

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Division 44: Commerce, \$81 172 000 —

Mr I.M. Britza, Chairman.

Mr P.T. Miles, Parliamentary Secretary to the Minister for Commerce.

Ms A. Driscoll, Acting Director General.

Mr D. Goodwin, Chief Finance Officer.

Mr L. McCulloch, WorkSafe Western Australia Commissioner.

Mr P. Gow, Building Commissioner.

Mr K. D. Bowron, Executive Director EnergySafety/Director Energy Safety.

Ms K. Berger, Director Public Sector, Labour Relations Division.

Mr J. O'Hare, General Manager, Marine and Defence, Australian Marine Complex.

Mr P. Groves, Principal Policy Adviser to the Minister for Commerce.

Mr M. Connolly, Principal Policy Adviser to the Minister for Commerce.

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 minister may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. I ask the parliamentary secretary 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 parliamentary secretary's cooperation in ensuring that it is delivered to the committee clerk by Friday, 30 May 2014. I caution members that if the parliamentary secretary 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.

[Witnesses introduced.]

The CHAIRMAN: I give the call to the member for Mirrabooka.

Ms J.M. FREEMAN: I do not have a question. I would like clarification of process. The Chairman may need to seek the Clerk's advice. My usual experience is that a minister's advisers sit to the side and do not give direct advice to the minister; the advice comes from his officers. In this case the two minister's advisers are sitting behind the parliamentary secretary. They are political appointments, not bureaucratic appointments. I just seek clarification as to how that process is. We can commence and the Chairman can, if he wants, check with the Clerk.

The CHAIRMAN: From what we understand, it is up to the parliamentary secretary to do whatever he wants. If the member wants us to seek further clarification on that, we are prepared to do that.

Ms J.M. FREEMAN: Yes, that would be good; just with the Clerks, if that is okay. That is okay. We can start.

The CHAIRMAN: Okay, we will continue. The first question is from the member for Mirrabooka.

Ms J.M. FREEMAN: I refer to "Consumer Protection" on page 492. I note under "Explanation of Significant Movements" that the total cost of services has resulted in an increase of \$8.8 million in the 2013–14 budget. The note goes on —

This is the result of increased drawdowns from the property industry and restricted cash accounts to increase services being provided to the industry, and increased divisional overheads in depreciation and accommodation expenses.

I would like to know how the department is clearly running \$8.8 million over budget. Is it because Treasury was expecting too much or because there is a lack of fiscal discipline in the department? Can the parliamentary secretary please explain the reason for the drawdowns; and, will they happen in future years, or will there be additional moneys to ensure that the department can operate with the amount it clearly needs to operate?

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr P.T. MILES: On that issue I will pass straight over to Anne Driscoll, the director general and Commissioner for Consumer Protection. She will be able to give the member a full briefing on where that \$8.8 million is.

Ms A. Driscoll: I would like to make some general comments, if I may. If the member is interested in more detail, the director of finance may wish to add some further information. As I indicated indeed at last year's budget estimates, in the 2013–14 budget—the member will see it here at \$56 million, which was a significant decrease on the 2012–13 figures—we earmarked that we had the opportunity for a midyear review process in that it appeared to us that there had not been full consideration in the budget of the fact that some of our activities are industry funded. Fortunately, we were successful through that midyear process, and as a consequence the estimated actuals are higher as in the budget coming into this new financial year. It is the case that there are also a number of other aberrations in 2013–14. Consumer Protection did some trimming in parts of its budget as part of the public sector workforce reform. There were, for example, some voluntary severances, so an additional amount came in for that.

Additionally, there were some funds that came in for accommodation expenses, which had escalated due to rising rent in the city. In broad terms, that is the situation. We are actually well within the adjusted budget at the present moment. There is no issue in expenditure in the Consumer Protection Division against the new budget through the midyear review, and we are looking forward and comfortable in relation to the budget target for 2014–15.

[3.10 pm]

Ms S.F. McGURK: I refer to page 492 and the efficiency indicators in the table under the heading “Consumer Protection”. For each of the efficiency indicators listed in that table—average cost per client contact to provide information and advice; average cost per policy project; average cost per inspection or investigation; and average cost per registration or licence—there has been an increase in costs. Are each of those just allocated funding in broad terms from the department's budget?

