

41ST PARLIAMENT



Report 85

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

Consideration of the 2021-22 Budget Estimates

Presented by
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November 2021

Standing Committee on Estimates and Financial Operations

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Government response

This report is subject to Standing Order 191(1):

Where a report recommends action by, or seeks a response from, the Government, the responsible Minister or Leader of the House shall provide its response to the Council within not more than 2 months or at the earliest opportunity after that time if the Council is adjourned or in recess.

The two-month period commences on the date of tabling.

CONTENTS

Executive summary	i
1 Introduction.....	1
2 The 2021 Appropriation Bills	1
What's new in the Appropriation Bills?	1
3 The 2021-22 Budget	2
Agencies examined in detail.....	3
Information on government trading enterprises	6
Application of higher operating surpluses.....	7
4 Other matters	9
Evaluation plans.....	9
Observations about the 2021-22 Budget Papers	10
5 Provision of information	11
Ministerial decisions not to provide information	11
Corrigendum to the 2021-22 Budget	13
6 Conclusion.....	13
Appendix 1 Procedure for the inquiry and key statistics.....	14
Appendix 2 Summary of agency hearings	17
Appendix 3 Corrigendum to the 2021-22 Budget	29

Tables

Table 1. <i>Comparison of disclosures between certain agencies and government trading enterprises in the 2021-22 Budget Statements</i>	<i>6</i>
Table 2. <i>Use of provisions in the whole-of-government financial estimates for certain initiatives</i>	<i>8</i>
Table 3. <i>Spending changes subject to a sunset clause or program evaluation.....</i>	<i>10</i>
Table 4. <i>Occasions of non-provision of information.....</i>	<i>11</i>
Table 5. <i>Number of questions prior to hearings, questions on notice and additional questions by agency</i>	<i>15</i>
Table 6. <i>Summary of agency hearings</i>	<i>17</i>

EXECUTIVE SUMMARY

- 1 This report concludes the Standing Committee on Estimates and Financial Operations' (Committee) consideration of the estimates of expenditure contained in the 2021 Appropriation Bills and detailed in the 2021-22 Budget Papers.
- 2 The Committee considered the budget broadly, with a thorough examination of 15 agencies and a less detailed examination of a further 12. The questions asked were wide-ranging and reflected the interests of the Committee and participating Members. The Committee considers the process provided an appropriate level of scrutiny of the 2021-22 estimates.
- 3 In the course of this inquiry, the Committee:
 - a. identified 23 differences between the 2020 and 2021 Appropriation Bills
 - b. highlighted changes to agencies' performance report framework (and identified 56 occasions where key effectiveness targets changed since the 2020-21 Budget)
 - c. examined the Government's decision to apply funds from the higher than expected operating surplus in 2020-21 to broad initiatives
 - d. sought information on the number of spending changes in the Budget that will be subject to a sunset clause or some form of program evaluation.
- 4 This report also identifies eight occasions where a Minister decided not to provide certain information to the Committee for reasons of resourcing, legal professional privilege, privacy and security, and commercial sensitivity. The Committee considers that these occasions did not affect the Committee's capacity to scrutinise the estimates.

Findings and recommendations

Findings and recommendations are grouped as they appear in the text at the page number indicated:

FINDING 1

Page 6

The Committee's capacity to scrutinise agencies improved with the expanded level of information in the Budget Statements for government trading enterprises.

RECOMMENDATION 1

Page 11

The Department of Treasury ensure that the term 'forward estimates' is consistently applied in the budget papers to improve readability.

FINDING 2

Page 12

The Committee's consideration of the 2021-22 estimates of expenditure was not adversely affected by Ministers' decisions not to provide certain information.

RECOMMENDATION 2

Page 13

For the occasions of non-provision of information due to legal professional privilege, commercial sensitivity or agency resourcing, the relevant Minister consider issuing a notice under section 82 of the *Financial Management Act 2006*.

FINDING 3

Page 13

The Committee's consideration of the 2021-22 estimates of expenditure was not adversely affected by the omission of the provision for the Social Housing Investment Fund in the table in Appendix 7 of the Economic and Fiscal Outlook.

1 Introduction

- 1.1 The Legislative Council Standing Committee on Estimates and Financial Operations (Committee) is required to 'consider and report on ... the estimates of expenditure laid before the Council each year'.¹ This report concludes the Committee's consideration of the 2021-22 estimates of expenditure (estimates) laid before the Council on 9 September 2021.
- 1.2 The 2021-22 Budget outlines the Government's priorities for the budget year (2021-22) and for the next three financial years (2022-23 to 2024-25). The Budget is accompanied by:
- two Appropriation Bills²—the Government's formal request for funds from the Consolidated Account³ to implement the budget
 - the Budget Papers.
- 1.3 The procedure for the Committee's consideration is contained in Appendix 1 and a summary of matters raised with agencies that appeared for a hearing is contained in Appendix 2.

2 The 2021 Appropriation Bills

- 2.1 The two 2021 Appropriation Bills are drafted in similar terms, with the grand total requests for funds shown in the main body of the Bill and the intended recipients listed as separate Items in the Schedule to the Bill. The Appropriation (Recurrent 2021-22) Bill 2021 requests funds of \$23.8 billion for 2021-22, spread across 89 Items of expenditure. The Appropriation (Capital 2021-22) Bill 2021 requests funds of \$8.8 billion for 2021-22, spread across 61 Items of expenditure.⁴
- 2.2 Appropriations represent just one source of funds for an agency, which may also receive funds from fees and charges, fines, and grants and subsidies. Consequently, Members should be careful linking changes in appropriations to a change in spending, service delivery or outcomes.

What's new in the Appropriation Bills?

- 2.3 Compared to the 2020 Appropriation Bills, 12 Items have been added to, and 11 Items have been removed from, the 2021 Appropriation Bills. Of these:
- the Department of Treasury will administer ten new payments,⁵ of which five relate to new commitments notionally funded by the higher than expected operating surplus in 2020-21.
 - the decision to make the State Solicitor's Office a sub-department⁶ of the Department of Justice on 1 October 2021 means new recurrent and capital Items were required. The State Solicitor's Office is now separately listed in the budget papers.

¹ Legislative Council Standing Orders Schedule 1 cl 3.3(a)(i).

² The Appropriation (Recurrent 2021-22) Bill 2021 and the Appropriation (Capital 2021-22) Bill 2021.

³ The Consolidated Account is the central Account for funding the operations of Government.

⁴ The numbering in the Schedule to the Appropriation (Capital 2021-22) Bill 2021 starts at Item 90, following the last Item number of the Appropriation (Recurrent 2021-22) Bill 2021, and finishes at Item 150.

⁵ Three new recurrent Items and seven new capital Items.

⁶ The Treasurer may declare a part of a department that satisfies certain conditions a 'sub-department' (*Financial Management Act 2006* s 56). A sub-department receives its own appropriation and produces annual reports to Parliament.

- the decision to incorporate the Equal Opportunity Commission into the Department of Justice on 1 December 2020 means a separate recurrent Item is no longer necessary. The Equal Opportunity Commission is no longer separately listed in the budget papers.
 - most removed Items were foreshadowed in the 2020-21 Budget, as they related to payments of a temporary nature.
- 2.4 The request for funds in the 2021 Appropriation Bills is \$5.2 billion higher than the 2020 Appropriation Bills, of which \$3.6 billion relate to funds transferred to the:
- Women's and Babies' Hospital Account (\$1.8 billion)⁷
 - Social Housing Investment Fund (\$750 million)⁸
 - Digital Capability Fund (\$500 million)⁹
 - Softwood Plantation Expansion Fund (\$350 million)¹⁰
 - Climate Action Fund (\$168 million)¹¹
- 2.5 Further detail on these accounts may be found in paragraphs 3.17 to 3.25.

