

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Margaret Quirk; Mr Bill Johnston; Mr Paul Papalia; Mr Roger Cook; Mr Nathan Morton; Mr John Castrilli; Mr Matt Taylor; Ms Simone McGurk

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**Division 3: Premier and Cabinet (except Native Title Unit), \$235 845 000 —**

Ms W.M. Duncan, Chairman.

Mr C.J. Barnett, Premier.

Mr P.F. Conran, Director General.

Mrs R.A. Brown, Deputy Director General.

Mr D. Smith, Deputy Director General.

Mr G. Moore, Assistant Director General, State Administration and Corporate Support.

Ms K. Andrews, Director.

Ms M. Reynolds, Executive Director.

Mr R. Kennedy, Acting Executive Director, Strategic Projects.

Mr Z.R.F. Kirkup, Principal Policy Adviser, Office of the Premier.

[Witnesses introduced.]

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

It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item program or amount in the current division. It will greatly assist Hansard if members can give these details in preface to their question.

The Premier may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. I ask the Premier to clearly indicate what supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the Premier's cooperation in ensuring that it is delivered to the committee clerk by Friday, 30 August 2013. I caution members that if the Premier 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.

**The CHAIRMAN:** We will commence with the Leader of the Opposition.

**Mr M. McGOWAN:** Welcome, everyone.

I refer the Premier to strategic policy advice to the Premier and cabinet on page 78, and also to the paragraph on page 77 that states —

... corporate services functions provided free of charge to the Public Sector Commission ... and the Departments of Treasury and Finance ...

I refer to the government's policy to get rid of public servants. I want to ask about the recent announcements in relation to education staff and the role that the Department of the Premier and Cabinet may well have had in providing advice or assistance about the 500 education staff to be offloaded. Firstly, will the 500 redundancies be forced redundancies? Secondly, what is the expected cost to government? Thirdly, why did the Treasurer's budget speech make no mention of the 500 staff to be offloaded? Lastly, why did the Minister for Education indicate on Friday that the government would not get rid of any staff from education?

**Mr C.J. BARNETT:** I think the budget for education this year increases by 4.6 per cent. That is a significant rise in the total education budget. The numbers of teaching staff—teachers—will remain essentially constant through the 2014 calendar year; thereafter, we expect some growth in teacher numbers. The number of staff who will go from head office is estimated at 150, I think. Many of the further staff, principally teacher aides, are on contract. Those contracts will probably not be renewed. Attrition will take care of that. It will happen over a period of time. I think the method that has been in place for the appointment of education assistants is flawed. If a child needs an education assistant, that person has typically been employed. If the child progresses through primary school into secondary school, the education assistant remains in the primary school. I think that is quite reasonable. In certain categories, there has been excessive growth in the number of education assistants. They often refuse, or are unwilling or unable, to be reallocated to other schools. That will be a managed process. They will not be forced redundancies; it will be done through attrition and ends of contracts. When the Minister for Education spoke last week, he was referring—in his mind at least—to teacher numbers rather than total numbers. I again stress that we have strong enrolment growth within our schools. We have a 4.5 per cent to 4.6 per cent increase in the budget. That will be accommodated.

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As part of this, also, the new formula put in place for staffing schools is very close to what was proposed under the Gonski proposals. It is true—there will be a reallocation of teaching staff across the education system, basically with teachers going to where the students are. I think that is a fair and proper reform.

**Mr M. McGOWAN:** As the Premier said this morning and has just repeated now, if there is growth in student numbers going into the public school system as a consequence of interstate and international migration, and an increase in the number of children born, how can it be that removing 500 staff from the system will somehow assist in the education of students in the system? Secondly, when the Premier indicated that no teachers would be removed, can he confirm that some of those teachers to be removed will be those who work in head office but would otherwise be available to go into the classroom? Thirdly, as to the cap on the number of teachers in 2014 and perhaps beyond, would that not, of necessity, result in higher class numbers or student numbers per class as a consequence of putting that cap in place?

**Mr C.J. BARNETT:** Can I just add that there are 21 000 teaching and other staff within the education system. It is a very large workforce. With an ageing workforce, over the year there will be a significant number of retirements and people just leaving for various reasons, so that will allow that transfer. A lot of the reform will focus on upper secondary education. In some schools there might be teachers who appear in front of very small classes. In a neighbouring school, there might be a shortage of teachers relative to student numbers. The reform over one year will basically reallocate both financial and people resources to where the need is greatest. That will reset staffing and staffing formulas within the education department, and then there will be growth. The Leader of the Opposition says there will be increases in class ratios. Yes, notionally, there probably will be, but if there is a teacher in front of a class with only half a dozen kids, I do not think that is necessarily a good use of education funding. The teachers will go where the students are and where the course demands are. That will reset education funding and staffing.

**Mr M. McGOWAN:** The Premier did not answer my question about the 150 teachers in head office who will be removed. I assume a large proportion of them are teachers because they are the large component of the people who work in head office, as the Premier and I both know. Will there be any school closures as a consequence of this so-called reform?

[2.10 pm]

**Mr C.J. BARNETT:** There may be people with teaching qualifications working in head office. There will be teachers both in head office and in some of the schools who will put themselves up for redundancy. That probably will happen.

**Mr M. McGOWAN:** So teachers will go?

**Mr C.J. BARNETT:** Teachers can apply for redundancy, yes; there is no barrier on their doing that, and there will be teachers who have probably served this state and the education system well but have simply got to the end of their interest, their passion or their desire to continue teaching.

Every year there is usually a school closure or two. I think the more significant factor is that small school sizes occur, as I said before, in mainly upper secondary schools. I think there is a strong case for some amalgamation of senior high schools in the metropolitan area. As a former education minister, I know that took place in the late 1990s and resulted in a big reinvestment in secondary education. I think there are schools in the metropolitan area at which student numbers are low. That restricts the curriculum and the development of vocational and academic programs. There is no doubt that a good sized high school with modern facilities can provide, at face value, a better quality of education. Yes, there will be school changes, but not radical ones.

**Mr M. McGOWAN:** Can the Premier outline what closure of schools there will be across the state as a result of this initiative? Considering we are dealing with the budget, it appears that, from media reports at least, the Premier's Economic and Expenditure Reform Committee met yesterday to discuss these initiatives as well as a \$60 million shortfall in the education budget. Why were those issues not identified prior to the handing down of the budget 10 days ago?

**Mr C.J. BARNETT:** The Leader of the Opposition asked two questions then, I think. Decisions have not been made, to my knowledge, about any school that might be amalgamated, restructured or even closed. It seems pretty obvious to me that there are two areas in the metropolitan area in which there is a lack of choice for students and families. There could be perhaps a lack of high-quality academic programs at Fremantle and Armadale. To the immediate north of Perth, a number of secondary high schools were built—I look at my education colleagues over there—probably in the 1960s, in a different era. They are now old and I would love to see them brought up to the standard of a new high school. That probably means closing some and amalgamating

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to produce a better product. That is the broad direction, but no decision has been made on that. What was the other question?

**Mr M. McGOWAN:** The budget is now 10 days old. According to media reports at least, the Premier had a meeting of the Economic and Expenditure Reform Committee yesterday at which it was identified that there was a \$60 million shortfall in the education budget and at which perhaps today's unheralded changes were decided upon. Why is it that the budget itself and the budget speech did not contain any mention of these savings initiatives?

**Mr C.J. BARNETT:** There has been some adjustment to the education budget. The figure is wrong. The final figures will be detailed in the midyear review. We took that action because some additional information came from schools about an even greater-than-anticipated growth in student numbers. That will maintain a constant level of teachers within our system for that year while the system, as I say, is rebalanced or restructured, and then we will see a growth in teacher numbers.

**Mr M. McGOWAN:** On that point, the budget was handed down three months later than it ordinarily would be; the budget cut-off was sometime in mid-July. Is the Premier saying that between mid-July and post the handing down of the budget, new information came through that made the budget documents inaccurate?

**Mr C.J. BARNETT:** I am not saying that at all.

**Mr M. McGOWAN:** What is the Premier saying?

**Mr C.J. BARNETT:** I said that we got some more information on student numbers, and we re-examined aspects of the education budget and some minor changes were made. Those changes will ensure we maintain a constant teaching allocation across the year and then future growth will take place. Also, after the budget was presented, we had to respond to information received from the education department showing that growth in enrolments was above what the department thought the maximum figure would be.

**Mr M. McGOWAN:** In the last week.

**The CHAIRMAN:** Member for Girrawheen.

**Mr M. McGOWAN:** In the last week; it is not the start of the year.

**Mr C.J. BARNETT:** No; I am sorry; it is not an argument.

**Mr M. McGOWAN:** I am trying to ask a question.

**The CHAIRMAN:** Order! Leader of the Opposition, is this a further question?

**Mr M. McGOWAN:** Yes, thank you.

**The CHAIRMAN:** You have had five opportunities.

**Mr M. McGOWAN:** We are not going through this again, are we? I am the opposition leader.

**The CHAIRMAN:** I understand. We need to give other members an opportunity, so this will be the last one for the time being.

**Mr M. McGOWAN:** The Premier is saying that new information came through from the education department. It is not the start of the year for enrolments of students; the budget was handed down three months later than usual and, in the last week, his education minister has given him new information that was not available until then. Would the Premier not describe that as incompetent?

**Mr C.J. BARNETT:** No, I would not.

**Ms M.M. QUIRK:** Under "Spending Changes" on page 73, there is a description of what is called program rationalisation and the very neat figure of \$1 million shows in each of the forward three years. What programs are intended to be rationalised and how did the Premier reach those particularly round figures for the programs he intends to rationalise?

**Mr C.J. BARNETT:** Which programs are you talking about?

**Ms M.M. QUIRK:** I am asking which programs—page 73 under "Spending Changes".

**Mr C.J. BARNETT:** Yes, every agency, including Premier and Cabinet, is required to make savings. I will ask the director general to comment in a second. The parliamentary electorate office is one area where there are some savings to be made, such as electorate office relocation and refurbishment. A lot has been spent on that. There are also reductions in staffing of ministerial offices; and some other areas, such as motor vehicle leasing, travel, and payout of staff leave.

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**Mr P.F. Conran:** In addition to that, we look at issues in relation to travel. We have significantly reduced our travel budget over the period. We are obviously much tighter with leave arrangements and filling vacancies following someone going on leave. We are also rationalising the levels at which we appoint people when there is a vacancy. If a person is at a higher range at a salary point, we do not necessarily appoint people into that level but we may put them at a lower salary point.

**Ms M.M. QUIRK:** Is the Premier saying that no programs per se will be rationalised but that this is just about, if we like, introducing some efficiencies into how the department operates?

**Mr C.J. BARNETT:** Yes; there are general savings, but also there have been savings, for example, in some awards. In the community sector there have been reductions in social innovation grants, I think. There has been some cutting back of programs. Most of the savings are across the board in the areas outlined.

**Ms M.M. QUIRK:** What the Premier described sounds to me like his efficiency dividend rather than program rationalisation. I asked in my first question: how has the Premier arrived at the very round figure of \$1 million every year? Is that the target rather than what the department has calculated it will be able to save?

**Mr P.F. Conran:** That is the Treasury figure that is required of us —

**Ms M.M. QUIRK:** Plucked out of the air.

**Mr P.F. Conran:** Treasury says we have to find \$1 million each year, and then it is up to us to determine the best way to achieve those arrangements. In relation to various programs, we will be looking after a certain program; for example, we may be looking after issues in relation to bushfires. We will stop that work and move onto another piece of work, or we may say that we do not need all the people who are handling bushfires; we have a number of temporary-type staff on those issues. So that is how we will work our various arrangements.