Mr P.T. MILES: I refer to the director general.

Ms A. Driscoll: There is a range of explanations associated with that. If we turn first to average cost per policy project, the first thing I would say about the policy unit cost indicator is that we try and take this unit cost in its true form, and we do actually measure full policy projects that are completed. So clearly that means that there are variations from year to year, in that things like the review of the Retirement Villages Act and the review of the park homes legislation take several years, and that means that we have peaks and troughs. But we thought that for the integrity of this assessment, we needed to measure true projects. So that is why we have, if you like, the variations in relation to policy project. There are some major projects underway at the moment of some significance over several years—the retirement villages, park homes, and motor vehicle dealers and repairers reviews are underway at the moment. The comparison in the earlier years relates to some projects that were quicker and easier to do, so we got basically more ticks for fewer resources. Some of the Council of Australian Governments' projects were often about the repeal of bills, so the amount of work and consultation was less. That explains that one.

In relation to average cost per inspection or investigation, yes, there has been a significant increase in the unit cost. This comprises two things. The first is inspection, which is basically going out and assessing things such as is the price scanner working correctly, or is the fuel board correct. They are very quick, easy and cheap pieces of work. The other component is investigation. Because we did have to review our activities and wanted to ensure that our primary work was not affected by any cost cutting, we did refine the inspections that we were doing on a risk analysis. As I said, they are very cheap. So instead of doing 28 000, it was more along the lines of 15 000. The number of investigations, on the other hand, is 2 300, although that will be moving up to about 3 000 this year. Obviously with the cheap activity, there is less of it. But we have not compromised on investigations. They are, as they have always been, a priority, and they have not changed in numbers. So it is about the mix of activity that has changed.

Ms J.M. FREEMAN: I am interested in the fact that the budget estimate for total cost of service was, as we know now, \$8.8 million less than the estimated actual, but the number of full-time equivalents was greater than the estimated actual number of employees. Given that the number of full-time employees is heading back up to 354 but the total cost of service has stayed at or around the estimated actual, how can we be assured that there will not be another blowout of costs as happened last year?

Mr P.T. MILES: The director general.

Ms A. Driscoll: Again, I reiterate that we did not have a blowout in costs.

Ms J.M. FREEMAN: You went back to the midyear review and got more money?

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Ms A. Driscoll: That is right, because essentially what had happened is that there had been the workforce reform review, and it was applied as though the consolidated account applied equally across all of the industry-funded areas. But of course a number of divisions within our agency—the Building Commission, EnergySafety, and half of Consumer Protection—are actually not funded by the consolidated account. So money was being drawn away from the agency that really, if you like, was not appropriate under that particular initiative. So we in fact had a reinjection not only in Consumer Protection but also to a significant degree in EnergySafety, consistent with its plan, as well as in the Building Commission. As I said, there were also a number of short-term aberrations that were for particular initiatives, and I will ask David Goodwin to detail those, but specifically they relate to accommodation adjustments, to depreciation, and also to the extra injection to support the department through the voluntary severances.

The CHAIRMAN: Mr Goodwin, through the parliamentary secretary.

Mr D. Goodwin: Certainly it is hard to add to that, except to say that 2013–14 is perhaps not a representative year because of the many extraordinary costs that were there.

The CHAIRMAN: Before I give the call to the member for Eyre and the member for Mirrabooka, the counsel is that ministers and parliamentary secretaries can have as many advisers as they see fit and they can sit them wherever they like. The member for Eyre.

Dr G.G. JACOBS: I refer to the table at pages 488 and 489 under the heading “Spending Changes”. At page 489 there is reference to the Seniors Housing Information Service. Can the parliamentary secretary advise on the future of the Seniors’ Housing Centre as well?