3 The 2021-22 Budget

- 3.1 Agency-level information to support the estimates is contained in Chapter 3 of the Budget Statements (Budget Paper No. 2). Explanations for certain recurrent and capital spending changes¹² may be found in the Economic and Fiscal Outlook (Budget Paper No. 3)¹³ or other whole-of-government financial publications released since the last budget.¹⁴
- 3.2 For most agencies, the Budget Statements show (among other things):
- how the agency fits into broader government goals¹⁵
 - the services it intends to deliver¹⁶
 - how effectively and efficiently it had performed/intends to perform

⁷ The Appropriation (Capital 2021-22) Bill 2021 proposes a payment to the Women's and Babies' Hospital Account, while the budget papers refer to the Women and Newborn Health Service Relocation Account special purpose account (Appropriation (Capital 2021-22) Bill 2021 Sch 1 (Item 116) & Government of Western Australia, *2021-22 Budget, Economic and Fiscal Outlook, Budget Paper No. 3*, 9 September 2021, p 275).

⁸ Appropriation (Capital 2021-22) Bill 2021 Sch 1 (Item 114).

⁹ Appropriation (Capital 2021-22) Bill 2021 Sch 1 (Item 113).

¹⁰ Appropriation (Capital 2021-22) Bill 2021 Sch 1 (Item 115).

¹¹ Appropriation (Capital 2021-22) Bill 2021 Sch 1 (Item 112).

¹² Chapters 5 and 6 focus on major spending changes, with timing changes and accounting changes that are broadly net debt neutral, and changes to depreciation not discussed (Government of Western Australia, *2021-22 Budget, Economic and Fiscal Outlook, Budget Paper No. 3*, 9 September 2021, pp 89 & 169).

¹³ The Economic and Fiscal Outlook covers changes between 1 February 2021 to 9 August 2021 (Government of Western Australia, *2021-22 Budget, Economic and Fiscal Outlook, Budget Paper No. 3*, 9 September 2021, p i).

¹⁴ The 2020-21 Government Mid-year Financial Projections Statement covers changes between 7 September 2020 and 30 November 2020 and the 2020-21 Pre-Election Financial Projections Statement covers 30 November 2020 to 1 February 2021 (Government of Western Australia, *2020-21 Government Mid-year Financial Projections Statement*, 14 December 2020, p i & Government of Western Australia, *2020-21 Pre-election Financial Projections Statement*, 8 February 2021, p i).

¹⁵ These are sometimes referred to as 'objectives' (Government of Western Australia, *2021-22 Budget, Economic and Fiscal Outlook, Budget Paper No. 3*, 9 September 2021, p 6).

¹⁶ The term 'services' is meant broadly in this context. Examples of services in the budget include 'administration of Executive Government services', 'Court and tribunal services' and 'public hospital admitted services'.

- financial information.

For the remaining agencies, the Statements just show the asset investment program.

- 3.3 Budgets are structured around particular government goals. Agencies may contribute to more than one goal and will align desired outcomes and key performance indicators to those goals. The indicators seek to measure the extent that outcomes are achieved (effectiveness) or how efficiently services are delivered (efficiency).
- 3.4 The 2021-22 Budget is structured around four Government goals. These are:
- Strong and sustainable finances: Responsible, achievable, affordable service delivery.
 - WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.
 - Safe, strong and fair communities: Developing healthy and resilient communities.
 - Growing our communities: Protecting our environment with thriving suburbs and regions.¹⁷

All agencies, except those that relate to Parliament, contribute to at least one goal and some contribute to more than one. For example, the Commissioner of Main Roads contributes to three goals.¹⁸

Agencies examined in detail

- 3.5 The Committee examined the following agencies in detail:
- Commissioner of Main Roads
 - Department of Communities
 - Department of Education
 - Department of Jobs, Tourism, Science and Innovation
 - Department of Justice
 - Department of Primary Industries and Regional Development
 - Department of the Premier and Cabinet
 - Department of Transport
 - Department of Treasury
 - Forest Products Commission
 - Public Transport Authority of Western Australia
 - State Solicitor's Office
 - WA Health¹⁹

¹⁷ Also referred to as 'Growing our communities: protecting our environment and supporting thriving suburbs and regions' (Government of Western Australia, *2021-22 Budget, Economic and Fiscal Outlook, Budget Paper No. 3*, 9 September 2021, p 9).

¹⁸ These are the 'Growing our communities', 'Safe, strong and fair communities' and 'WA Jobs Plan' goals (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 603).

¹⁹ WA Health is a composite entity that comprises the Department of Health; Child and Adolescent Health Service; North Metropolitan Health Service; South Metropolitan Health Service; East Metropolitan Health Service; WA Country Health Service; Health Support Services; PathWest and the Quadriplegic Centre.

- Western Australia Police Force
- 3.6 Collectively, these agencies had:
- 51 desired outcomes
 - 89 services
 - 200 key effectiveness indicators
 - 148 key efficiency indicators
 - seven other key performance indicators.^{20,21}
- 3.7 To illustrate how that information tied into goals, the 'Growing our communities' goal was supported by five agencies (out of 15), 10 desired outcomes, 19 services, 61 key effectiveness indicators, 27 key efficiency indicators and three 'other' key performance indicators.
- 3.8 Five of the 200 key effectiveness targets in 2021-22 are 'n/a':
- Commissioner of Main Roads—Smooth travel exposure.²²
 - Department of Communities—proportion of quality evaluation which met national standards [for disability services]
 - Department of Communities—proportion of the population in need who received services [for disability services]
 - Department of Jobs, Tourism, Science and Innovation—Western Australia's share of Australia's international student enrolments
 - Department of Jobs, Tourism, Science and Innovation—Western Australia's market share of international visitor spend in Australia.
- 3.9 The Department of Communities advises:
- Data for these indicators are collected from external disability service providers. Performance indicator data was not collected from these organisations in 2019-20 due to the impacts of the COVID-19 pandemic or in 2020-21 as the majority of State-funded clients and services had transitioned to the NDIS [National Disability Insurance Scheme]. Accordingly, the Department has been exempted from reporting on these indicators from 2019-20.²³
- 3.10 The Department of Jobs, Tourism, Science and Innovation advises:
- Increasing Western Australia's share of international students and international visitor spend is a long-term State target. This indicator is influenced by international travel and no 2021-22 Budget Target has been set due to ongoing uncertainty regarding Australia's border restrictions.²⁴

²⁰ These numbers include all desired outcomes, services and key performance indicators from the Departments of Communities and Justice, despite the Committee only examining a sub-set of those departments.

²¹ The Forest Products Commission, a government trading enterprise, does not present its operations on a service basis like the other agencies and does not make the distinction between key efficiency indicators and key effectiveness indicators. It presents seven key performance indicators.

²² Since 2011, it was agreed to only capture data used for this reporting on a biennial basis (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 605). It was reported in 2020-21.

²³ Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 521 (note 7).

²⁴ *ibid.*, p 207 (note 4).

Changes to performance reporting

- 3.11 For the agencies examined in depth, there have been some changes to their performance reporting framework:
- The Department of Justice has a new desired outcome,²⁵ service,²⁶ key effectiveness indicator²⁷ and key efficiency indicator²⁸ owing to the integration of the Equal Opportunity Commission into the Department.
 - The Department of Justice has one less key effectiveness indicator²⁹ and efficiency indicator³⁰ due to the State Solicitor's Office becoming a sub-department.
 - The Department of the Premier and Cabinet has one new desired outcome and service—Supporting the Royal Commission to Inquire into and Report on the Affairs of Crown Casino Perth.³¹ There are no key performance indicators. The Royal Commission is expected to issue its final report in March 2022.
- 3.12 In 2021-22, the Department of Justice will review key efficiency indicators for its 'services to Government' service, which is currently without an indicator.³²
- 3.13 These agencies collectively revised 56 key effectiveness indicator targets in this Budget, of which:
- 12 related to the Public Transport Authority of Western Australia
 - 10 related to the Department of Jobs, Tourism, Science and Innovation
 - eight related to the Department of Education reinstating NAPLAN-related targets for 2021-22, which were 'n/a' in 2020-21.³³

The Department of Treasury, the State Solicitor's Office,³⁴ the Western Australia Police Force made no changes to their key effectiveness targets for 2021-22.

²⁵ The desired outcome is 'the people of Western Australia have efficient and accessible avenues of redress under the relevant legislation' (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 428).

²⁶ The service is 'Equal Opportunity Commission Services' (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 428).

²⁷ The key effectiveness indicator is 'percentage of complaints finalised within 12 months' (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 429).

²⁸ The key efficiency indicator is 'average cost per complaint handled' (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 435).

²⁹ The key effectiveness indicator is 'extent to which government agencies are satisfied with legal services' (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 449).

