivalents, I notice there has been an increase of 30 staff from 2003-04 to 2005-06. What is the reason for that significant increase over a relatively short time frame? It is a 17 per cent increase.

Mr F.M. LOGAN: It is. In 2004-05 the department budgeted for 197 FTEs, while the actual figure was 180. The estimate figure for 2004-05 is 208 FTEs and the target for 2005-06 is 210. That is not surprising given the works budget that has been allocated to the Department of Housing and Works and the overall works program that is in front of us. The department has a \$4.7 billion works program over four years. Some of the programs are significantly complex. For example, the multi-purpose indoor stadium and the old Treasury building are complex programs. We also have an increase in other areas of capital works, such as education, in which there will be a roll-out of 36 new schools over four years and an increase in the number of police stations being constructed. It is a massive capital works program and at this time the reality is that we must have people to do that. The member for Bunbury is probably asking about the who and why?

Mr G.M. CASTRILLI: I am not interested in who they are.

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Mr F.M. LOGAN: The types of jobs they have been brought on for and why?

Mr G.M. CASTRILLI: Yes.

Mr F.M. LOGAN: Being an operational matter, I will pass that on to Mr Thomas who can provide more detail.

Mr R.F. Thomas: As the minister said, some additional positions have been created in our capital works areas because of the large projects, but we are also doing some work in our western property area on savings as part of the FRIT - functional review implementation team - program and trying to change the way the maintenance system operates. Some positions are funded to restructure the maintenance area. As part of the western property process, which is fairly complicated, we have facilities managers carrying out work on behalf of some of the agencies. Their contracts are due to expire in June this year. Two facilities managers did not want to take on those new contracts. We have done a business case on those contracts and have decided to bring the managers in-house. That accounts for between 10 and 12 positions. Some additional positions are also being created in our commercial property branch, given that the agency is taking on a lead role in the development of the strategic approach to office accommodation, particularly in the central business district. All of that work adds up to a number of positions. At the same time, as part of the merger, we have been able to change the roles of some positions. There have been some ons and offs, but overall there has been an increase because of the volume of work and the direction in which the organisation is going.

Mr G.M. CASTRILLI: By way of clarification, those increases are due to more maintenance staff being employed? I assume that a lot of this work has been done on a contract basis. As you were saying, it would be more management and strategic work?

Mr R.F. Thomas: That is right. The work the facilities managers were doing was really management-type work. We were not bringing in any maintenance workers. We felt we could manage it cheaper and better in-house without additional staff.

Mr G.M. CASTRILLI: Being such a busy department, it would not be carrying any redeployees either, would it?

Mr R.F. Thomas: We obviously have a small number of redeployees, but I would say that nobody is not doing a job in the department.

The CHAIRMAN: I advise that questions should be directed to the minister, and the minister can then defer to his advisers.

Ms M.M. QUIRK: I refer the minister to the fourth dot point from the bottom of the list under major initiatives for 2005-06 on page 931, which states that the department will assist schools with grant submissions and procurement of approved works under the commonwealth government's Investing in Our Schools program. Can the minister expand on what is involved?

Mr F.M. LOGAN: I will speak a bit more about this because it is a controversial issue. The commonwealth government has indicated that a significant amount of money will be available for schools across Australia. However, access to that money has to come through parents and citizens associations in each of those schools. The member would be aware that that approach has been reported at length in the media. Normally, maintenance upgrades in schools are clearly the responsibility of the state government. The commonwealth obviously provides its normal funding to state governments through goods and services tax revenue and funding arrangements through state council arrangements. That money comes back from the commonwealth and the revenue that is collected by the state is then provided to each of the agencies based on their need and on the policies of the government of the day, hence the reason for this budgetary process. The money is not normally directed straight from the commonwealth to a state education body, unless of course it is for a grant. In this case it is not for a grant; the commonwealth is coming right over the top of the state government and is making money available to schools. That is a very unusual approach. I do not think it has ever been done before in Australia. What is even more unusual is that P&Cs in each school can apply for funding. That in itself raises some very difficult and tricky issues. What responsibility, control and authority does the principal have for the expenditure of that money on the school? What legal right does the P&C have to even go out to tender and seek to have repairs or changes done to a school that legally is not theirs? What role does the Department of Education and Training and its regional officers play in terms of authorising any changes to the school property? What capacity does the Department of Housing and Works, through its western properties division, have to ensure that whatever amendments are made to school properties are done in a safe and proper way, with neither the staff nor the school being put at risk as a result? Those matters have not been resolved. However, the Department of Education and Training and the Department of Housing and Works have insisted that if a request

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is made for that money and any changes are made to those schools, in the first instance it must be done through the Department of Education and Training and the Department of Housing and Works.