Mr P.T. MILES: I thank the member for the question. This is one of those good programs that the government is continuing with. Additional funding of \$300 000 has been provided in this budget, over the next three years, to enable the engagement by the Department of Commerce of a non-government agency to partner in delivering the work of the Seniors’ Housing Centre. In addition to the Consumer Protection Division, the Department of Commerce will continue to fund two positions that will be dedicated to the Seniors’ Housing Centre, with additional support, as required, from the department’s community education and media and legal resources centre. The Seniors’ Housing Centre has been established on a two-year trial basis. It was started in 2011 to provide independent and impartial information to seniors and their families about housing options. Initially, the services at the centre were provided solely by the department, but consistent with the policy of government, it is now working closely with the non-government agency Council on the Ageing. COTA was selected in a proper tender process to run that service, and it is continuing that today. The Seniors’ Housing Centre provides a range of services to its clients, including publications for over 55s. We all know that people are getting into other accommodation practices later in life, and they need that support through the Council on the Ageing and Consumer Protection on seniors’ housing. This is one of those little projects that has been trialled very successfully, and the government sees that there is a need to go forward so that our seniors can get proper representation when they need it. I do not know whether the director general wants to add to that.

[3.20 pm]

Ms A. Driscoll: Perhaps I will simply mention that because we now have new funding of \$300 000 a year, the Western Australian Council on the Ageing contract will come to an end on 31 July, so a tender will be issued this week or next week with a view to testing the market once more. Certainly, COTA has successfully partnered with us over the past two years or so. It is also the case that parts of the Consumer Protection Division will be relocated to the city in September and will fortunately be able to co-locate with the WA Seniors Card Centre. The Seniors’ Housing Centre will be located with the Seniors Card Centre, and obviously the two activities can integrate to maximise the exposure and access for seniors. It is directly above the city train line, so access is perfect for retirees seeking information.

Dr G.G. JACOBS: That amount of \$300 000 is extra. What is the present annual allocation to the Seniors’ Housing Centre? The parliamentary secretary also mentioned a review of the centre’s operation. Who did that review and what were the results of the review? The Consumer Protection Division in the Department of Commerce works closely here. Can the parliamentary secretary give me the top three consumer protection issues that the aged access the service about?

Mr P.T. MILES: We will. Initially, the trial was set up by the previous minister, Hon Simon O’Brien. The trial ran for two years. Funding for that trial ran out earlier this year, but the government decided to keep it going until the end of June, and that is why we established some more secure funding for the coming years. I will ask the acting director general to go into more detail about the main topics that seniors are concerned about.

Ms A. Driscoll: Firstly, I think the member’s question was about staffing.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Dr G.G. JACOBS: No; it is basically about the original funding allocation. I know that the acting director general referred to the \$300 000, and that is great, but what was the core funding to start with? My understanding is that the \$300 000 was a top-up.

Ms A. Driscoll: The amount of \$300 000 is simply money that is available for the external contract. The department has continued to resource internally the service it provides. I cannot tell the member precisely how much we have paid the incumbent. It was part of a tender process. I could give the member broad figures, but certainly this allocation is commensurate with the sorts of funds that we have been paying to date.

We have engaged two staff internally, and we work very closely with the current provider, COTA. One of the critical things is that the information is accurate. People are making life decisions and, as we know, the tenure arrangements for retirement villages and park homes in particular are very complex. We are very much emphasising going forward. Ageing in place is very much a viable option, as better support in the local community is available and, of course, there have been changes to planning laws et cetera such that granny flats provide some new options for people by providing a rental on their own land or moving to a granny flat. Our purpose is to ensure that people are aware of the wide variety of options.

In the results of the review, 90 per cent of clients sampled in 2013 who had used the service found the information easy to understand; 90 per cent of customers were happy with the methods available to contact the centre; over 10 000 seniors have accessed the seniors' housing information service; 5 200 sought advice —

Ms S.F. McGURK: As a point of order, I think the question that was asked was about the top issues that were raised.

Ms J.M. FREEMAN: We have only a short time.

Dr G.G. JACOBS: Very quickly, who did the review? Are we talking about an internal review or an external review? What are the top three issues that the aged raise with the Consumer Protection Division?

The CHAIRMAN: Members, the Chair is very well aware of the time and is watching it.

Ms A. Driscoll: Indeed, my comments were about the results of the survey. The member asked about the survey, so that is why I was quickly providing that information. An internal review was undertaken, with some surveying as well.