³⁰ The key efficiency indicator is 'average cost per legal matter' (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 450).

³¹ Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 59.

³² *ibid.*, p 434.

³³ In March 2020, the nation's Education Ministers cancelled the 2020 NAPLAN assessments due to COVID-19 (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 366, (note 2)).

³⁴ Although the State Solicitor's Office did not appear as a separate agency in the 2020-21 Budget, its current outcomes and key effectiveness indicators table shows the 2020-21 Budget Target (Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, p 449). The 2020-21 Budget Target was reported in the 2020-21 Budget in the Department of Justice outcomes and key effectiveness indicators table (Government of Western Australia, *2020-21 Budget, Budget Statements, Budget Paper No. 2*, 8 October 2020, p 438).

Information on government trading enterprises

- 3.14 As noted in paragraph 3.2, some agencies only show their asset investment program. In this Budget, the number of agencies that only showed their asset investment program dropped from 32 in the 2020-21 Budget Statements to 16 in the 2021-22 Budget Statements. Government trading enterprises now usefully disclose similar levels of financial and non-financial information as other agencies.

Table 1. *Comparison of disclosures between certain agencies and government trading enterprises in the 2021-22 Budget Statements*

Agencies	Government trading enterprises
Appropriations, expenses and cash assets	Interactions with the Consolidated Account, dividend payout ratio and government trading enterprise information
Spending changes	Financial changes
Significant issues impacting the agency	Significant issues impacting the government trading enterprise
Resource agreement	Statement of Corporate Intent
Outcomes, services and key performance information	Objectives, outcomes and key performance information
Asset investment program	Asset investment program
Financial statements	Financial statements
Reconciliation relating to major functional transfers and accounting policy changes	
Details of administered transactions	
Agency special purpose account details	

[Source: Government of Western Australia, *2021-22 Budget, Reader's Guide to the 2021-22 Budget Statements*, 9 September 2021, pp 2-3.]

- 3.15 However, a number of entities still only disclose their asset investment program.³⁵

FINDING 1

The Committee's capacity to scrutinise agencies improved with the expanded level of information in the Budget Statements for government trading enterprises.

³⁵ These are Animal Resources Authority; Burswood Park Board; Keystart Housing Scheme Trust; Legal Aid Commission of Western Australia; Lotteries Commission; Metropolitan Cemeteries Board; Racing and Wagering Western Australia; TAFE colleges (Central Regional TAFE, North Metropolitan TAFE, North Regional TAFE, South Metropolitan TAFE and South Regional TAFE); Western Australian Greyhound Racing Association; Western Australian Institute of Sport; Western Australian Meat Industry Authority; and WorkCover WA Authority.

Application of higher operating surpluses

- 3.16 In the 2020-21 Government Mid-year Financial Projections Statement, the Government set aside \$1.8 billion from higher than expected operating surpluses for a new Women's and Babies' Hospital. These funds will be held in the Women and Newborn Health Service Relocation Account (a special purpose account).³⁶
- 3.17 In this Budget, the Government set aside \$2.4 billion from higher than expected operating surpluses in 2020-21 for the following broad policy initiatives:
- \$750 million for a Climate Action Fund to support climate-related projects/measures
 - \$750 million for a Social Housing Investment Fund to build new dwellings and increase social housing
 - \$500 million for a Digital Capability Fund to upgrade information and communication technology systems to 'improve service delivery, enhance cyber security and mitigate operational risks'³⁷
 - \$400 million to support land acquisitions for the Westport project (a land-backed port within the Kwinana Industrial Area).
- 3.18 The Government will hold funds for these initiatives in similarly titled special purpose accounts. The broader Climate Action Fund initiative will result in two special purpose accounts—a Climate Action Fund and a Softwood Plantation Expansion Fund—being created, with related measures funded by these special purpose accounts or directly by other means.
- 3.19 As noted in paragraph 2.4, the Appropriation (Capital 2021-22) Bill 2021 will provide the funds for those special purposes accounts. The funding for the Westport Account will come from increased capital appropriations to the Department of Transport.

Financial impact of measures

- 3.20 The Government has incorporated the financial impact of spending associated with these initiatives in three ways.
- The measure is announced and allocated to an agency, with the associated spending incorporated in that agency's financial estimates.
 - An amount of spending is incorporated into the whole-of-government financial estimates for measures yet to be determined and/or allocated to agencies. These are known as 'provisions' and these provisions may be 'drawn down' once the Government has approved and allocated a measure to an agency.
 - The measure is announced, but the associated spending has not yet been incorporated into agency or whole-of-government financial estimates.
- 3.21 Examples of measures incorporated in agency financial estimates for the broader Climate Action Fund include the \$150 million for standalone power stations (Western Power) and \$15 million for CoastWA Coastal Erosion Hotspots (Department of Transport and the

³⁶ The Committee examined agency special purpose accounts and Treasurer's special purpose accounts in earlier reports (Western Australia, Legislative Council, Standing Committee on Estimates and Financial Operation, report 78, *2019-20 Budget Cycle – Part 1: Estimates hearings and related matters*, October 2019, pp 3-11 & Western Australia, Legislative Council, Standing Committee on Estimates and Financial Operations, report 80, *2018-19 Budget Cycle – Part 2: Annual report hearings*, March 2020, pp 5-12).

³⁷ Government of Western Australia, *2021-22 Budget, Economic and Fiscal Outlook, Budget Paper No. 3*, 9 September 2021, p 5.

Department of Planning, Lands and Heritage).³⁸ The Digital Capability Fund includes \$10.6 million for the Geoscience Data Transformation Strategy (Department of Mines, Industry Regulation and Safety) and \$8.1 million to maintain critical police systems (Western Australia Police Force).³⁹

- 3.22 On provisions, at the time of the budget, the Climate Action Fund included a \$118 million provision for 'future climate-related initiatives'. The Department of Treasury advised that the \$50 million Just Transition Plan for workers, businesses and communities affected by the end of native forest logging in the South West will be funded from this provision, leaving \$68 million for future climate-related initiatives.⁴⁰
- 3.23 The following table shows the amount of provisions contained in the whole-of-government financial estimates for these initiatives.

Table 2. *Use of provisions in the whole-of-government financial estimates for certain initiatives*

	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m	Total \$m
Climate Action Fund special purpose account					
Expenses					
Future climate-related initiatives	0.0	35.0	40.0	43.0	118.0
Renewable hydrogen initiatives	2.0	15.0	15.0	18.0	50.0
<i>Sub-total</i>	<i>2.0</i>	<i>50.0</i>	<i>55.0</i>	<i>61.0</i>	<i>168.0</i>
Digital Capability Fund special purpose account					
Expenses	19.5	41.7	44.4	96.2	201.8
Asset investment	15.3	53.1	96.4	97.7	262.5
Social Housing Investment Fund special purpose account					
Expenses	5.5	0.0	0.0	0.0	5.5
Asset investment	0.0	22.5	250.0	250.0	522.5
Westport Account special purpose account					
Asset investment	0.0	150.0	150.0	100.0	400.0
Total					
Expenses	27.0	91.7	99.4	157.2	375.3
Asset investment	15.3	225.6	496.4	447.7	1 185.0
Total	42.3	317.3	595.8	604.9	1 560.3

[Source: Government of Western Australia, *2021-22 Budget, Economic and Fiscal Outlook, Budget Paper No. 3*, 9 September 2021, pp 158 & 205]

- 3.24 At the time of the Budget, the broader Climate Action Fund had 22 per cent of its total spend in provisions, the Digital Capability Fund had 92.9 per cent and the Social Housing Investment Fund had 70.4 per cent. The Westport Account was entirely held in provisions.

³⁸ *ibid.*, pp 5, 142, 153 & 202.

³⁹ *ibid.*, p 266.

⁴⁰ Michael Barnes, Under Treasurer, Department of Treasury, transcript of evidence, 21 October 2021, p 4.

- 3.25 Lastly, spending on the Women's and Babies' Hospital project is not included in the whole-of-government financial estimates, either at the agency-level or in a provision. Any decision to spend on this project will have a direct impact on the whole-of-government financial estimates.