**Ms M.M. QUIRK:** Is the Premier able to provide a list of programs or services that will be rationalised as described in the spending changes?

**Mr C.J. BARNETT:** No; because in Premier and Cabinet —

**Ms M.M. QUIRK:** You do not know.

**Mr W.J. JOHNSTON:** It must be embarrassing.

**Mr C.J. BARNETT:** No; because Premier and Cabinet operates somewhat differently from what it did previously. A lot of issues that arrive in government come to Premier and Cabinet, such as the results of the Margaret River bushfire, as we indicated. Particular tasks come into Premier and Cabinet that, if we like, get fixed and then go back into the agencies. When we talk about programs being cut, it is volatile.

I think the question has been answered. They are just savings by shaving, if you like, right across the operations of the department in those areas.

[2.20 pm]

**Ms M.M. QUIRK:** Finally, can the Premier explain how cutting electorate staff will assist in providing a better service to the Western Australian public?

**Mr C.J. BARNETT:** Electorate staff have not been cut. Is the member talking about relief staff?

**Ms M.M. QUIRK:** Yes.

**Mr C.J. BARNETT:** When electorate staff went from one to 1.2 or whatever, there was not always full relief. It has been interesting. Since that issue arose, I have looked at employment by members of Parliament in their electorate office, and there are quite a few anomalies. Some members of Parliament arbitrarily reallocate their staff to other offices. Some members of Parliament employ a large number of staff when there are meant to be two positions. I employ people part time as well, but sometimes the numbers involved per electorate office seem to be excessive. That puts a significant administrative burden on the department with conditions of employment, files and administration. With respect to savings, I have been a member of Parliament for a long time. I think two staff are certainly adequate.

**Mr P. PAPALIA:** What about going on leave?

**Mr C.J. BARNETT:** I am trying to answer that question. Two staff are more than adequate in many cases. Members of Parliament can manage relief properly. I do not think too many electorate offices are fully manned and fully open over the summer period. When members of Parliament are away, a similar situation arises. However, a number of members of Parliament have raised the issue with me, and there have been some valid arguments about safety and security of staff, particularly female staff working alone. There are also issues of illness, family situations, long service leave and the like. I have undertaken to review that decision.

**Ms M.M. QUIRK:** Is another backflip coming, Premier?

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**Mr C.J. BARNETT:** That is under review now. I foreshadow that we will probably end up with four weeks of leave to be managed by members, however they choose to manage it, with provisions for extraordinary circumstances such as family situations or whatever.

**Mr R.H. COOK:** Just in terms of the process, Madam Chair, is it appropriate for someone to ask a supplementary question on someone else's question if it is on the same point?

**The CHAIRMAN:** Yes, you can.

**Mr R.H. COOK:** With your indulgence, I wish to ask a very quick question.

**The CHAIRMAN:** Please do.

**Mr R.H. COOK:** This is going to come up in every division. Could the Premier please describe the difference between program rationalisation and an efficiency dividend?

**Mr C.J. BARNETT:** No.

**Mr R.H. COOK:** Are they one and the same?

**Mr C.J. BARNETT:** I am not in the position of defining for the member. I am not going to go into definitions of programs.

**Mr R.H. COOK:** They are two different budget measures.

**Mr C.J. BARNETT:** If the member asks a question on a point in the budget, I will try to answer it.

**Mr R.H. COOK:** I think that was. My colleague asked a question about program rationalisation and the Premier's representative answered in the sort of language that we would expect for an efficiency dividend. I am simply asking what the difference is between a program rationalisation measure and an efficiency dividend.

**Mr C.J. BARNETT:** If we want to stop a program, it is pretty explicit what is done. If we want to halve a program, it is pretty explicit. The efficiency dividend is more saying to an agency that it has to find X per cent savings or X dollars across its agency bit by bit. That is pretty straightforward. The member did not need to ask me the question; he knew the answer.

**The CHAIRMAN:** Order! We do not need a debate.

**Mr N.W. MORTON:** I refer to the first dot point on page 75. What impacts will commonwealth–state financial relations have on the Western Australian government?

**Mr C.J. BARNETT:** Again, every member of Parliament and probably every person in Western Australia understands that not only is Western Australia's share reduced, but also the absolute fall in the GST is the largest single financial pressure on the state. This year we lost \$400 million compared with the previous year. In developing this year's budget, we had to make up \$400 million before we even started. As I have been foreshadowing for the past 18 months, while the rest of Australia and the federal government are flippant about the GST issue and are making jokes, saying the streets are paved with gold in the west, that will start to impact on education and health, and that is evident from this budget.

The other thing in federal–state relations that has become unhealthy has been—again, it comes in cycles—the attempt to try to use some sort of financial agreement to impose a Canberra, if you like, management over the delivery of services. That has been shown to continually fail over the decades. We saw it in the public hospital debate and we have seen it in the National Disability Insurance Scheme. At least more recently the Prime Minister did give ground and had a more sensible approach. We are seeing it also in the so-called Gonski issues. Gonski is interesting because the state broadly agrees with the Gonski document. Professor Thiess's reforms in education that I was referring to before are very similar to Gonski's. What we object to most is not the Gonski recommendations but the piece of legislation that former Prime Minister Julia Gillard brought into the Parliament, which effectively gave her commonwealth control over the day-to-day management of schools. There is not a single state or territory in Australia that wants that. I expect that bill to be repealed. If it is repealed, I think we will see a new agreement on education funding.

I could relay a litany of mishaps with COAG meetings in which clearly the objective has been control of rather than improving health or education. We continue on. It will get harder. Federal Treasury keeps saying that the GST forecast is flatlined. It shows it that way in the budget. WA Treasury has consistently said that our share will fall, and that is what has happened. For Western Australia to get 45c in the dollar is a huge burden on the people of this state. It will go to 30c and potentially down to 7c in the dollar. Again, as I have said for the past two years, if it gets to those sorts of levels, we will effectively get to a situation in which there is no financial relationship between the commonwealth and the state. That could almost tear apart the Federation.

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**Mr M. McGOWAN:** I refer to the fourth dot point on page 78, which refers to managing and coordinating Western Australian government input into intergovernmental negotiations, federal reform, COAG, the Council for the Australian Federation and the like. This question is related to the last question. I refer to the current issue surrounding paid parental leave and the Premier's statements on that today in which he indicated that the state government would sign up to a federal opposition, should it become government, paid parental scheme.

**Mr C.J. BARNETT:** I do not think I have ever said that.

**Mr M. McGOWAN:** My understanding is that the Premier said that.

**Mr C.J. BARNETT:** No, I have not.

**Mr M. McGOWAN:** In any event, the Premier can explain his position. What is the cost of Western Australia signing up to such a scheme, and does the Premier have such a costing? What is the estimate of the current cost of our maternity leave system across the Western Australian public sector?

**Mr C.J. BARNETT:** That is just a hypothetical question. Commonwealth–state relations are between governments, not between governments and oppositions, certainly not during an electoral period and a caretaker period. The Leader of the Opposition is referring to Tony Abbott as Leader of the Opposition and maybe Prime Minister. He has put forward a policy. I do not know the details of that policy. I know nothing more than has been reported in the media. There is no doubt that it is a very generous proposal. I have not said that the state government will be signing up to anything. I have never used those words at all. The principle to me would seem to be that if Tony Abbott becomes Prime Minister and that scheme is implemented, the commonwealth would presumably be topping up the maternity entitlements to state public servants, but that would be a decision for a future federal government, not one for this government.

[2.30 pm]

**Mr M. McGOWAN:** In any event, as the Premier correctly identified, we are in the caretaker period nationally. Yesterday he indicated it was generous—correct—and I thought his indication was that he was not particularly interested in being involved, yet today he has said he is interested in the state signing up.

**Mr C.J. BARNETT:** No, I have not said that. I have never used those words.

**Mr M. McGOWAN:** What exactly is the state's position on this?

**Mr C.J. BARNETT:** I do not know. The Leader of the Opposition is making up questions that have no relevance.

**Mr M. McGOWAN:** I am asking the Premier about a topical issue of the moment.

**Mr C.J. BARNETT:** The Leader of the Opposition is assuming that we are going to be signing up to something; I have never used those words in any conversation.

**Mr M. McGOWAN:** The interpretation of the state's press is that today the Premier has indicated that Western Australia would be a part of any national scheme along the lines outlined by Tony Abbott. Is that incorrect?

**Mr C.J. BARNETT:** I have never said that.

**Mr M. McGOWAN:** So that is incorrect, is it?

**The CHAIRMAN:** I do not think we are going to get any further here. It is just a debate going backwards and forwards in the chamber. If the Leader of the Opposition has a specific question —

**Mr C.J. BARNETT:** The Leader of the Opposition is making up stuff. I cannot respond to things he is making up in a moment of fantasy.

**Mr M. McGOWAN:** Let us go back to the budget, Premier. When dealing with the state's budget there was effectively no relationship with the federal government, as we are between federal governments at the moment. What is the state's position with regard to federal maternity leave schemes? Would the Premier hypothecate towards a federal scheme the amount of money that the state currently puts towards its maternity leave scheme? If so, what does it cost? Lastly, would the Premier envisage there would be a shortfall that needs to be topped up? If so, how much is that?

**Mr C.J. BARNETT:** I, or the department, have done absolutely no work on that. The scheme had been talked about prior to the election; there have been some announcements by Tony Abbott as opposition leader. I am not privy to the detail of the scheme, its costings or anything else. I would imagine that if that scheme were to be introduced, it would operate on the basis that the state would provide what it currently does for maternity leave, which, I think, is 14 weeks paid maternity leave. I imagine that would be a lesser amount in pretty much every case than Mr Abbott is proposing, so I would assume that the federal government would then top up the level for

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state public servants. That is an assumption, because I do not know the details of the scheme. I know only what has been in the media.

**Mr M. McGOWAN:** Can I just conclude?

**The CHAIRMAN:** No, Leader of the Opposition; I really think that this question is just going backwards and forwards.

**Mr M. McGOWAN:** That is what Parliament is. I am trying to clarify significant budget issues for Western Australia. If a federal government installs that system, will there be an impact or a black hole, if you like, going forward to meet additional costs in the system. Does the Premier have the answer for this state?

**Mr C.J. BARNETT:** A black hole for whom?

**Mr M. McGOWAN:** For the state, or the federal government for that matter, but the state is what we are dealing with.

**Mr C.J. BARNETT:** There is no black hole for the state. The state has 14 weeks maternity leave and we will retain that.

**The CHAIRMAN:** Member for Bunbury.

**Mr G.M. CASTRILLI:** I refer to the first dot point on page 76. I am interested in the ANZAC centenary. I have a very good and very active RSL in my electorate and I am sure that it would be interested in this. What is the state doing to recognise and commemorate the ANZAC centenary?

**Mr C.J. BARNETT:** I thank the member. The departure of the two convoys from Albany was one of the symbolic moments of the Great War; and, of course, many of those soldiers would have lost their lives at Gallipoli and in France, and so that was their last recollection of Australia. I think everyone has seen the photographs of the fleet sailing through the Ataturk Entrance in Albany. The state government has worked very well with the commonwealth, particularly with Air Chief Marshal Angus Houston. The government has committed \$5.83 million to upgrade Mt Clarence and a large part of that work has already been completed—that is, the parking areas, pathways and stairs. It will cater for people now and into the future. The Padre White Lookout and the Desert Mounted Corps Memorial have been upgraded as part of that. The project is going well.