[10.10 am]

Mr M.J. COWPER: That goes without saying.

Mr F.M. LOGAN: That has not been made very clear to the commonwealth but it is being made clear now to the parents and citizens associations. However, it has not been made clear to those proposing this funding arrangement. At the end of the day, the property belongs to the state of Western Australia; it does not belong to the commonwealth. The responsibility for the safety of the people and children on the property rests with the state of Western Australia. For the commonwealth to ignore that and come over the top and offer money to the P&Cs which, although they have an important role to play in running the school community, ultimately have no legal authority over the property, is outrageous. For P&Cs to be encouraged to seek funding, go into the marketplace, and make changes to a school is outrageous. It is an outrageous attack by the commonwealth on state rights.

Ms M.M. QUIRK: As I understand it, in providing money to the P&Cs, the commonwealth is seeking, in some cases, to attach conditions, such as access to the school. We all know of the infamous flagpole cases.

Mr F.M. LOGAN: From what we have heard, that is correct. Conditions are attached to the funding. That takes the relationship to an even lower level. The commonwealth is attaching conditions that the P&Cs have no capacity to enforce. How can a P&C enforce conditions over which they have no legal rights to even request, let alone apply? It is driving a wedge into school communities between principals and the P&Cs because the P&Cs will demand that the money be spent. It will be a major problem for the principals as managers of schools. Ultimately, it will create divisions between the parent bodies and the education administration.

Ms M.M. QUIRK: I have a question about school maintenance in general. As the minister is aware, the previous Minister for Education and Training announced a major school maintenance program. I understand that the Department of Housing and Works is assessing maintenance needs and making some recommendations in prioritising needs because the work will be done over four years. Is the minister able to give some indication about the process through which schools will be placed on a priority list?

Mr F.M. LOGAN: It comes back to what I was referring to earlier about the way in which the maintenance program is structured. The Department of Housing and Works takes instructions from the Department of Education and Training about what maintenance needs to be undertaken. Although it provides advice, it primarily takes instructions from the Department of Education and Training. The bodies within the Department of Education and Training that give that advice and direction is the asset management arm and the regional offices in conjunction with the principals. That is the way in which capital that is owned by the state of Western Australia should be dealt with. We are talking about billions of dollars worth of state capital in the form of primary schools, high schools and colleges. In some cases it is very complex capital. It has to be well maintained and cared for given that it has a high use due to the number of students. It has to be used in a safe and proper manner. Therefore, the responsibility for it being safe and in good working order falls back on the state of Western Australia. If other people come into the process who want to impose their own ideas on how a building should be used, how it should be operated, what should be attached to it, how it should look and what colour it should be painted, that is unacceptable. The state government does not accept that.

Mr M.J. COWPER: Everyone knows that ever since Adam was a boy there have been shortfalls in school environments and the parents and citizens have rallied to fund additional equipment for sport etc. I know the minister acknowledges there is a difficulty with money coming from the commonwealth. However, that is brought about because there has always been a need for it. The commonwealth has come into this situation to top up funds. I must say that the program has been very well received by the school communities, notwithstanding that it does pose a number of questions from the state's perspective. The comment made by the minister in response to the member for Girrawheen was fairly political. I want the minister to acknowledge that there has always been a financial shortfall for schools.

Mr F.M. LOGAN: If the member can find a school that does not want more money, I will walk east! Every school wants more money. Try to find a government agency or council that does not put up its hand for more money. Try to find a worker in Western Australia who would not put up his hand for more money. It is just the nature of life. Everyone would like more of various things, particularly if he sees that someone has something he has not got.

There is a long history and tradition of P&Cs raising money for various things that are not normally allocated as part of the maintenance budgets for schools.

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Mr M.J. COWPER: The painting of schools.

Mr F.M. LOGAN: No. If a P&C chooses to do that itself, that is its choice. It is certainly not its responsibility; it is a maintenance operation that falls to the Department of Education and Training and the state. The member is alluding to when maintenance is undertaken and the prioritisation that goes with it. There are many schools in Western Australia. There is a lot of demand from various communities. It is a question of how the Department of Education and Training prioritises that. It is not up to the Department of Housing and Works to prioritise the maintenance. That is the reason I explained the structure. The funding has not been allocated in this way before. It has been done with grants but this is a slightly different approach. It is not a question of just buying some more sporting equipment for a school or planting some more plants. The money is also available for structural change.