Mr D.A. TEMPLEMAN: I refer to the first dot point on page 490 of the budget papers and specifically the Retirement Villages Act process. As outlined in the dot point, this review process, and the ultimate achievement of regulations, goes back over a decade to the statutory review. In 2010 there was the consultation process, in 2012 the legislation passed through Parliament, and on 1 April the regulations were gazetted. Why has it taken so long for this process to be completed? The budget papers refer to the revised code of conduct. When will that be introduced? What is the exact date for the introduction of the retirement villages revised code of conduct?

Mr P.T. MILES: The member is right; the review of the Retirement Villages Act has been going on for some time. One of the issues is that we are dealing with a sector of the community that needs to clearly understand the impact that any changes, whether they be minor or major, will have on them. Every time we do a small amendment, we make sure that we have done the right level of consultation with both parties—the people who reside in the homes and the residential aged-care facility owners. I think it is important at the start to say that it is frustrating; I have found it frustrating that it has taken so long, but it has to be done right. The retirement village sector is an area of concern for government, and we want to get it right. Lots of changes are happening right now. I will ask the acting director general to answer further, because I think there is a lot more to go. We are aware of the time limitation, but we want to get it right. We do not want to rush something through this place and then have to make an amendment because there was a huge error.

Mr D.A. TEMPLEMAN: Why has the government gone back on its promise by the former Minister for Commerce and now included charges that the industry wishes to pass on to retirement village residents, including charges under sections 23 to 25 that are subject to a disallowance motion in the other place? The Minister for Commerce stated in his second reading speech in 2012 that there were some prohibitive charges that would not be passed on to retirement village residents by the industry association, yet this government has gone back on that and has now proposed to charge residents for, for example, industry association membership fees and industry association accreditation fees. That is subject to a disallowance motion in the other place, but I want to know why the government has gone against the former minister's assurance that that would not happen.

[3.30 pm]

Mr P.T. MILES: I will ask the director general to answer that point entirely.

Mr D.A. TEMPLEMAN: It is a second reading speech.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr P.T. MILES: I am assuming the member is talking about Simon O'Brien.

Mr D.A. TEMPLEMAN: Yes.

Mr P.T. MILES: I am not aware of what he said to whomever, but I will ask the director general to fill in those gaps.

Ms A. Driscoll: As the parliamentary secretary indicated, the details of these regulations have been the subject of extensive consultation with both residents and operators.

First, I need to say that this arrangement is in place as an option for the industry provider. It is not necessary and, indeed, many providers of residential accommodation for retirees do not charge this, nor is it required that they do.

Mr D.A. TEMPLEMAN: Now it will be allowed.

Ms A. Driscoll: It was always allowed, but after consultation with both parties in seeking to strike a balance between residents and industry, the department's view was that it is a reasonable fee of which residents could pay a share. That is because a properly functioning industry body assists village operators and, in turn, that affects the wellbeing of the residents. They offer professional development programs with staff. They set high standards for village management practices. Indeed, they do auditing to make sure a range of requirements is in place through a very detailed accreditation system. There are a lot of economies of scale in the sense that it provides best practice for financial management and training in consultation and it emphasises the importance of that. It also provides support for dispute resolution and information on safety procedures—a whole range of tools, if you like, that save a particular one-off organisation from having to create best practice in their own way. It basically allows for sharing knowledge and good practice across the industry. Having looked closely at these accreditation systems, it appears to us that the very problems residents have are largely dealt with and appeased by virtue of these things being in place. The landing we came to was that to have a 50 per cent contribution from residents seemed reasonable as it improves their wellbeing.

Mr D.A. TEMPLEMAN: That is not supported by the Western Australian Retirement Villages Residents Association. The executive director mentioned that consultation has occurred. I would like the minister to provide supplementary information because the parliamentary secretary cannot answer this question; the minister is the only one who can answer it. Despite two requests, why has the minister not met with the representatives from the Western Australian Retirement Villages Residents Association despite two requests to do so? How many times has the minister met with the retirement village industry representatives since he was appointed?

Mr P.T. MILES: I have met with the WA group. I guess the member is asking us to provide some sort of diary.