The other project is the Albany ANZAC Interpretive Centre. It is primarily funded by the commonwealth to the tune of \$6.55 million. There was a shortfall of \$2.2 million, so the state has picked that up. There was an issue about the location of the centre. I personally went down and walked around the site with architects and others, and it was agreed between the City of Albany, the RSL and the state and federal governments that it would be better to use a site with a better view of the harbour that did not require a large area of vegetation to be cleared on the side of the hill. The design work has been done and construction will get underway about November this year, and it will be ready in time for the re-enactment of the convoy sailing out. One of the only problems is that we hope the commonwealth will produce more ships than are currently being talked about. There needs to be a significant number of ships taking part and I hope there will be ships from other countries as well. The project is going well and I hope that people will support the event and that we get large crowds in Albany. There will be a whole lot of associated events. Richard Muirhead, who is known to members, has been appointed to oversee the event. He did a fantastic job on the Commonwealth Heads of Government Meeting and he is doing a great job on this. He has a lot of confidence in all the parties. He is also thinking ahead about the 400-year anniversary of Dirk Hartog's landing in Shark Bay. I think it is all going well. I would like to see more ships. I would like the commonwealth to allocate more ships to the re-enactment. I think that is a key element at the moment, but all of the interpretive centre will be completed well in time.

**Ms M.M. QUIRK:** In relation to the interpretive centre, have tenders been put out or contracts been signed at this stage?

**Mr C.J. BARNETT:** I will ask the director general.

**Mr P.F. Conran:** My understanding is that the tenders will go out in September.

**Ms M.M. QUIRK:** Can the Premier explain why the Albany Alliance was disbanded and, in fact, the Department of the Premier and Cabinet now has control of the commemorations?

**Mr C.J. BARNETT:** The major groups of the Albany Alliance were the RSL and the City of Albany, and there may have been a third group. The involvement of the Department of the Premier and Cabinet came about because the project needed more expertise and funding, and the commonwealth was of the view that it would be better if the state took a more prominent role. I discussed this with Air Chief Marshal Angus Houston and that is what we did, and everyone has agreed with this. I think it is going well.

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**Ms M.M. QUIRK:** I think the Premier mentioned that Mr Muirhead is working on the Dirk Hartog anniversary. Is Mr Muirhead working full-time on the ANZAC commemoration?

**Mr C.J. BARNETT:** No, it is not a full-time role. It may become full-time as the celebration approaches, but he works on a contract basis. He is doing a very good job.

**Mr M. McGOWAN:** I have a number of questions on the line item “Browse LNG Precinct Regional Benefits Package” in the table headed “Details of Controlled Grants and Subsidies” on page 80. First of all, in light of recent events, does the regional benefits package stay in place? Is it set in stone that the regional benefits package will remain in place irrespective of what occurs there? Could the Premier answer that question and then I might ask a couple of follow-up questions on this issue.

**Mr C.J. BARNETT:** The whole benefits package for the Browse project was around \$1.5 billion. If there is no project, there is no benefits package, other than that the state has proceeded to acquire the James Price Point site, and in good faith there are benefits attached to that. No, the overall package is attached to the project.

**Mr M. McGOWAN:** Across the forward estimates there appears to be roughly \$100 million worth of regional benefits package. Is the Premier saying that that package is not going to be in any way distributed or commissioned if the LNG plant is not at James Price Point?

[2.40 pm]

**Mr C.J. BARNETT:** I just said that \$30 million of benefits are happening now as the state acquires the native title rights over that land, although they are suspended. As to other benefits, that is yet to be decided, but the commitment to benefits from both Woodside and the state government was predicated on the project going ahead. If the project does not go ahead, the benefits do not go ahead. That is not to say that the government may not select some of those and continue with them if they are good projects. This budget was obviously prepared and printed prior to the unfortunate decisions of the last couple of days, so, no, they are not guaranteed.

**Mr W.J. JOHNSTON:** Can I just clarify something?

**The CHAIRMAN:** We will wait until the committee members complete their questioning. Do you have a further question, Leader of the Opposition?

**Mr M. McGOWAN:** I have further questions. I am happy for that member to ask one, but I do have further questions on this issue, because I think it is quite important.

**The CHAIRMAN:** We will continue with the Leader of the Opposition.

**Mr M. McGOWAN:** According to what the Premier said, does that mean that across the forward estimates, there is \$100 million that was going to be spent that now more than likely will not be spent?

**Mr C.J. BARNETT:** That has yet to be determined, but I would imagine that the amount that is spent is significantly less than that.

**Mr M. McGOWAN:** What would the Premier imagine?

**Mr C.J. BARNETT:** I am not imagining. The decision was made just yesterday, but the benefits were attached to the project because part of the benefits were physically linked to the project in terms of jobs, housing, training and all the rest of it.

**Mr M. McGOWAN:** My second question—perhaps we can pursue it in the state development division, but I am happy to pursue it now—relates to yesterday’s decision by the Supreme Court, which of course is in relation to the Browse LNG precinct. Did the Premier’s Minister for Environment receive advice last year warning him that that judgement by the Supreme Court may take place? Did the Premier receive any advice to the effect that there may be a legal difficulty, yet the Premier proceeded anyway?

**Mr C.J. BARNETT:** I think people were conscious there was an issue that there could be a real or perceived conflict of interest. Although I totally accept the decision of the Chief Justice—I do not query that—the conflicts, if they existed, were very minor. We are talking about people having within their superannuation portfolio a component of shares in Woodside—not large by any means and certainly not capable of affecting someone’s decision. Indeed, those, if you like, so-called conflicts date well back to the very start of the assessment—well before the time of even this government. So I think it is a point at law; I do not dispute that. But it is hard to find people with expertise in environmental science who probably have not worked for, or had some connection with, Woodside at some stage in their career; it is a small field. As I say, I do not query the decision at all. But there we go; that is it. As to advice, I did not plough through advice but I was aware that there was a risk. The minister would have made his decisions on advice, but the Leader of the Opposition would need to direct that to him when he does his estimates committee hearing. I am not aware of the exact nature of that.

**Mr M.H. TAYLOR:** Madam Chair —

**Extract from Hansard**

[ASSEMBLY — Tuesday, 20 August 2013]

p38b-61a

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Margaret Quirk; Mr Bill Johnston; Mr Paul Papalia; Mr Roger Cook; Mr Nathan Morton; Mr John Castrilli; Mr Matt Taylor; Ms Simone McGurk

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**The CHAIRMAN:** Just a moment, please. I have a list of people who indicated they want to ask a question, member for Bateman, so I will call you when your turn comes up. Leader of the Opposition.

**Mr M. McGOWAN:** Further on that point, considering that the Premier is the Minister for State Development, the Minister for Environment is the other person who has decision-making capacity in relation to this project and it was an issue of some moment in August–September last year as to whether the Environmental Protection Authority would have the capacity to make a decision in relation to this matter considering the obvious conflicts, however minor, that existed, I think it is very pertinent as to whether the Premier or the Minister for Environment received advice that this issue should not proceed to final judgement by the EPA and whether a different course was suggested that the government ignored.

**Mr C.J. BARNETT:** The issue was public at the time; there was no secrecy. I do not recall—I should not use that word “recall”, I suppose; I do not remember—ever reading any advice myself, and bear in mind the EPA is independent. As the development minister, I am not going to get involved in the processes of the EPA, so in that sense I am not dodging the Leader of the Opposition’s question, but I think he needs to address that to the environment minister who oversaw that process. I did not in any sense intervene in, interfere with or influence the EPA process. That is not my job; my job as the development minister was to make sure that good environmental submissions went in to make the case.

**Mr M. McGOWAN:** But in a way the Premier did, because in September last year, a regulation was promulgated that allowed for the chair of the EPA to make a decision standing alone—a regulation that I expect would have gone through cabinet or at least through Executive Council in some sense. Therefore, the government was cognisant that there was a significant issue. I am coming back to the point. Did the Premier, the minister or the government have advice that there may be a legal difficulty and that provided alternative courses of action? Did the Premier receive any such advice? Can the Premier advise us, rather than just rely on his memory, as to whether any such advice was —

**Mr C.J. BARNETT:** All I can do here on the spot is rely on memory, but everyone was aware of the risks. There had been speculation that there was a risk, but all the advice I received—we are talking about formal legal advice—was that it would be appropriate; it would be okay to go ahead. Now the Chief Justice has ruled differently, so we have just got to cop that.

**The CHAIRMAN:** We will move on; member for Forrestfield.

**Mr W.J. JOHNSTON:** Sorry, Madam Chair —

**The CHAIRMAN:** I have a list of actual committee members —

**Ms M.M. QUIRK:** You agreed to let him —

**The CHAIRMAN:** No, I did not. I said that we need to get the committee members to ask their questions and then those who are sitting in observing will have a turn later. That is the advice I have been given as to how it proceeds; that is, committee members need an opportunity to ask questions and then those who are observing will have an opportunity later.

**Mr N.W. MORTON:** I refer to the second dot point under “Significant Issues Impacting the Agency” on page 74 of budget paper No 2. What role did the department play in bringing about the provision of integrated services for the needs of individuals, families and communities?

**Mr C.J. BARNETT:** One of the important things being done is the establishment of child and parent centres. In 2012, 10 centres were announced. In January 2013, a further six centres were announced. The cost of this is about \$20 million. The Department of the Premier and Cabinet played a very active role in the development of the policy and also the coordination because education, health, community services and a range of other agencies are involved. I look forward to seeing those child and parent centres coming on. Some of the most disadvantaged, most at-risk children and most dysfunctional families are concentrated in certain suburbs and towns around the state. Helping children, families and parents from almost the birth of a child, I think, is critical. Sometimes in political life there are moments that get to us. That is probably true of any career, particularly in, say, education. When I went to one particular school, which was already heading down this path, I was told by a teacher that many of the children in her class did not want summer holidays. These children actually wanted to stay at school rather than go on holidays simply because they felt unsafe at home; they were not being fed properly, they were not being looked after, and they were left alone. I thought that was very sad. I guess that was the moment that convinced me of the merit of the work that was already being done to develop child and parent centres. Wait and see, but I think that they will make a very substantial difference for not only the children, but also probably the families. So, parenting support will come in. It was not uncommon in this particular school for

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a child to have a parent in prison, and for some kids to have both parents in prison, and that is pretty hard on those little kids.

**Ms M.M. QUIRK:** I refer to the last dot point on page 75, which deals with the issue of St Andrew's Hostel in Katanning. I understand that the Premier undertook to personally meet with the victims. Has that occurred; and, if not, when does the Premier anticipate that it will occur?

**Mr C.J. BARNETT:** I indicated last week in Parliament that I would meet with the victims if they so wished that. I have met some of them previously, but the prime point was relating to the Crown Suits Act and the legislation on limitations. As a result, the Attorney General had already indicated he would meet with them. My understanding is that he is meeting with them today; that meeting with the victims, their lawyers and the Attorney General was happening today. I am still prepared to meet with them, but I think the real point they have is a legal point, and that lies within the province of the Attorney General.

**Ms M.M. QUIRK:** So the Premier does intend to meet his promise to meet them.

[2.50 pm]

**Mr C.J. BARNETT:** If they wish to meet with me, I am more than willing to meet with them.

**Mr R.H. COOK:** I refer to the table headed "Reconciliation relating to major functional transfers and accounting policy changes" on page 83 of budget paper No 2, and the line item on the transfer of the science function from the Department of Commerce to the Department of the Premier and Cabinet. Does funding for science include funding for Scitech? How much funding will be provided to Scitech across the forward estimates, and has funding been allocated for a purpose-built facility for Scitech at Burswood?