Mr M.J. COWPER: I refer to the Pinjarra Primary School. Parents, citizens and teachers have taken it upon themselves to paint the classrooms because of the lack of maintenance. I am pleased to say that, prior to the last election, the opposition made a commitment to help. The government has since recognised the very important but deplorable situation at the primary school. I am pleased to see that funds are now available. The minister can appreciate that parents and citizens associated with schools feel that they have been overlooked for a long time by a series of governments. When the money becomes available from the commonwealth, they will grab it with glee.

Mr F.M. LOGAN: I am not disagreeing with the member about why a school would put up its hand for the money. If money were available from any source, state or federal, it would put up its hand for it. During the first term of the Labor government, an additional \$65 million was allocated to the normal maintenance program by the then Minister for Education and Training, Alan Carpenter. A further massive injection of funds will be made over the next four years into the schools maintenance program. I understand exactly what the member is talking about. Remember that I am a local member as well as a minister.

[10.20 am]

Mr M.J. COWPER: And a dad and a grand-dad.

Mr F.M. LOGAN: I understand the frustration that P&Cs are experiencing in getting things done. They sometimes feel frustrated that the Department of Education and Training is not listening to them. I understand exactly what the member is talking about. I have been in exactly the same situation as the member. The reality is that ultimately these things will be done. The commitment that was made in the first term of the Gallop government for an extra \$65 million is flowing through the system. I certainly know that money has been flowing through the system for maintenance and upgrades in not only my electorate but also many other electorates. The member will find that significant changes will occur over the next four years as part of the increased maintenance money that has been allocated to schools over that period. Although I understand why P&Cs would want to seek money from the commonwealth, it raises certain concerns for the state government, because ultimately the state government is legally liable for the buildings and the safety of the people in those buildings. That applies no matter who is in government; if members opposite were in government, they would be saying exactly the same thing. It is very important that if the commonwealth government comes in over the top of the state government's responsibilities and provides incentives for P&Cs to make structural changes to state government property, it be done through the proper process.

Mr G.M. CASTRILLI: As the member for Murray has said, a lot of schools need to be upgraded, including in my area. I am pleased that more money has been put in. However, we can always do with more. Even though the money may come from outside the state, it still stays in the state and adds to the value of the asset for the owner of that asset, which in this case is the state government. I understand the complexities that the minister is talking about and the issue of legal ownership. However, if a P&C identifies a need in a particular school for maintenance, and that will benefit the school and increase the value of the asset of the state, surely that is what is important at the end of the day. Surely if there is a benefactor, irrespective of who it may be -

Ms M.M. QUIRK: But it has strings attached. More to the point, there is no such thing as a free flagpole.

Mr G.M. CASTRILLI: I am talking about legal ownership as well, member for Girrawheen. I think the minister appreciates where I am coming from. Surely the minister would not say no - bearing in mind the legal ownership issues - to someone giving more money to the state for the benefit of kids and parents at a school.

Mr F.M. LOGAN: That is the very issue that was effectively raised by the member for Girrawheen. That is the point the member for Girrawheen has raised in referring to this line item. Commonwealth money is available. There is no doubt that P&Cs are already making applications for that funding. The legal reality is that the state owns the asset. If those requests will result in changes to the assets of the state - that is, the buildings, the grounds and the other infrastructure - it will need to be done through the proper process. That process is that it

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must be done with the agreement of the principal and the regional office, and through the Department of Housing and Works, because ultimately the state is liable for the asset and for the safety of people in that building. If a P&C tendered for a project and got in a local contractor and started to make alterations to a building and the building subsequently collapsed, I am sure Peter Costello would not put up his hand and say yes, the commonwealth is liable for the injuries that occurred as a result of the collapse of that building. No conditions are placed on the capital that is provided by the state for the maintenance and upgrade of schools.

Mr G.M. CASTRILLI: It is the state's asset

Mr F.M. LOGAN: Of course, but, mark my words, conditions will be applied by the commonwealth. If those conditions go to the legal liabilities of the state, we have a problem.

Mr M.J. COWPER: I invite the minister to come to my electorate and have a look at Pinjarra Primary School. The evaporative airconditioning at that school, which was paid for the P&C, now needs to be removed in favour of a different type of airconditioning system. That really infuriates the P&C, because it went to great lengths to raise the money for that airconditioning. I invite the minister to come to my electorate as my guest to examine that building.