4 Other matters

Evaluation plans

- 4.1 From 1 January 2014, all new programs (or the extension of existing programs) that impact the State's net operating balance by \$5 million or more in any one year will be subject to a sunset clause and some form of program evaluation.⁴¹ In relation to this, the Committee asked the Department of Treasury:

The Committee refers to Budget Paper No. 2, Chapter 3, and asks of the spending changes listed in each agency, which changes are subject to:

- a) a sunset clause; and
- b) program evaluation?

- 4.2 The Department of Treasury advised:

Programs funded in the 2021-22 Budget listed in agency spending changes and subject to a sunset clause or program evaluation requirement include:

- Department of Communities;
 - Home Stretch WA expansion;
 - Aboriginal Community Connectors Program;
- Mental Health Commission;
 - Investing in Aboriginal Social and Emotional Wellbeing;
- Department of Justice;
 - Kimberley Juvenile Justice Strategy;
 - Olabud Doogethu Halls Creek Youth Justice Reinvestment;
 - Western Desert Justice Program; and
- Public Transport Authority;
 - CAT Bus Service Extension Trial.

Other programs may be time limited, with an expectation of a report back to Government, including outcomes, prior to consideration of further funding.⁴²

⁴¹ Government of Western Australia, *Program evaluation guide*, report prepared by the Department of Treasury, December 2020, p 5 & Government of Western Australia, *Expenditure Review Committee handbook*, report prepared by the Department of the Premier and Cabinet, March 2021, pp 6-7.

⁴² Answer to questions prior to hearings no. 5) asked by the Committee and answered by Hon Mark McGowan MLA, Premier, 8 October 2021, p 2.

4.3 The spending associated with the aforementioned measures are shown in the table below.

Table 3. *Spending changes subject to a sunset clause or program evaluation*

	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	Total \$'000
Department of Communities					
Home Stretch expansion	8 766	9 176	9 471	9 823	37 236
Aboriginal Community Connectors Program	6 841	7 208	0	0	14 049
Mental Health Commission					
Investing in Aboriginal social and emotional wellbeing	737	6 525	6 694	3 617	17 573
Department of Justice					
Kimberley Juvenile Justice Strategy	2 355	2 758	0	0	5 113
Olabud Doogethu Halls Creek Justice Reinvestment Project	418	343	343	348	1 452
Western Desert Justice Program	498	500	502	0	1 500
Public Transport Authority of Western Australia					
CAT Bus Service Extension Trial	1 042	2 120	1 082	0	4 244

[Source: Government of Western Australia, *2021-22 Budget, Budget Statements, Budget Paper No. 2*, 9 September 2021, pp 337, 425, 514 & 620]

Observations about the 2021-22 Budget Papers

4.4 The Committee notes that the term 'forward estimates' is not consistently used in the Budget Papers. Sometimes it refers to the last three years of estimates (2022-23 to 2024-25) and sometimes it includes the budget year (2021-22). For example, the following descriptions treat forward estimates as the four-year period (2021-22 to 2024-25):

- Telethon donation
- National Agreement on Closing the Gap—implementation resources
- Stabilising Western Australia's revenue collection system
- Aboriginal Tourism Fund

4.5 Alternatively, tables tend to refer to the last three years of the estimates (2022-23 to 2024-25) as the forward estimates and 2021-22 as the budget estimates.

4.6 The Reader's Guide defines the forward estimates as:

Estimates of financial aggregates for future years. These assume that there will be no significant change in government policy and are designed to provide a longer-term perspective to the budget process.⁴³

⁴³ Government of Western Australia, *2021-22 Budget, Reader's Guide to the 2021-22 Budget Statements*, 9 September 2021, p 33.

- 4.7 The Committee considers the inconsistent use of forward estimates impacts on the readability of the budget papers. The reader may need to review other information to determine whether it refers to a three-year or four-year period.

RECOMMENDATION 1

The Department of Treasury ensure that the term 'forward estimates' is consistently applied in the budget papers to improve readability.

5 Provision of information

- 5.1 The ability of the Parliament and its committees to scrutinise Government and its agencies is influenced by the quality and quantity of information made available for that purpose. This section details occasions where a Minister decided not to provide certain information during the inquiry and the release of a corrigendum to the 2021-22 Budget.

Ministerial decisions not to provide information

- 5.2 Table 4 lists occasions where a Minister decided not to provide requested information to a question prior to hearing and the reason for non-provision. It does not include occasions:
- of non-provision in hearings, which Members are able to pursue at the time
 - where the Minister advised that the information requested does not exist or is not kept by the Department.

Table 4. *Occasions of non-provision of information*

No.	Minister	Agency	Issue	Basis for non-provision
1	Housing	Department of Communities	Property condition reports for Government Regional Officer Housing ⁴⁴	Unreasonable to divert agency resources May impact on the privacy, security and safety of occupants
2	Attorney General	State Solicitor's Office	Involvement in the dispute between the President of the Legislative Council and the Corruption and Crime Commission ⁴⁵	Legal professional privilege
3	Attorney General	State Solicitor's Office	Advice provided to Government in the dispute between the President of the Legislative Council and the Corruption and Crime Commission ⁴⁶	Legal professional privilege

⁴⁴ Answer to questions prior to hearings no. 5c) asked by Hon Wilson Tucker MLC and answered by Hon John Carey MLA, Minister for Housing, 8 October 2021, p 4.

⁴⁵ Answer to questions prior to hearings no. 1b) asked by Hon Nick Goiran MLC and answered by Hon John Quigley MLA, Attorney General, 12 October 2021, p 1.

⁴⁶ Answer to questions prior to hearings no. 1c) asked by Hon Nick Goiran MLC and answered by Hon John Quigley MLA, Attorney General, 12 October 2021, p 1.

No.	Minister	Agency	Issue	Basis for non-provision
4	Premier	Department of the Premier and Cabinet	Passengers accompanying Ministers on the Ministerial aircraft ⁴⁷	Police officers' names were redacted for privacy and security reasons
5	Premier	Department of the Premier and Cabinet	Passengers accompanying Ministers on chartered aircraft ⁴⁸	Police officers' names were redacted for privacy and security reasons
6	Treasurer	Department of Treasury	Policy or decision-level summary of variations for recurrent appropriations ⁴⁹	Would require a substantial resource allocation
7	Treasurer	Department of Treasury	Policy or decision-level summary of variations for capital appropriations ⁵⁰	Would require a substantial resource allocation
8	Emergency Services	Department of Fire and Emergency Services	Shire of Northam application for funding under the Local Government Grants Scheme ⁵¹	Commercially sensitive

[Source: Various answers to questions prior to hearing]

- 5.3 Unlike other jurisdictions, Western Australia has a legislated provision for managing instances of Ministerial non-provision of information. Section 82 of the *Financial Management Act 2006* provides that where a Minister decides it is 'reasonable and appropriate' not to provide 'certain information' to Parliament, the Minister is required to notify each House of Parliament and the Auditor General of this decision.⁵² The Minister may wish to consider issuing a notice under section 82 for occasions 1-3 and 6-8.
- 5.4 The Committee notes that a Minister advised a Member who lodged questions prior to hearing to place those questions 'on notice to allow proper consultation to occur'. The Committee followed-up with the Minister on this response and substantive answers were then provided.

FINDING 2

The Committee's consideration of the 2021-22 estimates of expenditure was not adversely affected by Ministers' decisions not to provide certain information.

⁴⁷ Answer to questions prior to hearings no. 4a) asked by Hon Martin Aldridge MLC and answered by Hon Mark McGowan MLA, Premier, 8 October 2021, p 1.

⁴⁸ Answer to questions prior to hearings no. 4e) asked by Hon Martin Aldridge MLC and answered by Hon Mark McGowan MLA, Premier, 8 October 2021, p 1.

⁴⁹ Answer to questions prior to hearings no. 1 asked by the Committee and answered by Hon Mark McGowan MLA, Premier, 8 October 2021, p 1.

⁵⁰ Answer to questions prior to hearings no. 2 asked by the Committee and answered by Hon Mark McGowan MLA, Premier, 8 October 2021, p 2.

⁵¹ Answer to questions prior to hearings no. 14a) asked by Hon Martin Aldridge MLC and answered by Hon Reece Whitby MLA, Minister for Emergency Service, 8 November 2021.