**Mr C.J. BARNETT:** The Liberal Party made a commitment during the election campaign that \$15 million will be allocated to Scitech, plus land, for it to relocate to the Burswood Peninsula. The site has yet to be determined, but I presume it will be reasonably close to the new stadium. There have been several meetings with representatives from Scitech, and I met with them as well. Scitech is doing some preliminary architectural work and working with the government on the best site; and obviously geotechnical conditions and all those types of things will come into play. The state government has recently renewed a five-year funding agreement with Scitech that will take it through to 2018, and it is intended that by the end of the five-year funding agreement, it will move into the new premises. I imagine that probably within the next year we will reach an agreement on design and the like and that \$15 million will be formally brought into the budget. The commitment is there; it will not be shown in the budget until we have reached agreement with Scitech, and that will probably take most of a year. It is very much an in-principle agreement; it is in the very early stages with the concept, rather than the architectural design.

**Mr R.H. COOK:** I have a supplementary question. Last week, Scitech announced it will definitely be opening new premises in 2018. The Premier confirmed that no money has been set aside in the forward estimates for capital works or otherwise for this.

**Mr C.J. BARNETT:** Not at this point, but there will be. We will make a decision as a cabinet when we have a firm proposal from Scitech on what it will build and its costings; the site will be determined and there will probably be an agreement about ongoing recurrent funding, and hopefully there will be some corporate sponsorship as part of it. When all of that comes together, there will be a cabinet decision to honour that commitment and then it will be brought into the budget. We are simply not at that stage yet to know the total cost of the project, or even its form. The very early preliminary work is happening right now, but it is happening.

**Mr R.H. COOK:** I have a further supplementary question.

**The CHAIRMAN:** I have quite a long list here.

**Mr R.H. COOK:** This will be the final one. The Premier has already mentioned there would be a ceiling of \$15 million.

**Mr C.J. BARNETT:** I did not use the word "ceiling".

**Mr R.H. COOK:** The Premier has referred to the commitment of \$15 million. Is he now saying that it is an open-ended commitment?

**Mr C.J. BARNETT:** No; we have committed \$15 million. We do not know yet what the proposal is for this building or what features it will have. Scitech is at the most preliminary stage in determining what it requires. The government has committed \$15 million. I do not know whether it is a \$10 million, \$15 million or \$20 million building; we are not at that point.

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**Mr R.H. COOK:** But the commitment will not cover the full cost of the building; the Premier has already admitted that!

**Mr C.J. BARNETT:** We do not know yet. We have not yet made a cabinet decision on that.

**Mr R.H. COOK:** So it is \$15 million or something else, and it is not in the budget!

**Mr C.J. BARNETT:** I have just explained that. The approach of this government is to bring things into the budget and the forward estimates when it makes cabinet decisions. We have yet to make a cabinet decision on Scitech, but Scitech is very, very pleased with the commitment of this government.

**Mr G.M. CASTRILLI:** I refer to the eighth dot point under “Significant Issues Impacting the Agency” on page 75, which refers to supporting Western Australian businesses in Africa through a trade office. I will revisit my previous life for a minute. Could the Premier outline the improvements in trade relations with Africa and explain how the government is meeting its objective of helping WA business?

**Mr C.J. BARNETT:** To their great credit, the mining services industry and the mining industry in this state have been leaders of the African mining industry, outside of South Africa itself. Of the 150 Australian mining companies active in Africa, 108 are Western Australian companies. That is in drilling, exploration, environment, management and a whole host of mining services. Indeed, some of the well-known mining services companies in Western Australia actually employ more people in Africa than they do in Australia. They pay good wages and ensure that working conditions are safe and the like. In support of their efforts, the state government has decided that it will open an African office that is proposed to be into Nairobi, Kenya. At the moment, we have a consultant there doing some of the preliminary work, and I hope in the next year or so we will have a full office established there. I have to say that the feedback from those mining services and mineral companies has been very strong, as has the feedback from the host nations. The Africa DownUnder mining conference is held in Perth every year. It is funded and run by the commonwealth government, and I have played a role, at least in the last two or three years. The mines and trade ministers from those African nations have welcomed Western Australian and commonwealth government involvement in their industry, which often goes beyond mining services. For example, a number of ministers have talked to me about royalty and profit regimes, taxation and approvals processes, and a number are interested in the structure of state agreements, because many of those countries feel that some of the deals that were done in earlier days were not as beneficial to their countries as they should have been. I do not know what the take-up has been, but we have offered to make available the services of the Department of Mines and Petroleum to assist them on issues such as safety, the management and overseeing of tenement systems and the like, or whatever it might be. I expect we will see quite a lot of the legal structure of Western Australia’s mining industry copied in those emerging African states. It has extended beyond that too with community support programs. That is our reason; it is a goodwill thing. We do not expect to gain much directly out of it as a state, but we want to be supportive of the mining services industry and build up that relationship with those individual African nations. It is partly helping their industry develop, supporting our companies and, I guess, building on some of the more social aspects about mining.

**Mr M.H. TAYLOR:** I refer to the eleventh dot point on page 75 of budget paper No 2, which relates to the Kimberley science and conservation strategy. I understand that commitments under this strategy have been extended. Can the Premier please explain the significance of the new commitments, in particular the extensions of the great Kimberley marine park in the creation of Australia’s largest national park?

**Mr C.J. BARNETT:** As an environmental scientist, the member for Bateman could probably answer the question a lot better than I could. The commitment this government has shown to the Kimberley through this science and conservation strategy is quite outstanding. Work continues on establishing the four marine parks, at least two of which will make up the great Kimberley marine park that will go right around the top of the Kimberley. I was talking to some marine scientists the other day. From memory, one of them said that on one weekend she had identified another dozen new species of sponges on one of the reefs up there. An enormous amount of biodiversity can be found on that vast coastline. It is one of the great science adventures. Also, in the Prince Regent area, we are in the throes of establishing what will be Australia’s largest national park. The negotiations that are taking place will no doubt include significant parts of the Mitchell Plateau, which I know has been an area of controversy for a long time. As Minister for State Development, I am in negotiation with Rio Tinto about that, and I hope we can come to a good agreement on that. That will see large tracts of both the terrestrial and marine environment protected through national parks and, indeed, the size of that marine park will be second only to the Great Barrier Reef and will be one of the largest marine parks in the world outside the Arctic and Antarctic areas. As I said, the national park that will be adjacent to the marine park will be Australia’s largest national park. We have been true to our word. In 2008 we made a commitment to the Kimberley on what is the most important responsibility to this generation in conservation and science. That is happening even quicker than I would have thought. A lot of great work is being done. The member would also be aware that

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agreement with traditional owners in the area has brought about joint management and the training of Aboriginal people to work in the management and conservation of these parks.

Another part of what has been implemented is parks for people. This state has over 100 national parks, yet the facilities within them are not up to standard, or there are not enough of them. Members would agree that we need to create the opportunity for people to holiday within national parks and to have low-cost, hut-type cabin accommodation so young families can enjoy the most beautiful and interesting parts of Western Australia for an affordable Western Australian family holiday. All of that is related to improving national parks, improving access and reducing the cost of visiting and staying in national parks. The government will continue that. Hopefully, that will be one of the major achievements of this time in history.

[3.00 pm]

**Mr R.H. COOK:** Could the Premier detail the budget for this year in the forward estimates for the Kimberley science and conservation strategy?

**Mr C.J. BARNETT:** It was \$62 million originally. I think a further \$15 million has been added to it.

**Mr R.H. COOK:** Is that \$15 million this year?

**Mr C.J. BARNETT:** It is additional. The original \$62 million is going over a number of years and that has now been topped up by, I think, a further \$15 million.

**Mr R.H. COOK:** Would the Premier detail the budget allocation for this year and across the forward estimates for the Kimberley science and conservation strategy project?

**Mr C.J. BARNETT:** I can answer that now. As part of this state budget, a further \$18.5 million over the next four years has been committed to the Kimberley science and conservation strategy, which includes \$15 million for the great Kimberley marine park and \$3.5 million for the new national parks, including Horizontal Falls and the creation of Australia's largest national park.

**Mr W.J. JOHNSTON:** I was intending to ask a question arising out of a question the Leader of the Opposition asked about the Browse LNG precinct. I understand that the government is saying that it is not going to appeal the decision of the Chief Justice on that matter.

**Mr C.J. BARNETT:** It is not my intention to appeal, if the member wants to put it that way. That is my reaction. Obviously, there will be a legal assessment of that decision, but, as of now, the government has no intention to appeal that decision.

**Mr W.J. JOHNSTON:** Has the Premier had advice as to the likelihood of success?

**Mr C.J. BARNETT:** No, I have not. As I have said, I have great respect for the Chief Justice. I do not dispute his reasons, but I am not a lawyer and there is no intention, at this point, to appeal that decision.

**Mr W.J. JOHNSTON:** When the Premier referred to the recent decision, did he mean the court decision rather than the EPA decision?

**Mr C.J. BARNETT:** Yes, I am referring to the Chief Justice's decision.

**Mr W.J. JOHNSTON:** Of course, the Chief Justice found that the Environmental Protection Authority's decision was invalid and, therefore, never made.

**Mr C.J. BARNETT:** That is right.

**Mr W.J. JOHNSTON:** Is the Premier now intending to seek a fresh EPA decision in respect of the James Price Point precinct?

**Mr C.J. BARNETT:** Yes, that would be the intention. The Chief Justice, as the member is aware, ruled on conflict of interest—so, on the process. He did not rule or make comment on the environmental assessment itself, and that environmental assessment had been approved, so the intention is that we would resubmit that environmental material and the EPA would have to ensure that there is no conflict of interest in the assessment of that. That would be a far quicker process.

**Mr W.J. JOHNSTON:** Does the Premier have any expectation of the speed of that process?

**Mr C.J. BARNETT:** I cannot guess at that, but it would be far quicker than the original assessment.

**Mr W.J. JOHNSTON:** I heard the Minister for Transport on the radio today saying that he thought that James Price Point would be a good spot for an onshore service base for the floating liquefied natural gas proposals in Browse and Prelude. Is the government's current position that it wants to use the James Price Point precinct as that service base?

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**Mr C.J. BARNETT:** I still regard James Price Point as a site for liquefied natural gas. It is very clear that the Woodside project will not and does not intend to do that, so there are some issues there. I have made public comments over the last month or so that if LNG does not come there, at least we would hope to see the supply base located there, which could service that and other projects in the future.

**Mr W.J. JOHNSTON:** Would that require a change to the state agreement act?

**Mr C.J. BARNETT:** That is possible, but if the project is not onshore, I do not think we are going to have a state agreement act.

**Mr W.J. JOHNSTON:** But we have a state agreement—we have an act—in respect of James Price Point. Do we have to change that act?

**Mr C.J. BARNETT:** It will become void. If the project is done offshore in commonwealth waters using commonwealth gas, the state does not have a role.

**Mr W.J. JOHNSTON:** But that act has nothing to do with Woodside, does it?

**Mr C.J. BARNETT:** It is the state acquiring the site.

**Mr W.J. JOHNSTON:** So would we have to change?

**Mr C.J. BARNETT:** There would have to be negotiation with Woodside, and I do not know whether it is even willing to engage in that.

**Mr W.J. JOHNSTON:** With Woodside or with the Indigenous people?

**Mr C.J. BARNETT:** Yes, but I would not anticipate an issue there; indeed, I would not even anticipate a major issue with the Broome community for a supply base.