The CHAIRMAN: I cannot see how that is relevant to the budget papers.

Mr F.M. LOGAN: The member for Murray is doing the right thing as the local member in raising a critical issue in his constituency. The member has made the point very well. We have made a note of Pinjarra Primary School -

Mr M.J. COWPER: And the high school.

Mr F.M. LOGAN: And the high school. We will raise that with Western Properties. We will also raise that with the Department of Education and Training.

Mr T.R. SPRIGG: Can the minister update me on the situation at the old Treasury building, which has been an ongoing saga for a long time? This certainly sounds like a dorothy dixer, but the minister has handled them really well today!

Mr F.M. LOGAN: It does! The old Treasury building has been an ongoing saga, as the member is aware. Under the previous Liberal coalition government, the building was examined for its suitability as a hotel. However, even though that was looked at in detail, it did not come to fruition -

Mr T.R. SPRIGG: The developer pulled out of it.

Mr F.M. LOGAN: That is right. The developer pulled out, so it did not come to any conclusion. I think even today, from speaking to people in the industry who have examined the building for conversion into a hotel, the numbers do not stack up for the investment. We have decided to move on this matter quickly, or certainly I as the new minister have decided to move on this matter quickly. We have called for expressions of interest from architectural firms for designs. So far we have received 14 separate design proposals from various companies in Perth. Under the previous Gallop administration and the previous minister, an examination was undertaken by Cox Howlett and Bailey Woodland Architects and Planners of what could be done with the building. The Cox group put forward a proposal to construct internally in the courtyard of the building an 11-storey tower that because of the way it would be angled and structured could not be seen from either St Georges Terrace or Barrack Street.

Mr T.R. SPRIGG: It also would not get any sun.

[10.30 am]

Mr F.M. LOGAN: It would get some sun. The point was to preserve the integrity of the outside of the building so that it would not be dominated by a new tower block. That footprint that the Cox architects group came up with has received environmental and planning approval for further development. Therefore, the brief that was given to the architectural firms was to come up with new designs using that footprint as the basis. The timetable for the final selection from the 14 architects for the most appropriate design for the building is now 1 July. This is part of the process that we are adopting now in the works program. We want to encourage more architects and smaller architectural firms into the marketplace of government tendering. First, we will call for tenders for the pre-design phase. The normal tender procedure for major capital works is that tenders are submitted and a major company ultimately wins the tender. The company then contracts the architectural work to one of its subcontractors or to in-house architects, or whatever, and we end up with a fairly standard government building. In order to provide a process for a new design of greater quality and to give smaller architectural firms a bit of a go at tendering for large constructions, with encouragement from the new government architect, Professor Geoffrey London, we have moved to doing the pre-design work up front. This will allow architects to submit their designs and, through a selection process, the final design will be chosen and we will then tender out the pre-

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design work on how that design can fit into our budget. We will liaise with the successful architect on changes to the final design to ensure that it fits within the budget, and then we will call for tenders from the marketplace for construction. Mr Bradshaw has been intimately involved in the financial modelling for this process and if the member wants to know a bit more about it, he can speak on that.

Mr T.R. SPRIGG: Is the minister aware that the Premier has expressed somewhat of a divergent view on the plans that the minister has for the old Treasury building?

Mr F.M. LOGAN: No.

Ms M.M. QUIRK: Where is that in the budget?

Mr T.R. SPRIGG: The fourth dot point.

Mr F.M. LOGAN: I will answer the question. That is not the case. The Premier and the cabinet have been kept fully informed of the process that I have just described and are very enthusiastic about it. I think the member has picked up on the Premier's view of Cathedral Square.

Mr T.R. SPRIGG: Yes.

Mr F.M. LOGAN: Cathedral Square and the old Treasury building in certain quarters -

Mr T.R. SPRIGG: Could be linked.

Mr F.M. LOGAN: Yes, and the Premier referred to it in response to a question from the *Sunday Times*. He was asked to name the ugliest building in Perth and he named the old Public Trustee building in Cathedral Square as one of the ugliest buildings in Perth. That sits very well with the proponents behind the Cathedral Square project, as obviously part of the project is to bring down the Public Trustee building and open up the square around St George's Cathedral.

Mr T.R. SPRIGG: And bring it to life.