⁵² There is a complementary obligation on the Auditor General to form an opinion on 'whether a decision by a Minister not to provide information to Parliamentary concerning any conduct or operation of an agency is reasonable and appropriate' and report that opinion to both Houses of Parliament (*Auditor General Act 2006* s 24).

RECOMMENDATION 2

For the occasions of non-provision of information due to legal professional privilege, commercial sensitivity or agency resourcing, the relevant Minister consider issuing a notice under section 82 of the *Financial Management Act 2006*.

Corrigendum to the 2021-22 Budget

- 5.5 On 8 November 2021, the Department of Treasury advised that the table in Appendix 7: Asset Investment Program—Summary of Expenditure and Source of Fund (Economic and Fiscal Outlook) did not include a line item for the ‘provision for the Social Housing Investment Fund’. This omission had no impact on the whole-of-government financial estimates or the 2021 Appropriation Bills.
- 5.6 A copy of the corrigendum is contained in Appendix 3.

FINDING 3

The Committee’s consideration of the 2021-22 estimates of expenditure was not adversely affected by the omission of the provision for the Social Housing Investment Fund in the table in Appendix 7 of the Economic and Fiscal Outlook.

6 Conclusion

- 6.1 The Committee is satisfied that its consideration of the 2021-22 estimates positively contributed to the scrutiny of Government and its operations. The Committee focussed on a number of areas, such as changes to the 2021 Appropriation Bills and the performance management framework, that are not typically scrutinised by other bodies. Of note, the Committee considered the Government’s decision to use higher than expected surpluses to fund broad policy initiatives from the following perspectives:
- the impact on the Appropriation (Capital 2021-22) Bill 2021
 - the use of special purpose accounts as a vehicle to manage the funds associated with those initiatives
 - the impact of these policy initiatives on the whole-of-government financial estimates.
- 6.2 The Committee considers that the processes it developed for considering the 2021-22 estimates provided an appropriate level of Government scrutiny. The Committee thanks all Ministers and Parliamentary Secretaries, witnesses and participating Members for their assistance.



Hon Peter Collier MLC
Chair

APPENDIX 1

PROCEDURE FOR THE INQUIRY AND KEY STATISTICS

- 1.1 The process and key dates were set out in the Procedure Policy that was distributed to Members and Ministers on 19 August 2021.

Agency selection

- 1.2 Members of the Legislative Council could nominate agencies to appear for hearings. Members nominated 29 agencies, of which the Committee selected 15.⁵³ The timetable was finalised and distributed to Members on 30 September 2021.

Questions prior to hearings

- 1.3 Members of the Legislative Council could submit a reasonable number of questions prior to hearings to any agency. Seven Members and the Committee submitted 196 questions to 25 agencies. Responses were made available on the Committee's website from 13 October 2021.

Questions during the hearings

- 1.4 The Committee held 13 separate hearings, across 15 agencies, totalling 24 hours. The hearings were well attended by Members, with Member participation ranging from six (Forest Products Commission, Department of Education and the Department of Justice/State Solicitor's Office) to 11 (WA Health and the transport agencies).
- 1.5 Attending Members were able to ask questions to a Minister or Parliamentary Secretary, and agency witnesses.
- 1.6 The Chair was responsible for the conduct of hearings and provided guidance on procedural matters as required. No questions were ruled out of order.
- 1.7 Ministers took 128 questions on notice. Responses to those questions will be available on the Committee's website from 1 December 2021.

Questions asked after the hearing

- 1.8 Members could submit additional questions to any agency. Eight Members and the Committee submitted 147 questions across 21 agencies. Responses to those questions will be available from the Committee's website from 1 December 2021.

⁵³ The following agencies were nominated, but not invited to appear, for a hearing: Animal Resources Authority; Department of Finance; Department of the Registrar, Western Australian Industrial Relations Commission; Department of Water and Environmental Regulation; DevelopmentWA; Synergy; Fremantle Port Authority; Mental Health Commission; Office of the Director of Public Prosecutions; Parliamentary Inspector of the Corruption and Crime Commission; Southern Ports Authority; Water Corporation; WorkCover Western Australia Authority.

Key statistics

Table 5. Number of questions prior to hearings, questions on notice and additional questions by agency

Agency	Questions prior to hearings	Question on notice	Additional questions	Total
Commissioner of Main Roads	3	6	6	15
Corruption and Crime Commission	1	n/a	0	1
Department of Biodiversity, Conservation and Attractions	17	3	12	32
Department of Communities	41	24	18	83
Department of Education	13	33	2	48
Department of Finance	1	n/a	0	1
Department of Fire and Emergency Services	20	n/a	9	29
Department of Jobs, Tourism, Science and Innovation	1	6	1	8
Department of Justice	10	5	1	16
Department of Local Government, Sport and Cultural Industries	1	n/a	0	1
Department of Mines, Industry Regulation and Safety	2	n/a	0	2
Department of Planning, Lands and Heritage	1	n/a	1	2
Department of Primary Industries and Regional Development	8	6	7	21
Department of the Premier and Cabinet	7	4	4	15
Department of Transport	0	6	3	9
Department of Water and Environmental Regulation	24	n/a	7	31
Electricity Generation and Retail Corporation (Synergy)	1	n/a	1	2
Energy Policy WA	0	n/a	2	2
Forest Products Commission	10	2	14	26
Mental Health Commission	1	n/a	11	12
Mid West Ports Authority	3	n/a	0	3
Office of the Parliamentary Inspector of the Corruption and Crime Commission	1	n/a	0	1
Public Transport Authority of Western Australia	1	6	5	12

Agency	Questions prior to hearings	Question on notice	Additional questions	Total
State Solicitor's Office	5	5	0	10
WA Health	7	14	31	52
Water Corporation	0	n/a	1	1
Western Australia Police Force	5	7	5	17
Total	196	128	147	471

[Source: Committee statistics]

APPENDIX 2

SUMMARY OF AGENCY HEARINGS

Table 6. *Summary of agency hearings*

18 October 2021: Department of Communities (Community Services; and Child Protection)
<p>Community Services</p> <ul style="list-style-type: none">• State funding for regional childcare and early childhood education.• \$18 million for the delivery of the Boorloo Bidee Mia (Perth Pathway to Housing) facility—a low barrier, medium-term homelessness facility offering culturally sensitive care. The facility's intake or referral process and the services provided as part of culturally sensitive care.• The building of two Common Ground facilities (East Perth and Mandurah)—permanent, supportive housing for people who have been chronically homeless or sleeping rough and people on low incomes. Wrap-around services will be offered.• A breakdown of the funding for each organisation funded under 'Election Commitments—Small Commitments'.• The transitioning of the remaining nine service providers in the Community and Neighbourhood Development Services program to the Empowering Communities (Neighbourhood Centres) program, by 30 June 2022.• The delivery of the Early Years Initiative in the Central Great Southern, Armadale west and two northern Western Australian sites which are yet to be determined.• The Aboriginal In-Home Support Service—an early intervention program.• Youth crime in Fitzroy Crossing. Early intervention and family support services offered by the Department in Fitzroy Crossing, including the new service hub.• The Housing First model, which underpins the investments made to combat homelessness.• The Parenting Support Service Parenting Line, which is funded by income from the Child and Adolescent Health Service under a memorandum of understanding.• Funding for homelessness support services over the forward estimates (2022-23 to 2024-25). <p>Child Protection</p> <ul style="list-style-type: none">• The whereabouts of children in the care of the Chief Executive Officer, 82 of which were unknown at some point in 2020-21.• The Department's cost and demand growth in the child protection division.• Stress and work conditions experienced by child protection workers. This workforce comprises around 1 100 workers, with about 100 vacancies currently, and six staff currently under workers' compensation arrangements (none of which relate to workload pressures).• Child protection workers may bring children in their caseload home, but only as a last resort. There are no centralised records of these occurrences.• The annual rate of children entering care. The rate is at its lowest in more than 20 years. The rate of Aboriginal children entering care is at its lowest since 2004.• The expansion of the Home Stretch program—supports children who are transitioning from out-of-home care to independent living, until the age of 21.

- Child protection worker caseload numbers. As at 30 June 2021, there were 1 043.8 full-time equivalent child protection workers, 900 of whom have caseloads. The maximum caseload is 15 but 18 cases are permitted in certain circumstances. In one unusual case, a team leader had a caseload of 58.
- The Australian Institute of Health and Welfare's annual report on government services, which provides a comparison of key performance indicators in child protection across all jurisdictions.
- The planning needs associated with children in care who exhibit harmful sexual behaviours.