**Mr M. McGOWAN:** I refer to the last dot point about the Katanning hostel issue on page 75. I understand the Attorney General met today with some of the victims of St Andrew's Hostel of the 1970s and 1980s, and I appreciate that the Premier has said that at some time in the future he will meet with them. I think what those people are seeking is to be able to pursue legal action against the state. Although the government has given them the standard ex gratia payment of up to \$45 000, similar to that made available under Redress WA, I note the Premier's comments in November last year when he said —

... there is no limitation on them proceeding to seek civil damages ...

Is the Premier's approach still that there is no limitation on them to proceed to seek civil damages or has that position changed since November?

**Mr C.J. BARNETT:** No; and the Leader of the Opposition, like some of the lawyers, deliberately misinterpreted that. Those comments were made in the context of the ex gratia payment of up to \$45 000, and under the Redress scheme, as it was originally developed by the Labor government, there was a condition attached that if a person accepted an ex gratia payment, they would waive their right to take legal action. When this state government changed the Redress scheme, including the payout amounts, we removed any caveat to that form, so that if a person accepted a payment, that did not in any way limit their ability to take legal action. Similarly, in that context, I made the point in reference to the victims of the Katanning hostel situation—that if they were offered and accepted an ex gratia payment of up to \$45 000 dollars, that does not have attached to it any limitation on their rights to take legal action. I was not implying—people know this—that that waived the statute of limitations or anything else, and the lawyers understand that and the people at the time understood that too.

**Mr M. McGOWAN:** Is the practical effect of not waiving the limitation period—considering it is six years from the time a person reaches 18 years of age, or six years from the event if a person is an adult—that they are unable to sue? The Premier is saying that whilst he said in November that there is no limitation on them taking civil action —

**Mr C.J. BARNETT:** Attached to accepting an ex gratia payment; that is the context in which I was talking.

**Mr M. McGOWAN:** But the practical effect of the existing law of the state, unless the state government elects to waive it, is that they cannot take legal action against the state. So is the Premier saying that these gentlemen, irrespective of whether they meet with him, will not be able to take legal action because the state will not waive the limitation period?

**Mr C.J. BARNETT:** No; the state does not control the limitations. I am no lawyer, but if the victims take civil action against one of the perpetrators of those crimes, they may choose not to use the statute of limitations, and then they would be able to pursue their civil action.

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[3.10 pm]

**Mr M. McGOWAN:** No.

**Mr C.J. BARNETT:** They would be. The limitations act as a defence. If they do not use that defence, the limitations will not apply.

**Mr M. McGOWAN:** Yes, but whether or not they take legal action against Dennis McKenna is a separate matter.

**Mr C.J. BARNETT:** That is where the limitation applies.

**Mr M. McGOWAN:** Also, they would be seeking, I expect, to take legal action against the state, which had a responsibility or duty of care —

**Mr C.J. BARNETT:** That is not limitations; that is the Crown Suits Act, I think it is called.

**Mr M. McGOWAN:** — with a statutory limitation period, as I understand it, of six years.

**Mr C.J. BARNETT:** Yes.

**Mr M. McGOWAN:** Okay. The practical effect of that limitation period is that they are unable to pursue the state, which they would probably argue has a duty of care to them. The only way for them to pursue the state is if the Premier and the cabinet advise the Attorney General or the Crown Solicitor to waive any such limitation period, which is entirely within the Premier's power. Is the Premier prepared to waive such a limitation period in light of what he said in November last year?

**Mr C.J. BARNETT:** I can advise the Leader of the Opposition that the Attorney General met with those victims and their legal team or advisers today and they are discussing those issues. I am not going to presume that. I will wait to get advice back from the Attorney General. The lawyers for the victims have clearly made a case to the Attorney General today. I am not aware of what that was; I am not aware of where the discussions went. I will wait to hear from the Attorney General.

**Mr M. McGOWAN:** Just to conclude this matter, two sentences ago the Premier said that he was not going to waive the statute of limitations or the limitation period.

**Mr C.J. BARNETT:** Did I say that?

**Mr M. McGOWAN:** That was the practical effect of what the Premier said.

**Mr C.J. BARNETT:** I do not think I said that. The Leader of the Opposition has a very unfortunate habit of making up things.

**Mr M. McGOWAN:** No, I do not. The Premier has an unfortunate —

**Mr C.J. BARNETT:** The Leader of the Opposition can check *Hansard*. I do not think I said that.

**Mr M. McGOWAN:** The Premier had an unfortunate habit of saying in November that there would be no limitation on seeking civil damages.

**Mr C.J. BARNETT:** In the context of accepting the ex gratia payment, yes, that is correct.

**Mr M. McGOWAN:** Therefore, there is a limitation on them pursuing the state.

**Mr C.J. BARNETT:** No. If the Leader of the Opposition cannot grasp that, I cannot help him.

**Mr M. McGOWAN:** Therefore, will the government waive any such limitation period?

**Mr C.J. BARNETT:** I will wait for the advice of the Attorney General.

**Mr M. McGOWAN:** Just drag the matter out. I think the Premier gave these guys advice back in November that they thought meant they could pursue the state.

**Mr C.J. BARNETT:** I do not think they misunderstood it, and their lawyers certainly did not misunderstand what I was talking about. I was referring specifically to the limitation that the Labor government placed on anyone accepting an ex gratia payment, and we removed that particular limitation.

**Mr M. McGOWAN:** The Premier also halved the payments.

**Mr C.J. BARNETT:** In other words, whether it be Redress or in the Katanning situation, if someone received an ex gratia payment up to \$45 000 from this state government, no conditions were attached to it. That was the difference. The lawyers perfectly well understood that.

**Mr M. McGOWAN:** Except for the limitation period.

**Mr C.J. BARNETT:** No, they understood, and so did the victims.

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**Mr M. McGOWAN:** The limitation period has the same effect.

**Ms M.M. QUIRK:** I have a couple of questions relating to accommodation, which I gather is referred to on page 79. The first of those is whether the work at Hale House has finished or whether work is ongoing.

**Mr C.J. BARNETT:** Work is finished.

**Ms M.M. QUIRK:** I understand, as part of that, that Mr Pontifex's office in Hale House is being done up.

**Mr C.J. BARNETT:** The heritage building has been totally restored and a new part added, which includes the cabinet room and the like. Indeed, if members opposite would like to come and have a look, they are welcome. I think they would be impressed. But I am not aware of any other significant work taking place in the building.

**Ms M.M. QUIRK:** There are no modifications to Mr Pontifex's office that the Premier is aware of.

**Mr C.J. BARNETT:** The answer is no. I do not know where that came from.

**Ms M.M. QUIRK:** I understand there are a lot of moves in and out of Dumas House. For example, I gather that the State Law Publisher is moving in or out, as is the Office of Science. Can the Premier clarify whether there will be some shifts in ministerial offices, so that on some floors there will be three ministers per floor instead of two, and what the cost of those changes will be?

**Mr C.J. BARNETT:** I think that probably is the case. Members would be familiar with Dumas House. It has a big floor area, and the offices there for ministers are very large. I think there is scope maybe to have three of the smaller ministerial offices on one level. I think it has been a good policy to move ministerial offices into Dumas House—out of rented accommodation into government-owned accommodation—and also to move the central agencies of Premier and Cabinet and the Public Sector Commission. In future—I am not foreshadowing in the near future—I hope to see a Treasury and Finance building built there, so those other central agencies come into that. Some members will remember former member Hon Max Evans, who still would know where his first and last dollar came from. Max's advice to me repeatedly was that government should never be in the business of renting accommodation; it was bad finances for government. I have listened to Max, and progressively we are moving central agencies into government-owned accommodation in this parliamentary precinct. I think that is a good rationalisation. While we are on Dumas House, I will ask the director general to make a few comments.

**Mr P.F. Conran:** I can confirm that we are presently examining the move of the State Law Publisher to Dumas House. It would occupy part of the lower basement area, and also an area on level 8. We are also looking at a potential move of the Office of State Security and Emergency Coordination, which is currently at Leederville. It might move to part of the area on level 14, if that is regarded as suitable. We are just checking a few issues in relation to that. If we were to move more ministers into Dumas House, we have been looking at how that might be achieved. We are doing that in the context of determining when leases expire on other parts of the Terrace where a few ministers are, so over a period of time we will examine the best way to achieve that objective.

**Ms M.M. QUIRK:** There is no reflection in the budget of what the cost of those moves will be.

**Mr P.F. Conran:** There is no reflection in the budget, but in our budget we have capacity to examine these issues. If the need arises and we need supplementation, we would ask for supplementation, but we have nothing specifically planned. We will deal with the issue of the State Law Publisher and the Office of State Security and Emergency Coordination within our own budget capacity, and I am confident we will achieve that, because we will get savings at the other end.

**Mr C.J. BARNETT:** I think the refurbishment of Dumas House has been a good project. Although it is good-quality accommodation, it is very utilitarian in nature. I think it is just good-quality ministerial accommodation.

**Ms M.M. QUIRK:** Further on that, I understood that the philosophy for having the Office of State Security and Emergency Coordination at Leederville was that it would be out of the CBD and also away from ministers. I would have thought that having it in Dumas House would be counterproductive.

**Mr C.J. BARNETT:** I will ask the director general to comment.

**Mr P.F. Conran:** It is anything but. The situation of how we deal with major incidents has changed quite dramatically. We have a fantastic facility at Maylands that came as a result of the Commonwealth Heads of Government Meeting, where we have an emergency management centre.

**Ms M.M. QUIRK:** Effectively, what is being done at Leederville now will be done at Maylands.

**Mr P.F. Conran:** In part. We also have a facility at the Department of Fire and Emergency Services at Cockburn. We have considered the attitude to security quite carefully.

**Mr N.W. MORTON:** I refer to the final significant issue on page 76 of volume 1 of budget paper No 2 regarding the establishment of the Office of Science and the support that this will give to important collaborative

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scientific research and development efforts on issues of significance to Western Australia. How will this help the establishment of the Square Kilometre Array?

[3.20 pm]

**Mr C.J. BARNETT:** This is a very exciting project. I am no astronomer and no scientist, but it is one of the world's great scientific endeavours for this century. Last week I announced a further \$26 million of state government funding for the International Centre for Radio Astronomy Research—ICRAR—over a five-year period. In total, the state government has now allocated around \$96 million to this project. This is funding for ICRAR itself, the acquisition of a station, infrastructure and power supplies—a whole host of things. The project is ahead of current knowledge, so a lot of the work that is taking place is the early design work. Already we have seen benefits. Commonwealth funding has been used to install two supercomputers at Curtin University that will be used for not only this project, but also a raft of research projects, including medical, social and minerals research, which will attract a lot of scientists and researchers in those areas. No-one can quite anticipate the consequences of this project. It has already attracted between 30 and 40 astronomers to Western Australia, even though we have not really started. I call it the “*Dr Who* project” for want of a better name. We hear a mind-blowing description, but there were a couple of events associated with it in the last two weeks, including the opening of the building in which the supercomputers are located. One piece of trivia is that this machine is expected to discover a further 70 million galaxies. To give an idea of its speed and computing power, one of the astronomers described a major project conducted using the radio telescopes on the east coast that and said that it took 1 100 hours of observation and 1 000 hours of computer processing to analyse the data for a section of the sky. In comparison, the Square Kilometre Array will do the same job in total in 10 minutes. That is the quantum of advancement. It will open a new dimension to the Western Australian economy. There is still a long way to go. We will continue to fund it. It is being very well run. I am pleased by the very close and effective collaboration between the University of Western Australia and Curtin University. This is part of the broadening of the Western Australian economy.