Mr F.M. LOGAN: Yes, to bring it to life and become a central hub for Perth. As I indicated to the Lord Mayor of Perth in a meeting recently about this matter, the Cathedral Square group would not find any disagreement from government about the benefits to this state and the city of Perth from the Cathedral Square project; it is simply a matter of cost and finding the finances to be able to do the whole thing at once. As the Minister for Housing and Works, I do not have the authority to carry out the Cathedral Square project, as I do not have the money for it. However, I do have the responsibility and the money to carry out the pre-design work on the old Treasury building. I know that the Cathedral Square group would like the two projects linked. I said to the Lord Mayor of Perth that, if it were possible, we would try to do that. However, it comes back to who would be involved in the upgrade of the old Treasury building, how the upgrade would take place, which financial model would be used for the upgrade, and whether we could bring Cathedral Square into the whole process. We have not completely written off the project but, as I said to the Lord Mayor, my main responsibility and objective is to bring the old Treasury building back to life and upgrade it. If we can do that alongside bringing Cathedral Square back to life, all well and good. Mr Bradshaw may be able to tell the member a bit more about the financial options.

Mr T.R. SPRIGG: No, I am satisfied with the minister's answer, thanks.

Mr G.M. CASTRILLI: I refer the minister to page 936. I want an explanation, if the minister does not mind, on the schedule of administered assets and liabilities. The second line under administered current assets refers to restricted cash. I note that the allocation of \$51.4 million is a new item in the 2005-06 budget and continues into the forward years. Could the minister explain what that figure is made up of, where it has come from and its purpose?

Mr F.M. LOGAN: That restricted cash figure is the \$50 million plus interest received for the multi-purpose indoor stadium.

Mr G.M. CASTRILLI: Is that accumulated interest on capital?

Mr F.M. LOGAN: That is correct.

Mr G.M. CASTRILLI: What is the anticipated date for expenditure of these funds? When does the minister anticipate the stadium will be built and the money fully expended?

Mr F.M. LOGAN: It is projected in the budget with the interest earned. However, as soon as a tender has been awarded and construction of the project is under way, there will be a draw down of the capital. This is an estimated amount based on the \$50 million that is currently available.

Mr G.M. CASTRILLI: I ask for clarification. If the project gets up and running quickly, there may not be an allocation of money for 2008-09, because it would have been expended.

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Mr F.M. LOGAN: That is right. We will start drawing down on that money and it may begin as early as next year.

Mr M.J. COWPER: I refer to the first dot point on page 931, which reads -

Manage the delivery of \$310 million worth of the public buildings program.

Will the minister provide by way of supplementary information a detailed list of those projected works for the next 12 months?

Mr F.M. LOGAN: For the purpose of answering the question and for *Hansard*, we commit to providing a breakdown of the works on which the \$310 million will be spent.

[Supplementary Information No B32.]

Meeting suspended from 10.40 to 10.53 am

Mr G.M. CASTRILLI: I refer to the fourteenth bullet point of major initiatives - it is the second item above the heading "Capital Works Program" - on page 931 about reforming current legislation to meet the state's commitment to national consistency and national competition policy. Could the minister briefly advise the areas requiring change and the impact of those reforms upon those areas? When does the minister expect the proposed legislation to be introduced?

Mr F.M. LOGAN: Two pieces of legislation have been dealt with to meet the commitment to national consistency and the national competition policy. One is the Architects Act 2004, which is in force; however, the new board will come into operation on 1 July. A commitment was made to rationalise and overhaul the way architects are dealt with in Western Australia. The other legislation relates to building surveyors. As the former Mayor of Bunbury, the member would be aware of this matter. The legislation deals with the regulation and control of building surveyors in Western Australia. That measure has not been absolutely finalised as it relates to the Local Government (Miscellaneous Provisions) Amendment Bill, the provisions of which are to be reintroduced into Parliament in an omnibus bill because they fell by the wayside as a result of the election and the prorogation of Parliament. The provisions regulating building surveyors will be contained in the new miscellaneous provisions bill. The omnibus bill will incorporate all measures in this regard not dealt with under the previous term of government.

The final act to bring Western Australia into line with the commitment to national competition policy is a new building act. I have given a commitment to industry and others that I will get on with that measure as quickly as possible. The department is working on necessary consultation with the new building act. Ultimately, the government is trying to draw into a one-stop shop all areas involved with the regulation of various aspects of the building industry. The building act will deal with all areas, save for occupational safety and industrial relations matters. Victoria has a Building Act and a Building Commission that deal with occupational safety and industrial relations also; however, I have strongly recommended that those two areas not be included in the building act in Western Australia. This is for good reason. Occupational safety and industrial relations have their own commissions, approaches and jurisdictions. To mix that into a building commission would be fraught with danger. The building act will establish a building commission in Western Australia and draw together the disparate acts and regulations in the building industry into one piece of legislation.