18 October 2021: Department of Communities (Housing)

- Capital expenditure on Government Regional Officer Housing (GROH)—\$97 million from 2021-22 to 2024-25. The locations and timing of new GROH properties. There are 31 vacant GROH properties in Kalgoorlie.
- The management of ageing public housing and GROH properties.
- Modular public housing—their location, design, construction and energy efficiency.
- Capital expenditure for the Social Housing Economic Recovery Package. This is one-off funding that is coming to its natural conclusion, but its funding profile has been extended due to trade scarcity and lower property turnover.
- The \$750 million Social Housing Investment Fund—a large portion (\$522.5 million) is provisioned for the out-years because of the current heated construction market. Decisions are yet to be made on what these funds will be spent on and by which department. The funds are being held in a special purpose account which will be drawn down as projects are approved by a ministerial oversight committee comprising the Minister for Housing (Chair) and the Ministers for Planning and Lands.
- The impact of the transfer of the commercial land development functions of the Housing Authority to DevelopmentWA.
- A breakdown of the \$2.1 billion allocated towards social housing, estimated to be 3 300 homes, over four years (2021-22 to 2024-25). 20–25 per cent of the funding will be set aside for regional areas. The locations of many new homes are yet to be determined, but it will depend on the demand.
- The public housing waitlist and the factors contributing to the waitlist. At 30 June 2021, the total waitlist was 17 194, the total waitlist average wait-time was 102 weeks, and the priority waitlist average waiting time was 45 weeks. In one case, a person has been on the waitlist for 17 years.
- The METRONET Social and Affordable Housing and Jobs Package. This package will now have a greater proportion of social housing.
- Regional renewal projects in Geraldton, Bunbury and Albany.
- The definition of affordable housing—that is, rental or owned housing that households on low and moderate incomes can afford while they meet their other living costs.
- Keystart applicants—whether they are stress tested.
- The age of the public housing stock. The average age is 29.2 years and the useful life of a property is around 50 years. A number of factors determine when a property must be refurbished.

19 October 2021: WA Health

- New Women's and Babies' Hospital planning and services to regional women
- Future Health Research and Innovation Fund governance and spending
- SafeWA app—access to data by the WA Police Force
- COVID-19 surge response (hospital beds; ventilator capacity; and workforce)
- COVID-19 vaccination clinics (redeployment of school health nurses to clinics)
- Child Development Service funding
- Additional paediatricians and allied health staff to help reduce wait time to access services
- COVID-19 vaccination (rates; supplies; and strategies)
- COVID-19-related border closures
- Workforce (recruitment; shortages; culture; and administrators)
- Electronic health records and related information and communication technology systems
- COVID-19 modelling
- Long-stay patients in hospitals
- Australian Immunisation Register
- Infrastructure spending in the regions
- Voluntary assisted dying (patient applications, deaths and complications; approved practitioners and practitioner training)
- COVID-19—risks to the community from double-vaccinated arrivals
- Suspension of elective surgery in September.

19 October 2021: Department of the Premier and Cabinet

- National Agreement on Closing the Gap
- Royal Commission into Crown Casino Perth (cost of other Royal Commissions; and the role of the Department)
- Ministerial officers and oversight of parliamentary electorate offices (breakdown of spending; structural deficit for those services)
- Staffing (over time and between particular services; contracted staff vs permanent)
- Workforce campaign
- Election commitment for an additional public holiday in Western Australia
- Ministerial Expert Committee on Electoral Reform (Members fees; and outstanding payments)
- Additional resourcing for non-government members
- Digital Capability Fund
- Cyber security
- Parliamentary Travel Allowance
- Ministerial Code of Conduct and gift registry
- Research commissioned into vaccine hesitancy

19 October 2021: Department of Transport; Public Transport Authority of Western Australia; and Commissioner of Main Roads

- Agricultural supply chain improvements
- Shares of modes of transport
- Local government contribution to cycling and road projects
- Eligibility criteria for the pilot scheme to provide young people with access to a supervising driver or vehicle
- Waiting times to access a driver's licence assessment
- Eligibility criteria to drive with an international licence
- Priority assessment for driver's licence for persons in hardship
- Driver assessors employed by the Department
- Driving training in schools
- Rail subsidy for carrying containers to the Fremantle Port's inner harbour
- Westport project
- Third party contribution to the Broome boat harbour
- Closure of Robertson Road as part of the Bellevue facility
- Driver assessors in Bunbury
- Airfare cap for regional air services
- Forrestfield-Airport Link
- Planning to light rail or trackless trams
- Transit-oriented developments
- Train stations at Nicholson Road and Ranford Road
- Metropolitan and regional passenger service increase in costs
- Radio systems replacement
- Subsidy per passenger movement
- COVID-19-related cleaning costs
- Land sales
- Alstrom contract and the KTK Group
- Bus shelter upgrades election commitment (consultation on sites; and local government contributions to costs)
- Australind train service (new railcars; impact of rail freight and service improvements)
- Advertising on PTA assets (revenues; and complaints on content)
- Purple CAT bus services
- Electric buses
- Bussell Highway duplication stage 1 and 2
- Key effectiveness indicators on road network (customer satisfaction surveys; and changes to travel times)

- Leach Highway and Fifth Avenue intersection upgrade
- Commonwealth funds to extend Roe Highway to Fremantle
- Change to timing of road infrastructure projects (affected projects; and consultation to determine affected projects)
- Roads of Strategic Importance program—Tanami Road
- Sealing of Wiluna-Meekatharra road
- Caledonian Average level crossing closure
- Great Northern Highway-Bindoon bypass
- Street lighting on highways and main roads (costs; and inspection programs)
- NorthLink project
- Preparing for electric vehicles
- Impact on travelling times from changes to speed limits on part of the Kwinana Freeway in January 2022
- METRONET (costs; value for money; impact of hard border on availability of technical skills; Commonwealth funding)
- Extension of the Mitchell Freeway (timing; and amenity walls)

19 October 2021: Forest Products Commission

- The Government's decision to end the Commission's logging of native forests. It is expected that around 400 people will need to be redeployed as a result.
- A breakdown of the 2021-22 revenue obtained from the sale of goods and services: \$45.3 million from native timber, \$69.7 million from plantation timber and \$19.9 million from sandalwood.
- The effects of climate change on our forests. These include a declining yield and stressed trees. The Commission's native timber production has been operating at a loss since 2014. This loss has been subsidised by taxpayers.
- The \$50 million Just Transition plan will be developed to assist those who require redeployment as a result of the ceasing of native logging activities at the expiry of the current Forest Management Plan.
- Currently, pine plantation operations account for around half of the Commission's business. The other half consists of native forestry (two-thirds) and sandalwood (one-third) operations.
- The Commission's communication with share-farm landowners.
- The \$350 million Softwood Plantation Expansion Fund is expected to be spent over 10 years. This funding is anticipated to include both the acquisition of land and the leasing of land (share-farm arrangements) for additional pine plantations. The exact proportions of purchased and leased land is yet to be determined. If no share-farm arrangements are involved, the funding will accommodate approximately 33 000 hectares of additional plantation land.
- The environmental impacts of an expansion of softwood plantations.
- The financial and environmental benefits of share-farming for private landowners.
- The factors that make an area of land suitable for pine plantation.
- A bill has been introduced into the Parliament to allow the Commission to own land.

- The Commission has existing pine plantations on share-farms, crown land and publicly-owned private land.
- The sustainability of wild sandalwood harvesting.