**Mr R.H. COOK:** I refer to the details of controlled grants and subsidies for the Office of Science. Will this funding include the funding for the Nobel laureate Western Australian ambassador program? How much has the government allocated over the forward estimates for that program? Does this line item include the WA Science Awards; and, if so, how much has been allocated for the awards across the forward estimates? Given that over the forward estimates the allocation for the Office of Science will decrease by more than \$9 million, can the Premier detail how this reduction in spending will be achieved?

**Mr C.J. BARNETT:** The first part was about the Nobel laureate. It receives funding of \$800 000. That is not part of the International Centre for Radio Astronomy Research budget. It is a separate item. The funding of \$800 000 continues at that level. During the election campaign, I indicated that if the government were re-elected, it would put a bigger effort into science. That is already evident through ICRAR funding; the additional \$26 million of funding into medical research that the Deputy Premier announced; the \$20 million worth of additional funding that has gone into agricultural research; the booster funding for the Kimberley science and conservation program; and so on. Not all science programs are channelled through the science portfolio. It certainly takes on some of them. They are properly distributed through the key portfolios. The WA Science Awards will continue; however, we will make some savings. It will still be a good night, but it will not be as lavish as it has been in previous years. We are still finalising the arrangements. Indeed, there are a few too many awards in the science and technology area. We are looking at that over-award exposure. As to the forward estimates, I will have to have a closer look to answer that. The simple answer is that the commitment to science is going up.

**Mr R.H. COOK:** Over the forward estimates, the allocation for these particular controlled grants and subsidies as they relate to the Office of Science will reduce by more than \$9 million. The Premier has identified the science awards as one area that will experience cuts. I assume that it will not account for the whole lot.

**Mr C.J. BARNETT:** I will get the director general to give detail.

**Mr P.F. Conran:** That profile is not an unusual profile over a forward estimates period, because, as the member would be aware, some grants are ongoing, some grants drop off and some grants get put in. Over a period of years, those gaps are either filled or maintained at that level. It is quite a usual profile to have a slight rundown in the size of grants over a period of years. Over the next couple of years, those grants may increase in size depending on what comes in, they may be maintained at that level or they may drop off. It is a normal budgeting-type profile.

**Mr R.H. COOK:** Is the allocation under that line item accounted for entirely by the science awards and the WA Nobel laureates ambassador program or are there other programs under that line item; and, if so, can the director general detail them?

**Extract from Hansard**

[ASSEMBLY — Tuesday, 20 August 2013]

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**Mr P.F. Conran:** We have a range of programs in there. I refer to the Indian Ocean Marine Research Centre and the Western Australian Fellowships-type programs. If it suits, I could take something on notice and provide the member a more detailed profile.

**Mr C.J. BARNETT:** Does the member have specifics? I am a new science minister, if you like; we are re-examining the science portfolio.

**Mr R.H. COOK:** We also have a new shadow Minister for Science. Part of the exercise is working out which bits have come out of the Department of Commerce and gone into the new Office of Science. This is part of that exploration.

**Mr C.J. BARNETT:** I can provide a detailed statement on that. As to future spending commitments, those decisions have not been made yet.

**Mr R.H. COOK:** I am happy for the minister to provide that as supplementary.

**Mr C.J. BARNETT:** We will provide further information on what parts of the Department of Commerce have come across into the Office of Science. It has very much been the pure science component rather than the applied and operational aspects such as the marine complex at Cockburn. It has been the science component of that. We will provide a breakdown and the numbers of staff who have come across from that former office.

[*Supplementary Information No A9.*]

**Mr M.H. TAYLOR:** I refer to the second dot point on page 75 of the *Budget Statements* under the heading “Significant Issues Impacting the Agency”. What has been the department’s role in establishing a launch of the National Disability Insurance Scheme in Western Australia?

**Mr C.J. BARNETT:** The Department of the Premier and Cabinet has worked closely on this with the Minister for Disability Services and the Disability Services Commission. Although there has been a bit of toing and froing in public comments in the media, the commonwealth and state bureaucracies have always worked cooperatively between the disability agencies and the Prime Minister’s and the Premier’s departments. The difference was never really about the disability principles. We all accepted that commonwealth entry into this area would expand services to more people. We always agreed on getting consistency and eligibility transferability entitlement and the rest. There may have been points of details but there was no in-principle disagreement over that. The point related to the management of the scheme. At the time, then Prime Minister Julia Gillard publicly conceded or recognised that the Western Australian disability services system was the most advanced in Australia and that it was most like the objective of the NDIS in the sense that services would be delivered through community-based organisations and with a high level of choice for individuals. It is somewhat ironic that the scheme closest to the ideal was the last to sign up. It was about management. We very much wanted to be a part of the national insurance scheme and did not want to be seen to be arguing over our support for people with a disability. I had to make the point at the Council of Australian Governments—the Prime Minister was not aware of this—that roughly 80 per cent of disability services are funded by state governments. We wanted recognition that the states are doing it predominantly, and therefore deserve to have an effective say over it.

Shortly before the state election, now Prime Minister Kevin Rudd and I had a long discussion. He agreed to Western Australia undertaking a trial of not only the proposed system, but also the management of the system. Importantly, in Western Australia we will now have a trial of DisabilityCare Australia that is along similar lines to the other states. Alongside it will be a trial of a devolved cooperative management structure, which I think is ultimately where we will end up at a national level. That will be important. I am sure there will be something to be learned from both trials. They will be strictly compared. They will be jointly funded by both the commonwealth and the state, and jointly administered and assessed by commonwealth and state officials. Although it took a long time, it was a good result at the end of the day. Probably the last thing any of us would want to be involved in a political dispute over would be care for people with a disability. It was one of those awful issues and sometimes it became politicised. I was criticised for not signing up more quickly—hopefully people will understand the reasons for that—but one of the ironies was that it was Western Australia that actually drafted the principles when the commonwealth at one stage was going to walk away from the whole proposal. That is a bit of history that is forgotten.

[3.30 pm]

**Mr M. McGOWAN:** I refer the Premier to the fourth dot point on page 75, which refers to native title claims in the south west in 2013–14, and states —

Government will proceed with the expectation that the six principle Noongar claim groups will ratify agreements by 31 December 2013, with ... the overall agreement to commence on 1 July 2014.

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I understand this is a \$1.3 billion package in total that comprises, in part, cash and land. I understand the cash component is \$50 million per year over 12 years, but I might be wrong.

**Mr C.J. BARNETT:** It is indexed.

**Mr M. McGOWAN:** Can the Premier explain whether that money is in the budget? Is it in the forward estimates, or will that need to be added to the forward estimates? If it is to be added to the forward estimates, what is the total cost of it being added to the forward estimates?

**Mr C.J. BARNETT:** I will check whether it is actually in the forward estimates. We have yet to reach an agreement. I am optimistic, even confident, that we will reach agreement with the various Noongar groups covering Perth and the south west probably mid-next year. The commitment, as the Leader of the Opposition said, is for \$50 million a year, indexed over 12 years. Thousands of hectares of conservation estate will be jointly managed, and attached to it are housing and a whole lot of other social programs. It is significant. It is the largest native title settlement proposed in Australia, so it will make Australian history in terms of the number of Aboriginal people involved—around 30 000—the size of the area and, I guess, the complexity, given that it covers the entire metropolitan area and all the towns and communities of the south west. As to the forward estimates, I will ask Mr Conran to respond.

**Mr P.F. Conran:** I cannot confirm that at the moment, simply because we normally deal with native title under the Department of the Attorney General. Dr Hames is preparing for that division, so I have not brought my in-house expert with me to provide us all that detail. I think we are in again on Thursday. I am sure that if we get that question again, we can provide a full and detailed answer.

**Mr C.J. BARNETT:** There is an issue here in this budget format. Generally, from my perspective, I would bring things into the forward estimates once they are settled, but sometimes members will find that they are foreshadowed in forward estimates. We have not reached agreement yet, but I think we will. Those payments may be in there, foreshadowed by Treasury, or they may wait until cabinet has reached an agreement. The offer is there in black and white and I hope that it is accepted. It starts from 2014. It is delayed a year.

**Mr M. McGOWAN:** I think it is due to commence on 1 July 2014. The total cost to the budget on an annual basis is obviously \$50 million in cash, but the Premier indicated there was housing and the like, so naturally it will be higher than \$50 million if that is the case.

**Mr C.J. BARNETT:** That is largely for the transfer of existing housing.

**Mr M. McGOWAN:** It is \$50 million per annum minimum.

**Mr C.J. BARNETT:** Yes.

**Mr M. McGOWAN:** I doubt I will be here for Thursday's estimates, whatever portfolio that might be. Is the Premier able to provide by way of supplementary information advice about where this is, what is happening and whether it is in the budget, or anything of that nature?

**Mr C.J. BARNETT:** The best time to ask the question is when the Attorney General is dealing with native title. Have someone ask the question and we will answer it then. It is only because we have not got the documentation in front of us that we cannot answer.

**Mr M. McGOWAN:** But the Premier thinks that it is not contained in the forward estimates.

**Mr C.J. BARNETT:** I do not know. Someone just has to read the budget papers to see if it is there or not. The opposition does not need supplementary information for that.

**Mr M. McGOWAN:** What is going on is very worthy. The point I make is that the Scitech issue is not in the forward estimates, even though it is a government commitment —

**Mr C.J. BARNETT:** That is right.

**Mr M. McGOWAN:** Now we have this claim of \$50 million per annum, which, according to my calculations, would be a minimum of \$150 million indexed across the forward estimates, but it is not in the forward estimates. We calculate that in 2016 state debt will reach \$28 billion, but that does not include those two provisions, as far as I can tell, if they are not in the forward estimates. I want to know if that analysis is correct. What other commitments to be brought to book are not in the forward estimates; and, if that is the case, what is the extent of this unaccounted-for liability?

**Mr C.J. BARNETT:** It is not a liability because the agreement has not yet been reached. If those provisions are not already in the forward estimates but an agreement is reached, we will bring them into the budget expenditure for that year. As I have continually said in this house—I get laughed at when I say it—the forward estimates are

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not the budget; they are not the appropriation. That is a fundamental principle of public finance. The appropriation is for the financial year only. Forward estimates are simply that—estimates; they are not budget allocations. Hopefully a decision will be made, but if it is not, they will be brought into the budget for the first year in which they apply and that will be projected in the forward estimates.

**Mr M. McGOWAN:** A range of government commitments are not in the forward estimates, so when we calculate —

**Mr C.J. BARNETT:** A range of government savings might not be in the forward estimates either.

**Mr M. McGOWAN:** That may well be the case but they are, naturally, less easily identified than spending commitments. Does the Premier have a figure for the total number of commitments that will need to be brought into the budget over the forward estimates period that are not currently in the budget?

**Mr C.J. BARNETT:** No, because the forward estimates is not a budget. As government makes decisions, whether it be this or the level of benefits under the Browse agreements, or whatever else, they will be brought into the budget. It is a four-year term and there will be four budgets. We can only commit to what is in the budget for, in this case, the 2013–14 year. That is the appropriation of the Parliament.

**Mr M. McGOWAN:** It sounds as though there could be a lot of liabilities out there.

**Mr C.J. BARNETT:** There may be a lot of savings, too.

**Ms M.M. QUIRK:** I have two questions relating to the employment profile in the Department of the Premier and Cabinet. I refer to the second bullet point on page 78. A number of staff would have taken packages after the March state election. What was the total sum of moneys paid out to personnel following the state election?