Mr D.A. TEMPLEMAN: If the minister has refused to meet with WARVRA, I need to know whether he has met with the retirement village industry representatives. If he has, I think that is unfair given there are a number of regulations that are contested by WARVRA, which has not had the minister's ear. I hope the industry group has not had the minister's ear because that would be unfair. I would like to know how many times, or if at all, the minister personally has met with representatives from the industry.

Mr P.T. MILES: I met with WARVRA.

Mr D.A. TEMPLEMAN: I want the minister to respond.

Mr P.T. MILES: The minister spoke at the conference for the Property Council of Australia.

Mr D.A. TEMPLEMAN: Surely he can provide the information through the minister's office.

The CHAIRMAN: Member, wait until the parliamentary secretary has finished.

Mr P.T. MILES: I think the member needs to put that sort of information in a —

Mr V.A. CATANIA: I have a point of order. I cannot see how that question relates to the budget.

Mr D.A. TEMPLEMAN: Absolutely; it is in reference to the regulations for the retirement village review. If you care about the people in your electorate who are retirement people —

The CHAIRMAN: Member for Mandurah, I very unwillingly call you for the first time. You heard me the first time. I will take the point of order. I want the parliamentary secretary to finish his statement and tell me whether he will provide supplementary information.

Mr P.T. MILES: No; I will not provide supplementary information in this way.

Mr D.A. TEMPLEMAN: Will you hide behind the minister?

Mr P.T. MILES: I think the member can put the question on notice.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr D.A. TEMPLEMAN: I am putting it on notice now; I am asking the parliamentary secretary to provide it as supplementary information. It is not a difficult question to answer. All I want to know is whether the industry got preferential treatment.

The CHAIRMAN: Member for Mandurah, thank you!

Mr V.A. CATANIA: I refer to the line item “Royalties for Regions Program” on page 489 of budget paper No 2 and somewhere in the order of \$40 million over the forward estimates. Can the parliamentary secretary provide some information about those funds? I believe they relate to the telecommunication network that has been extremely successful in my electorate of North West Central in covering the highways of North West Coastal Central and providing mobile phone coverage for towns such as Gascoyne Junction and Yalgoo for the first time. The opening of Yalgoo will be in a couple of weeks’ time. It is a huge success thanks to the previous Minister for Regional Development, Hon Brendon Grylls. He has done a wonderful job. Can the parliamentary secretary please outline what that royalties for regions program is for?

Mr P.T. MILES: The funding for the regional telecommunications project has been extremely well received in the regional areas. In fact, I have been out to three or four of these mobile tower openings. At first, people in the city, I guess, would not think twice about having this sort of infrastructure but now they can be seen in the regions and the country areas such as Miling where I was. At Kojonup, a farmer told me that when he is in the middle of a paddock, he can look at a manual on his iPad about a piece of machinery rather than having to drive half an hour or 40 minutes back to his house to do that sort of thing, so there are economic savings for him as an individual. Our police department and emergency services benefit hugely from it because they can maximise their range of coverage. In fact, straight after the tower was activated at Kojonup, where I was recently, the local police could seek further assistance a lot quicker than they normally would. I understand the officer used to have to drive to the nearest hill to get coverage to call for an ambulance or whatever. There is a huge benefit to the state. The member for North West Central is correct; the former minister, Hon Brendon Grylls, made sure royalties for regions was put into the budget. It is being continued under the new minister with another \$45 million in total included in the budget for stage 2 of this project. Tenders will be called for to seek locations. I can also say that the project has been so successful that the federal government is taking it on nationally and using the policies we have used to put mobile towers throughout Australia. Although we like the fact that we can surf the internet in the back of the car, or the kids can, and do whatever they need to do, a lot of people are receiving first-time benefits from this project. It is a project that I for one have espoused a couple of times in this house in the appropriate way. The member’s area will definitely be picked up in the not-too-distant future.

[3.40 pm]

Mr V.A. CATANIA: I have just a quick question. The parliamentary secretary mentioned the federal government. Are those people involved with this project looking at trying to partner with the national broadband network as well so that coverage can be provided in areas where it is needed because they are currently missing out? A lot of those places are in my electorate, unfortunately. Have there been any talks?