20 October 2021: Department of Biodiversity, Conservation and Attractions

- The Department's implementation of the current *Forest management plan 2014–2023* and future forest management plans. The Government is committed to protecting all native forests, including old-growth forests. Work will begin on the next plan later in 2021.
- The *Forest management plan 2014–2023* set annual limits on the amount of timber that can be harvested.
- Swan-Canning Riverpark initiatives.
- The development and implementation of recovery plans for endangered and critically endangered taxa and ecological communities; for example, the Carnaby's Cockatoo. There is no formal process for assessing the success of the plans. The work done under recovery plans is not funded explicitly; it is embedded in each participating agency's operational expenses.
- Initiatives to assist the recovery of the penguin population on Penguin Island.
- Development of the threatened species and communities database.
- Initiatives to increase the conservation estate in Western Australia by 20 per cent, and the associated spending.
- Registered stakeholders for the *Forest management plan 2014–2023* and whether they were consulted prior to the Government announcing the end of native logging by the Forest Products Commission.
- The sustainability of wild sandalwood harvesting.
- The process of planning for and establishing the south coast marine park. The budget for establishing the park will depend largely on the outcome of the negotiation of Indigenous land use agreements.
- Staffing levels for prescribed burns and fire management, and fire suppression.
- There is currently no policy to require COVID-19 vaccinations for frontline firefighters.
- The progress of the joint management of the Murujuga National Park with the Murujuga Aboriginal Corporation and the park's World Heritage nomination.
- The progress of the Aboriginal Ranger Program.
- Grants made by the Department to the Legal Aid Commission of Western Australia to support the Environmental Defender's Office of Western Australia.

20 October 2021: Western Australia Police Force

- Asset investment program (project determination; breath and drug bus replacement; new stations at Baldivis and Forrestfield)
- Crime statistics (type; district-level; proportion of offenders responsible for a majority of crimes; and age)
- Crime and police presence in the Central Business District (numbers of police; and response times)
- Police presence in metropolitan emergency departments
- Attrition rates for police

- Police recruitment (numbers, proportion dedicated to investigating matters referred to Child Protection)
- Interactions between the Police Force and the Department of Communities
- Investigations arising from mandatory reporting to Police
- Kimberley Juvenile Justice Strategy
- Injuries to police from policing duties
- COVID-19 response (borders; G2G PASS process; quarantine; and costs)
- Police and Community Youth Centres (funding; and programs offered)
- Re-purposing of booze buses for specialist vaccination rollout
- Police vacancies in the regions
- Policing in Fitzroy Crossing
- Impaired driving detection (measurement; and legal requirement to charge)
- Proceeds of crime
- G2G application (data; upgrades by Genvis; costs; and staff assigned to processing)
- Vaccination of police (levels; directions from the Police Commissioner; and excluded staff)
- The early intervention program, Target 120
- Victims experiences on reporting sexual assault

20 October 2021: Department of Education

- Specialist career practitioners (numbers; process to determine which schools are eligible; recipient schools; professional development; start year)
- Schools Clean Energy Program (application process; and maximum for applied funds)
- Solar Schools Program (funding allocation beyond 2022-23; and involvement of Horizon Power)
- Harmful sexual behaviours in schools (recent report from the Commissioner for Children and Young People; and the Risk Assessment Management Plan framework, numbers, and charges laid)
- Facilities repurposed to teach Science, Technology, Engineering and Mathematics (STEM)
- National Partnership on Universal Access to Early Childhood Education (extension; conditions on funding; and negotiations with the Commonwealth)
- Government contribution to The Early Years Initiative
- Upgrades to older early childhood facilities to meet current standards
- Playground equipment and shade sails in schools
- Services for students needing extra support (school psychologists; and wrap-around services)
- School infrastructure in the Pilbara
- Improvements to Scarborough Primary School
- Six-month extension to teacher registrations
- Termination of school workers that are not vaccinated

- Violence against teachers
- School attendance
- Planning for the Derby District High School
- Statistics (numbers for teachers, education assistants, and Aboriginal and Islander Education Officers, participation officers; average class sizes; students with a Certificate II or above; students that received a Western Australian Certificate of Education; workforce shortfalls; and transportables)
- Independent Public Schools (numbers; and whether any schools have reverted to public schools)
- Educating children in the care of the CEO of the Department of Communities
- Agricultural Farm Provisions Trust Fund
- School chaplaincy program (current status of negotiations with the Commonwealth Government; election commitment; and access to program)
- Education support schools (enrolments; demand for services; and last review of funding requirements)
- Bob Hawke College Stage 2 (compliance with planning requirements; and completion dates)
- Hedland Senior High School (incomplete works being re-tenders; and impact on costs)
- Workers' compensation payments (amount spent; and amount budgeted to be spent)
- Local intake area for Roebourne District High School
- Students at risk (grants to non-government schools; and policies and procedures for managing these students)
- Controlled vs administered grants
- Student Residential College Fund (shortfall; and whether the Treasurer's approval was sought to overdraw the Fund)
- Curriculum Reengagement in Education schools (State/Commonwealth funding shares; and location of schools and hubs)
- Child and Parent Centres (no plan to increase number of centres; and map of catchment areas)
- Expansion of Alternative Learning Settings (locations; time frames; and review of the first four centres)
- Aboriginal girls' engagement program
- Regional learning specialists and independent learning coordinators (funding; numbers; and locations)
- Proportion of funding for new facilities dedicated to primary schools
- Receipts paid into Consolidated Account
- Reprioritising of existing agency spending to meet some or all of the costs for certain programs
- Schools that will receive an upgrade to administration buildings
- Improved internet bandwidth in schools

- Changes to spending on the regulation and non-government sector assistance service
- School psychologists (locations; criteria for deciding where they will go; and the flying squadron)

21 October 2021: Department of Justice (Attorney General); and State Solicitor's Office

- The details and aims of the second stage of the Olabud Doogethu Halls Creek Justice Reinvestment Project. The State Government funding will allow the project to continue and expand from what was initially run by the Shire of Halls Creek, local Aboriginal communities and Social Venture Australia.
- The Broome Aboriginal-led Specialist Family Violence Court is expected to commence in 2022 or 2023.
- The aims of the family and domestic violence Restraining Orders Conferencing Pilot, which started in the Perth Magistrates Court. The program will be expanded to the Fremantle, Joondalup, Armadale, Bunbury and Broome courts. There are no current plans to expand this program to other types of restraining order applications.
- Demand pressures on criminal jury courtrooms. The Department will consider adjustments to the Central Law Courts first, and additional longer-term solutions if necessary.
- The legal costs associated with the *Crawford v Quail* case.
- The cost implications of assigning a magistrate to sit outside of the Perth Children's Court.
- The requirement for the six magistrates in the Children's Court to travel outside of Perth.
- The development of the online application system for birth, death, marriage and change of name records.
- The implementation of the *Guardianship and Administration Amendment (Medical Research) Act 2020*.
- Initiatives to address elder abuse. These include the 2019 *WA strategy to respond to abuse of older people (elder abuse)*, *implementation of the National plan to respond to the abuse of older Australians (elder abuse) 2019 to 2023*, the development of a national register of financial enduring powers of attorney and the development of a new advance health directive template for Western Australia.
- The legislative amendments introduced in 2020-21 associated with the COVID-19 pandemic.
- Initiatives to achieve the outcomes sought under the National Agreement on Closing the Gap. Western Australia's jurisdictional implementation plan was endorsed by the Joint Council on Closing the Gap on 6 August 2021.
- The Reconciliation Action Plan. The Department will complete its inaugural plan in December 2021. An Aboriginal Justice Advisory Committee has been established pursuant to the plan, with an initial focus on issues affecting Aboriginal women and young people in contact with the justice system.
- The timeframe for the Government's response to the May 2019 report by Hon Wayne Martin AC QC, entitled, *Review of the Criminal Property Confiscation Act 2000 (WA)*.
- The Government continues to work on the re-introduction of the Criminal Law (Mental Impairment) Bill 2021.

- The Western Australian Office of Crime Statistics and Research (WACSAR) was established within the Department of Justice in 2020. It aims to provide an independent, evidence-based approach to the analysis, evaluation and development of criminal justice policy programs.
- A non-statutory advisory board will help WACSAR engage with the research community. That board will be chaired by the Director General and include the Chief Justice of the Supreme Court, Commissioner of Police, Deputy Director of the Australian Institute of Criminology and three university representatives. This board is expected to start meeting in 2022.
- The Criminal Injuries Compensation Scheme and strategies to reduce the backlog of applications—including, the employment of a fourth permanent assessor and the introduction of an e-lodgment system.
- The Coroner's Court and its backlog of cases—810 as at 30 June 2021.
- The two cases involving the Legislative Council of Western Australia. One matter has been determined. One ancillary proceeding, commenced by the Attorney General, is ongoing. The State Solicitor's Office assisted with both proceedings.
- Legal advice regarding the reappointment of Hon John McKechnie QC as the Corruption and Crime Commissioner. The State Solicitor's Office did not provide that advice.
- The Kimberley Juvenile Justice Strategy—the proposal to build an on-country residential facility around Broome, as a therapeutic alternative to youth detention. The 2021-22 Budget allocates \$1.7 million for scoping activities.
- The reasons why the Equal Opportunity Commission has been subsumed into the Department.
- Western Australia's progress in assessing applications under the National Redress Scheme for Institutional Child Sexual Abuse—waitlist for freedom of information applications.
- The Office of the Public Advocate's new practice standard⁵⁴ in response to the Ombudsman's July report.⁵⁵
- Details of the re-constitution of the working group in relation to sexual assault laws, and the associated steering committee.
- The Government's legislative reform agenda for the justice system—including changes to the *Bail Act 1982*.