**Mr C.J. BARNETT:** Obviously, there is always turnover. Some term-of-government employees choose to leave, otherwise there are changes in ministerial portfolios and the like. I think the director general can produce those figures in a moment. I point out that as of now there are 10 fewer staff in ministerial offices compared with the former Labor government. Indeed, as part of some of the efficiency savings, there will be further reductions in ministerial staff over coming months. I will ask the director general to answer.

**Mr P.F. Conran:** I can indicate that there were 47 ministerial officers who had term-of-government contract payouts totalling \$2 537 339. I should also indicate that there were seven term-of-government contract payouts in the Leader of the Opposition's office, which amounted to \$171 464. In addition, some severances occurred with electorate officers for obvious reasons.

[3.40 pm]

**Ms M.M. QUIRK:** By supplementary information, can I get a list of those persons within the Department of the Premier and Cabinet who were paid out following the state election, and the amounts of the payout? Can we get that broken down?

**Mr C.J. BARNETT:** Is the member talking about the whole department or ministerial officers?

**Ms M.M. QUIRK:** Ministerial officers and term-of-government officers.

**Mr C.J. BARNETT:** Yes; we can provide a list of both ministerial officers and those in the Leader of the Opposition's office.

**Ms M.M. QUIRK:** And the amounts?

**Mr C.J. BARNETT:** Yes; we will provide the amounts paid out to people. It generally relates to their salary and length of service.

[*Supplementary Information No A10.*]

**Ms M.M. QUIRK:** I have two more questions on staffing. Firstly, there seems to be a trend towards external contractors rather than consultants. How many external contractors are in the Department of the Premier and Cabinet?

**Mr C.J. BARNETT:** I will ask the director general to answer that.

There is one in my office.

**Mr P.F. Conran:** We have one ministerial contract for service in the minister's office, which is well known. We also have a ministerial contract for service. We have two for one person and we have a contract with Mr Muirhead. In effect, we have three ministerial contracts for service in the department: one in the Premier's office, albeit of those three, one person has two projects. I might clarify whether there is any further information, but I think that is an accurate assessment. I will check a couple of facts on that but I am relatively certain that is correct.

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**Ms M.M. QUIRK:** By way of supplementary information, can I have the names of those officers, the duration of the contracts and the amounts of the contract?

**Mr C.J. BARNETT:** Yes; we will provide that.

*[Supplementary Information No A11.]*

**Ms M.M. QUIRK:** Finally, on the staff issue. I understand that the Premier now has a total of six media staff. Is that correct?

**Mr C.J. BARNETT:** No; four.

**Ms M.M. QUIRK:** What are their names?

**Mr C.J. BARNETT:** I take some exception to going through people's names in Parliament.

**Mr W.J. JOHNSTON:** What?

**Mr C.J. BARNETT:** It is reported publicly.

**Ms M.M. QUIRK:** Can I ask the Premier what is Shaun Menegola's role in his office?

**Mr C.J. BARNETT:** Four media people work within my office. I take some exception to naming people in Parliament. The member knows who they are.

**Ms M.M. QUIRK:** What is Shaun Menegola's role in the Premier's office?

**Mr C.J. BARNETT:** He works in my office and he works across ministerial offices on media issues, media planning and the like.

**Ms M.M. QUIRK:** Is Dixie Marshall a media person?

**Mr C.J. BARNETT:** Dixie Marshall is in charge of media. She is also in charge of media staff and ministerial offices and of government media programs and advertising right across government, which is a far larger and broader role than previous people held in her position.

**Ms M.M. QUIRK:** Graham Mason is also in the Premier's office. Is that correct?

**Mr C.J. BARNETT:** He works for the Minister for Energy and usually relieves for about a day a week in my office.

**Ms M.M. QUIRK:** That is three. How many did the Premier say he had all up?

**Mr C.J. BARNETT:** Four.

**Ms M.M. QUIRK:** Who is the fourth person?

**Mr C.J. BARNETT:** Rachel Donkin is the person who is seen with me most often. She is, if we like, my personal press officer.

**Mr W.J. JOHNSTON:** Who is the other person?

**Mr C.J. BARNETT:** That is the four. You have them.

**Mr W.J. JOHNSTON:** The Premier said one person was on leave.

**Mr C.J. BARNETT:** Danielle Benda is another person; there are four people in my office. Graham Mason works for the Minister for Energy and spends some time in my office. He can work over weekends so he sometimes covers part of that period.

**Ms M.M. QUIRK:** Is it not true that he was put on another minister's payroll so the Premier could say there were not as many media advisers working in his office as in fact are?

**Mr C.J. BARNETT:** No, it is not. He spends his time in the Minister for Energy's office. He is the media adviser to the Minister for Energy. Yes, usually on a Friday he may work out of my office.

**Ms M.M. QUIRK:** He covers your office on the weekends, yes.

**Mr C.J. BARNETT:** No, I did not say that. I said sometimes on a Friday he relieves. Under this government, ministerial media officers work in a more fluid way. Quite often if there is an issue, someone from a ministerial office will work on a particular issue from my office and vice versa. Sometimes someone from my office will go to a ministerial office and help with a particular issue. They work in a far more fluid way rather than simply being attached to a particular minister day and night.

**Mr W.J. JOHNSTON:** Can the Premier let us know whether anyone has taken voluntary severance from the public service and has been re-engaged as a TOG?

**Extract from Hansard**

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**Mr C.J. BARNETT:** Yes, I think there is a case but I suggest that is probably an issue the member should ask the Public Sector Commissioner. The member has not named someone, but in the case I am thinking of, the person was not actually a public servant. That was perhaps a flaw in the system.

**Mr W.J. JOHNSTON:** I only asked the question. I do not know the secrecy of the answer.

**Mr C.J. BARNETT:** I do not know what the member is referring to. I can think of one case in which someone who was employed has been re-employed as a TOG on the basis the person was not a public servant. It is an unusual exception, but it was due to the way that particular agency was structured. There was no legal barrier or restriction to that person being re-employed; it was an anomaly—not one I am particularly thrilled about, but within the rules.

**Mr M. McGOWAN:** I refer to the second last dot point on page 74 about a partnership between the public and not-for-profit sectors and the partnership forum and the like. I note that on a number of occasions the Premier has mentioned the \$600 million assistance that was provided to the not-for-profit sector to assist with base funding put in place in perhaps 2009 or 2010, which I think extended over four years. Is that \$600 million renewed in the estimates going forward in the budget or is there a requirement for a top-up of that amount—an additional add-in to the budget to renew that amount, perhaps indexed in the future? The \$600 million was four years but it will expire, I think, either this budget or next budget. Is there a renewal of that in the forward estimates?

**Mr C.J. BARNETT:** It was not \$600 million paid just to the almost 1 000 contracts for not-for-profit organisations. It was effectively a boost in their contract payments, so those contracts have jumped up and probably I think only around 70 per cent of that money has been used in higher salaries—way beyond what happened at a national level—so to the extent those contracts are renewed, and I expect almost all of them will be, they will continue at a higher level. I will ask Rebecca Brown if she can comment on that.

**Mrs R.A. Brown:** The \$604 million is a two-tranche payment to the sector. The first tranche was issued on 1 July 2011 and went out to 500 organisations across a thousand contracts. Through those contracts and across the forward estimates, as each new year rolls into the forward estimates, that then is maintained so that commitment is not only across the forward estimates; it is also indexed under the indexation policy that is in place for the not-for-profit sector. The second tranche of funding, which commenced rolling out from 1 July 2013, and which is the equivalent of a 10 per cent increase across contracts, will be phased in over the next couple of years or over a two-year period, but that commitment in totality will continue beyond the forward estimates. It is an ongoing commitment to the sector through the contracts that are in place.

**Mr M. McGOWAN:** Through the imaginary Premier, the base commitment is built in; therefore, it is across the next set of forward estimates if we like?

**Mrs R.A. Brown:** Essentially it was a commitment to provide a 25 per cent increase so that at the end of the forward estimates it does not drop again; that 25 per cent is not only maintained, but also continued to be indexed.

[3.50 pm]

**Ms M.M. QUIRK:** I have two questions relating to the first and third dot points under “Government Policy Management” on page 78. The first dot point relates to freedom of information. Is it correct that the Department of the Premier and Cabinet manages and oversees all the responses to FOI made to government ministers?

**Mr C.J. BARNETT:** Probably; certainly from my office, and I would think from some other offices. That is just to ensure that they are handled professionally. Usually the ministerial office would collect all the information and assess it. We do it in a coordinated way.

**Ms M.M. QUIRK:** Does the department provide advice to ministers about what they should and should not disclose?

**Mr C.J. BARNETT:** They assist the ministerial offices in compiling and responding to FOI requests. If there are issues, the advice of the department would be sought. Most FOIs are reasonably straightforward.

**Ms M.M. QUIRK:** Especially when you say no all the time. The third dot point on that page states —  
leadership and coordination of cross-agency actions to address complex issues;

Can the Premier give me a couple of examples of the complex issues that are being referred to here?

**Mr C.J. BARNETT:** No, I cannot. It is not up to me to give examples. If the member has a specific question, I am happy to try to answer it.

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**Ms M.M. QUIRK:** That is set out as being one of the roles of the Premier's department. That sentence is incredibly opaque. In what areas does the department exercise leadership and coordination? If the Premier cannot answer it, maybe the director general can.

**Mr C.J. BARNETT:** It is not up to the member to speculate on who will answer the question. Often people will seek information under FOI and they may ask it across several departments or several ministers. Obviously, the government would like to ensure that the answers are consistent and accurate.

**Ms M.M. QUIRK:** This is not to do with FOI; this is a general issue about the department providing a range of services in "leadership and coordination of cross-agency actions to address complex issues".

**Mr C.J. BARNETT:** Some issues can be complex. If we get an FOI request relating to a hospital project or contracts, there may be legal or confidentiality issues. It may just be complex in its nature. The department will play a role in educating and advising staff in their ministerial offices to ensure that they understand what is required under FOI.

**Ms M.M. QUIRK:** I think the director general is giving the Premier some assistance.

**Mr C.J. BARNETT:** I am not looking at that; I am answering the member's question.

**Ms M.M. QUIRK:** Can the Premier give me an example of where the Department of the Premier and Cabinet has exercised leadership and coordination on a complex issue in the past year?

**Mr C.J. BARNETT:** Probably any matter of federal-state relations would come into that. For example, if the education minister were to ask questions about Gonski, I am at COAG negotiating issues like Gonski. That would be an example.

**Ms M.M. QUIRK:** That is a separate issue because the Premier has a federal-state relations unit within his office, so that would be the go-to place. I am asking for other areas where the Premier's department has assumed a role and coordinated cross-agency action.

**Mr C.J. BARNETT:** I am not playing a guessing game. The member has to nominate something if she is aware of it.

**Ms M.M. QUIRK:** I want to know what the department does and whether it is worth the money.

**Mr C.J. BARNETT:** There are probably hundreds of FOI applications.

**Ms M.M. QUIRK:** I am not talking about FOI.

**Mr C.J. BARNETT:** I am sorry; I cannot guess what the member is thinking. If she gave me a hint, I might be able to guess.

**Ms M.M. QUIRK:** Perhaps the Premier would like to look at page 78. I will wait while he reads that and then he can perhaps enlighten us.