Mr G.M. CASTRILLI: I note that the minister is responsible for the new building act and the Dividing Fences Act 1961 - good luck! I think responsibility for both acts has gone to the Department of Housing and Works. It is a recent acquisition or transference.

Mr F.M. LOGAN: It has been transferred from the local government portfolio to us. I am sure the member for Bunbury is used to dealing with constituents with problems concerning dividing fences. I suggest that the member see the Minister for Housing and Works in future.

Mr M.J. COWPER: Dividing fences was one of the main causes of argument I experienced in my work in my previous capacity.

The CHAIRMAN: I remind members that the committee is still on division 54, and divisions 55 and 56 must be dealt with prior to 11.30 am, when the committee will move to the State Housing Commission division.

The appropriation was recommended.

[11.00 am]

The CHAIRMAN: We now move to division 55.

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Mr G.M. CASTRILLI: We were told earlier that we could not discuss the Country Housing Authority, the Government Employees Housing Authority and the State Housing Commission under division 54; they would have to be discussed as separate items.

The CHAIRMAN: We are just having it checked, because the ruling given earlier was that those items were to be dealt with separately, as the member said, but from my reading of it at the moment, all those items are under division 54.

Mr G.M. CASTRILLI: The minister actually raised the issue, and I agree with the minister that they were all under division 54, and we were told that they were not.

The CHAIRMAN: If we proceed with division 55, we will get it clarified with the Clerk, and come back to it.

Mr G.M. CASTRILLI: Why do we not just do the whole lot now.

The CHAIRMAN: That was a decision taken earlier, and we are just having it checked, so that there is no mistake.

I am advised that the Country Housing Authority and the Government Employees Housing Authority are actually off-budget items, and have not been agreed to be debated at all. The one that it has been agreed to be debated is the State Housing Commission. Unfortunately, there will be no opportunity to debate the other items.

Mr G.M. CASTRILLI: I seek clarification from the Chair. I am new here, and I do not want to cut across any rulings. I am just asking for clarification. Are we now being told that we cannot ask questions about the Country Housing Authority and the Government Employees Housing Authority? When the minister raised that, he wanted to lump them all together, which I actually agreed with. We asked for a ruling from the Chair, and the Chair's ruling at the time was that they had to be taken separately, and could not be all lumped into division 54. Hence, the minister and the members on this side of the chamber left the Country Housing Authority, the Government Employees Housing Authority and the State Housing Commission, which is to be debated at a later stage, for the purpose that, once we had dealt with the Department of Housing and Works, we would deal with the other agencies. If the decision of the Chair is that we cannot debate those items, I will abide by that. I just wanted to make that point of clarification.

The CHAIRMAN: The previous decision was also no. The Country Housing Authority and GEHA are off-budget items. They have to be agreed prior to estimates. That is what was said this morning. The ruling was that they could not be dealt with as part of division 54. The State Housing Commission is also an off-budget item, and that has been allocated at 11.30 am. Division 54 has been passed, and the other two authorities have to be accepted and agreed before estimates.

Mr M.J. COWPER: Does that allow us then, to raise in the house -

The CHAIRMAN: Members cannot raise those items at all.

Mr M.J. COWPER: Can we raise them in the house, in the third reading stage or something like that?

The CHAIRMAN: Members can comment on those items in the third reading debate.

Mr G.M. CASTRILLI: The ruling has been made, but just for my clarification, is the minister agreeing with the way I took the initial ruling, that we would debate these items at a later time?

Mr F.M. LOGAN: That was my understanding as well; that we would roll through these items after division 54. I have been advised that the Country Housing Authority and the Government Employees Housing Authority are non-consolidated funded bodies, and are off-budget items. I have just been told that. I assumed, given that they were in the budget papers, and they rolled out one after the other, that we would deal with them one after another. This is why we put them all together.

Mr G.M. CASTRILLI: I am happy to abide by the ruling.

The CHAIRMAN: There is a forum in which members can raise this issue - when the Deputy Speaker tables her report. Members can make a comment at that time. Division 54 has been passed and agreed to. Division 55 is the Heritage Council of Western Australia.

[11.10 am]