21 October 2021: Department of Treasury

- Appropriation of prior year operating surplus to fund specific policy initiatives
- Criminal injuries compensation payments
- Climate Action Fund special purpose account (global provision; spending for the Just Transition Plan for parties affected by the decision to cease native timber logging)
- Digital Capability Fund special purpose account (payments approved as part of the 2021-22 Budget; funds set aside for future projects; process for assessing projects)
- Royalties for Regions Fund special purpose account (project scrutiny; auditing; substitution of Consolidated Account funding for Royalties for Region funding)

⁵⁴ Office of the Public Advocate, Practice Standard, *Notification to key parties on the death of a represented person*, version 1, 11 March 2021.

⁵⁵ Ombudsman Western Australia, Report, *An investigation into the Office of the Public Advocate's role in notifying the families of Mrs Joyce Savage, Mr Robert Ayling and Mr Kenneth Hartley of the deaths of Mrs Savage, Mr Ayling and Mr Hartley*, July 2021.

- Social Housing Investment Fund special purpose accounts (budget assumptions of spending vs deliverables)
- Softwood Plantation Expansion Fund special purpose account
- Chinese domestic economy (implications for Western Australian economy and Government revenues)
- Debt Reduction Account special purpose account
- Sale of the TAB
- Waste Avoidance and Resource Recovery Account special purpose account
- Unemployment in Western Australia
- Initiatives aimed at improving Aboriginal wellbeing
- Dividends (impact of the Government's decision to allow government trading enterprises to retain dividends; and deferrals in previous years)
- Cash received for liquidity purposes
- Funding the Asset Investment Program

21 October 2021: Department of Jobs, Tourism, Science and Innovation

- Wind turbine manufacturing
- Cathode Active Manufacturing Industry
- Cooperative Research Centres
- Tourism industry (COVID-19 support, including the joint Commonwealth-State assistance program; marketing the south west region; Aboriginal Tourism Fund; operator closures due to COVID-19; Aboriginal Tourism Action Plan)
- Supplies and service spending (underspend; election commitments; and recovery program)
- Industry Attraction and Development Fund—Collie
- Projects funded by Royalties for Regions
- Defence Industry Veterans Employment Scheme (grants to fund education costs; and translating skills acquired in the service to civilian life)
- Defence West (resourcing; Department structure; programs; vacancies; size of the broader defence industry in Western Australia; and defence industry workforce requirements)
- Renewable hydrogen (Departmental staffing; land tenure; Ministerial Taskforce; and decision by Andrew Forrest to build an electrolyser manufacturing plant in Queensland)
- Initiatives to encourage investment and trade
- International students (initiatives; and key effectiveness indicator on share of student enrolments)
- Global Advanced Manufacturing Hub
- Aviation Recovery Fund
- ANZAC Day Trust (2020-21 applications; recipient bodies)
- Income from State Government—other appropriations

21 October 2021: Department of Primary Industries and Regional Development

- The Department's biosecurity initiatives, including funding for 22 new full-time equivalent employees in this area. There has been a steady rise in pest incursions since 2014.
- The \$15 million Agriculture Climate Resilience Fund. This fund will be used to support farmers to build soil carbon and rehydrate landscapes.
- Research and development in grains and the Department's partnership with InterGrain and the Australian Export Grains Innovation Centre.
- Controlled operations conducted by the fisheries division of the Department pursuant to the *Criminal Investigation (Covert Powers) Act 2012*. Approximately six officers are authorised to conduct these operations.
- A breakdown of the funding for costs associated with the administration of the Royalties for Regional Fund—\$343.1 million over four years (2021-22 to 2024-25). Those costs include the Department's administration of the Royalties for Regional Fund, some of the Department's operations, the operation of the regional development commissions and the provision of incentives for regional workers.
- Royalties for Regions projects—whether they are the subject of business cases and whether those business cases are audited.
- The benefits that have resulted from the Regional Economic Development Grants Scheme.
- The Western Australian *Wild Dog Action Plan 2021–2025*. The capital projects (the cell fences) are almost complete, while the recurrent expenditure (including the funding of dog baiters and the Murdoch veterinary program) are ongoing. The Esperance barrier fence extension is yet to be completed.
- The Department is undertaking a significant amount of work to improve the Department's capacity to respond to biosecurity emergencies and assist with natural disasters.
- The Declared Pest Rate for the Carnarvon Rangelands Biosecurity Association.
- The review of the *Biosecurity and Agriculture Management Act 2007* and the method of raising funds to address declared pests.
- The Carbon Farming and Land Restoration Program and carbon sequestration science associated with hemp.
- The possibility of a review of the *Industrial Hemp Act 2004*.
- The Western Australian Wine Industry Export Growth Partnerships Project. Japan and Singapore are potential new markets for premium wine. The traditional markets of the United Kingdom and America are also being considered. The Department is partnering with Wines of WA and Wine Australia to support the industry.
- The Regional Telecommunications Project—Regional Connectivity Program is fundamentally the Mobile Black Spot Program. The Department leverages its funding with the Commonwealth Government and the service providers, Telstra and Optus.
- The Department's core base of full-time equivalent employees is very stable. Some fluctuations in employee benefits occur when there are short-term projects.
- Carbon calculators.
- The progress on the Geraldton Marine Finfish Nursery Facility.
- Soil carbon methodologies.

[Source: Transcriptions of evidence, various]

APPENDIX 3

CORRIGENDUM TO THE 2021-22 BUDGET



Government of **Western Australia**
Department of **Treasury**

2021-22 Budget Paper No. 3: *Economic and Fiscal Outlook*

Corrigendum

The printed copy of Budget Paper No. 3: *Economic and Fiscal Outlook* contains an error in Appendix 7: *Asset Investment Program – Summary of Expenditure and Source of Funds*.

The table in Appendix 7 summarises agency expenditure and the aggregate funding sources for the Asset Investment Program. A line item for the *Provision for the Social Housing Investment Fund* with spending in 2022-23 to 2024-25 was unintentionally omitted from the table in Appendix 7. However, the Asset Investment Program totals on p. 290 in Appendix 7 correctly state the total program.

Appendix 7 provides supporting information for the Asset Investment Program. The omission from the printed copy of Budget Paper No. 3 does not impact the forecast infrastructure program, the 2021-22 Budget Appropriation Bills, consolidated financial projections for the public sector, or any other aspect of the 2021-22 Budget. Detailed commentary on the Provision for the Social Housing Investment Fund is provided in Budget Paper No. 3 Chapter 6: *Asset Investment* (pp. 205-206).

The online copy of Budget Paper No. 3 has been amended to correct the omission, as has the web accessibility copy of the table in Appendix 7. The corrected digital copies of these objects are available at ourstatebudget.wa.gov.au.

Treasury

8 November 2021

Standing Committee on Estimates and Financial Operations

Date first appointed:

30 June 2005

Terms of Reference:

The following is an extract from Schedule 1 of the Legislative Council Standing Orders:

- 3. Estimates and Financial Operations Committee
- 3.1 An Estimates and Financial Operations Committee is established.
- 3.2 The Committee consists of 5 Members, 3 of whom shall be non-Government Members.
- 3.3 The functions of the Committee are to -
 - (a) consider and report on -
 - (i) the estimates of expenditure laid before the Council each year;
 - (ii) any matter relating to the financial administration of the State; and
 - (iii) any Bill or other matter relating to the foregoing functions referred by the Council;
 - and
 - (b) consult regularly with the Auditor General.



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