**Mr C.J. BARNETT:** If the member asks a question, I will try to answer it. She cannot just throw up hypotheticals.

**Ms M.M. QUIRK:** It is not a hypothetical; I am asking what that means. It is in the Premier's budget and his department and he cannot explain what it is.

**Mr C.J. BARNETT:** They are complex issues. They could be related to commonwealth-state relations.

**Ms M.M. QUIRK:** The Premier does not know what he has done for the past 12 months.

**Mr C.J. BARNETT:** I will not answer that.

**The CHAIRMAN:** I think we have gone as far as we can on that issue.

**Mr M.H. TAYLOR:** I refer to the major spending changes outlined at the top of page 74, specifically the shark hazard mitigation measures. Can the Premier provide more detail on the government's activities in this area?

**Mr C.J. BARNETT:** Obviously, after we had five fatalities in just over a year, understandably, there was a great deal of community apprehension. The most effective thing that has been done is switching from fixed-wing aircraft patrols to helicopter patrols, extending the time they patrolled per day and the number of months and also initiating them in the south west. That has proved to be immensely effective, not only in sightings but also in the direct communication between the crew in the helicopter and surf clubs along the way. That has allowed beaches to be cleared if there is any shark sighting. Also, equipment for surf clubs has increased. For example, jetskis have been provided for Mullaloo, Sorrento, Trigg, Floreat, north Cottesloe and Fremantle. Research is also occurring at universities on repellents or diving suits that are less likely to attract a shark. That is interesting stuff. We are still looking at shark enclosure areas. The risk remains. One of the other initiatives is an app with

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direct communication, which is coming into play this summer. People will be able to get up-to-date information on beach conditions, the risk of shark sightings and the like. Aerial patrols are the most effective. There needs to be a greater awareness amongst swimmers, divers and surfers of the risk and swimmers in particular need to stay on patrolled beaches and the like. It is a tragic loss of life but it has made all of us very cautious in the ocean, and hopefully we will not have a repeat of those fatalities. Whether there were water temperature issues or other factors at that time, I do not think anyone really knows.

**Mr M. McGOWAN:** Is the government still building the observation tower at Cottesloe?

**Mr C.J. BARNETT:** Yes, funding has been provided for that. The surf club will have to raise some more money to go with that. We have had some approaches from other surf clubs about observation towers. Cottesloe is a very popular beach; it is very popular with tourists. There was not a suitable observation tower. Most surf clubs have suitable observation towers.

[Ms L.L. Baker took the chair.]

**Mr R.H. COOK:** I refer to page 73 of the *Budget Statements*. I assume we are talking about the total cost of services. I refer to the compensation paid to Golfwest Trading Company for any costs, damages, expenses and/or losses incurred as a result of the new stadium development. Did Golfwest Trading Company apply for compensation; and, if so, on which date and for what amount? Did the government make an offer for that compensation; and, if so, on what date and for what amount? What was the amount of compensation paid to Golfwest Trading Company and on which date was compensation paid?

[4.00 pm]

**Mr C.J. BARNETT:** The golfing company had a contract for management of the golf course and, obviously, golf equipment hire, sales, refreshments and the like. That contract still had 10 years to run and had an option for renewal, so it was not a matter of compensation; it was a matter that the government had to buy out that contract, which we negotiated. It took a while but it was an amicable agreement. The payout amount is restricted under the agreement, so I cannot divulge that amount. I do not know it off the top of my head, but it was a fair settlement and the parties agreed. It was negotiated through the Department of the Premier and Cabinet and I think the people who were running the golfing business, at the end of the day, were satisfied with the agreement reached. It was one of those costs that we knew would be part of a new stadium development. A lot of people said that we would never be able to do it because of this golf contract and they would never agree, but that was just not the experience. Although it took some time and obviously some bargaining took place, it was a fair outcome.

**Mr R.H. COOK:** I appreciate that these things are a matter of confidentiality, but what would Golfwest have paid for the annual lease at the Burswood complex?

**Mr C.J. BARNETT:** I do not know that off the top of my head. Obviously, if it is not confidential, I will provide that information to the member. I am not sure what is confidential under the agreement, but if I can, I will release what the previous lease was.

**Mr R.H. COOK:** Just by way of clarification, Madam Chair, do I ask that as a question on notice?

**Mr C.J. BARNETT:** No, we will provide it as supplementary information, if we are able to.

[*Supplementary Information No A12.*]

**Mr R.H. COOK:** Why did the Department of the Premier and Cabinet in particular handle the compensation in relation to Golfwest as part of the Perth stadium development, but not the compensation paid to Perth Glory as part of the nib Stadium development? Why was it that the Perth stadium development was set out as a separate negotiation for Premier and Cabinet?

**Mr C.J. BARNETT:** I do not know about Perth Glory, but certainly the Department of the Premier and Cabinet was very actively involved in negotiating the commercial aspects of nib Stadium. That is the way it works under this government; where we have major projects and there is a negotiation such as that, it tends to be led by Premier and Cabinet with the responsible agency and obviously the State Solicitor's Office also involved. Again, there were some complexities in that, but we resolved them. For anyone who has been to watch a soccer or rugby game, the new stadium is fantastic.

**Mr R.H. COOK:** I would not go to anything else, Premier!

**Mr C.J. BARNETT:** There you go! People have a good view—as long as they do not mind heights. It is a very steep stand.

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**Ms M.M. QUIRK:** On page 80 under “Cost of Services” is the line item “Efficiency dividend” and an amount of \$3.98 million, which was secured in 2012–13. I would be grateful if the Premier could advise of some of the areas in which efficiencies were achieved.

**Mr C.J. BARNETT:** I will ask the director general to comment on that. That was for the previous year; the completed year.

**Mr P.F. Conran:** We achieved our efficiencies obviously. Again, it is through a range of areas; we have not filled vacancies that were available, we have been very restrictive in relation to travel and a whole host of general arrangements right across the department, so we have achieved our efficiency dividend.

**Ms M.M. QUIRK:** Premier, I am a little puzzled by that answer because it is the same answer that the director general gave about program rationalisation. Is the Premier able to give the distinction?

**Mr C.J. BARNETT:** It is much the same thing, is it not?

**Ms M.M. QUIRK:** According to this budget, no; there are two separate line items about it.

**Mr C.J. BARNETT:** Whether we choose our efficiencies by travelling less or stop a few funding programs or grants, it is all money out of or into the same budget.

**Ms M.M. QUIRK:** Since the Premier mentioned stopping a few programs or grants, perhaps he can tell us which programs have been cut from his department under this budget.

**Mr C.J. BARNETT:** The social innovation grants, which were introduced to stimulate reform and innovation in the not-for-profit sector; they were there to perform that stimulatory role, not there forever. In other areas, as I said, we are going through a process of looking at some of the science categories and awards. What was a very enjoyable dinner will be a more economical cocktail party this time around! Those sorts of changes are made to simply reduce expenditure where we can do so. I think in some areas it has been in a number of categories. One of the savings, and I know the member hates the new Premier’s office —

**Ms M.M. QUIRK:** No, I do not; I am a great fan of heritage, Premier.

**Mr C.J. BARNETT:** Okay, the member is welcome —

**Ms M.M. QUIRK:** I just hate profligacy.

**Mr C.J. BARNETT:** That is really decisive, is it not? One of the savings from the new Premier’s office and cabinet room is that a number of government functions that would have been held in hired premises are now held there where we just have the direct catering cost. That has been done, for example, for the Premier’s Awards and I think an emergency services award. In any case, government award nights or events are now quite often held in the Premier’s office courtyard, whether or not I am involved in them.

**Ms M.M. QUIRK:** Just on that, I gather that there is a government policy across the board to cut down or make these award occasions more modest. Is that correct?

**Mr C.J. BARNETT:** I think that has generally been the case under this government, yes.

**Mr R.H. COOK:** If I may, Premier, I want to return briefly to our earlier discussion. I refer to page 80 and the “Office of Science” line item under “Details of Controlled Grants and Subsidies”. The Premier mentioned that he was interested in paring back the costs associated with the WA Science Awards —

**Mr C.J. BARNETT:** And the number of events.

**Mr R.H. COOK:** What is the current cost associated with staging the WA Science Awards? Which company runs it? How many people attend the ceremony?

**Mr C.J. BARNETT:** I think in the past, from memory, 300 or more people attended. This year it will be a smaller event. I can honestly say the decision has yet to be made about where it will be held and how large an event it will be, but it will be in a cocktail function format rather than a dinner. That is sitting on my desk right now; I have yet to discuss that with the head of the Office of Science, but I intend to do so in the next few days.

**Mr R.H. COOK:** What is the current cost of staging that event?

**Mr C.J. BARNETT:** I do not know whether I have the cost from the previous year. As I said, we have not made a decision on this year, so I cannot answer that.

**Mr R.H. COOK:** But there will be cuts to that event.

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**Mr C.J. BARNETT:** It was a very enjoyable event—I think I went last year or the year before—but it was a full-blown dinner with entertainment and the like, and everyone had a great night. I just think that taxpayers do not need to fund events of that scale, yet I would also say that I think when governments run something like a science award, it should be done in a, for want of a better word, very classy proper way but not extravagant.

[4.10 pm]

**Mr R.H. COOK:** Is the Premier saying it was not classy?

**Mr C.J. BARNETT:** I think it was a little above what was required.

**Mr N.W. MORTON:** I refer to page 74 of budget paper No 2; the final line item in “Spending Changes” is the United States Asia Centre. I believe that on a visit from US Secretary of State Clinton, there was a joint announcement on this. Could the Premier outline the goals of this centre?

**Mr C.J. BARNETT:** This is a joint undertaking between the Western Australian government, industry and the University of Western Australia that parallels a similar centre in Sydney. It is designed to encourage and develop relations between the United States and, in this case, Western Australia and Asia. Obviously big American companies like Chevron Australia Pty Ltd and others are heavily involved in Western Australia. It is still early days, but some of the early work involves scholarships for post-graduate students, and it will grow from there. It was fantastic to have then Secretary of State Hilary Clinton open the centre. She is an amazing person, and she wowed the crowd with a few simple comments. The opening ceremony speech was mainly about space and she referred to me as Premier Sputnik. She told a story how, as a teenage girl, she had written to NASA saying she would like to be an astronaut and had received a reply saying that women were not allowed to be astronauts. She commented on how things have changed. As Secretary of State she would have a say in that! It was a good event. It has a long way to go, but it is good there will be collaboration between universities, government and business through a political regional dialogue. It is a bit of a think tank, but given our level of engagement in Asia and the importance of the USA, it is something I support, as I think would the member for Forrestfield.

**Ms S.F. McGURK:** I refer to “Spending Changes” on page 72 of budget paper No 2, and I apologise if reference has already been made to the line item, “Public Sector Workplace Reform”, in which it appears that savings from the current financial year through to the forward estimates increase fivefold. Could the Premier give some details of the savings?

**Mr C.J. BARNETT:** Is the member for Fremantle referring to redundancy proposals?

**Ms S.F. McGURK:** I am referring to public sector workforce reform.

**Mr C.J. BARNETT:** That is handled through the Public Sector Commission, which is the next division. It affects every agency, and as part of that there is a cap on salary items for not only the Department of the Premier and Cabinet, but all other departments. But if the member is getting to the actual policy and management of redundancy, both voluntary and involuntary, it is dealt with under the auspices of the Public Sector Commissioner, who is waiting anxiously in the gallery.

**Ms S.F. McGURK:** Will we be able to go through that in more detail with him?

**Mr C.J. BARNETT:** Yes; I think it is better there.

**The appropriation was recommended.**