Ms S.F. McGURK: I have a point of order. What relevance does that have to a specific line item in the papers before us?

Mr P.T. MILES: The member was talking about royalties for regions.

Ms S.F. McGURK: I know he was talking about royalties for regions; he talks about it all the time.

The CHAIRMAN: He gave a line item.

Mr V.A. CATANIA: It relates to the mobile communications program and royalties for regions.

Ms S.F. McGURK: Now he is talking about conjecture about a federal partnership.

The CHAIRMAN: No, it was in order. Is the parliamentary secretary going to answer this further question?

Mr P.T. MILES: Thank you, Mr Chairman. I am not totally aware of how that federal scheme will work, but I know that our own department is heavily involved in that, and discussions are ongoing right now about how that will continue.

Dr G.G. JACOBS: In the budget under the Goldfields–Esperance Development Commission, the south east agricultural area was identified as a deficient area in the network, and it was not just about people being able to make a call on their mobile phone, as the parliamentary secretary has alluded to; it is about the global positioning system and running an agricultural business in the twenty-first century. My question is: how do I, as the member for my region, get prioritisation in this process? How does it all work? Obviously, it is administered by Telstra, and it determines priorities, but if I say there is a priority in Mt Burdett, north east of Esperance, how does that get into the mix, if you like?

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr P.T. MILES: It is a very good question, member. For the real detail of how a site is chosen, I will ask John O'Hare, who is with us, to give the member that sort of detail, and obviously a letter to the minister will help.

Mr J. O'Hare: The department obviously has a set of criteria by which sites are selected. In this next round, we are looking at some 80-odd sites. As the parliamentary secretary mentioned before, though, the federal Mobile Black Spot Programme, which has funding of \$100 million over four years, will announce shortly the criteria it is looking for. We are working closely with the federal government in identifying black spots. As the member would be aware, there is quite a demand on the services, but we have a set of criteria with which we judge.

Dr G.G. JACOBS: Does the member go through the Department of Commerce in this process, because a lot of people believe that they can just ring the regional manager of Telstra and say, "Boyd, we need this one and that one"? Where is the system here for prioritisation?

Mr J. O'Hare: The system would be to come into the Department of Commerce and engage in a dialogue.

Dr G.G. JACOBS: I am sorry; I did not hear that.

Mr J. O'Hare: It is through the Department of Commerce.

Ms J.M. FREEMAN: I go to the total cost of service under service 2, "Safety and Employment Protection and Construction Standards", on page 492. From 2013–14 to 2014–15 there is a reduction in the total cost of services of around \$7 million. The ThinkSafe small business program, which has provided occupational health and safety consultations to small business for the past 10 years, had to be suspended last financial year because all the funding for it had been used, despite the budget blowout in the total budget. The website still reads —

This year we have received an unprecedented number of applications which has resulted in the annual budget for this program being fully expended. ... we are unable to accept new applications for the program until further notice.

Given that the budget for safety and employment protection is being reduced by around \$7 million, will the ThinkSafe small business program be offered in 2014–15 or will it be permanently shut down?

Mr P.T. MILES: While the ThinkSafe program was running, I know for a fact that quite a few people took up that offer, and it was oversubscribed. Only so much money was in the pot for that program. As the website stated, "Stay tuned for more news."

Ms J.M. FREEMAN: It still says that.

Mr P.T. MILES: It is not 1 July. I will ask the commissioner responsible, Lex McCulloch, to fill us in on the finer detail of where that program is going.

Mr L. McCulloch: The way the ThinkSafe small business program has operated is that in the past it has been jointly funded between WorkCover and WorkSafe. An amount of \$250 000 has been provided by WorkCover, and around \$170 000 has been provided by the Department of Commerce through WorkSafe. In last year's budget papers, in the program rationalisation, the \$170 000 from WorkSafe was removed, but we kept funding that program through this financial year. As the member is aware, we had a huge uptake. We spent around \$440 000 this year, which is the most that has been spent on the program since it has been going. We still have not made a decision about what we will do about next year. The minister has asked for some more information, and we will be providing that information to the minister.

Ms J.M. FREEMAN: Is there any funding in this budget? Given that Mr McCulloch has said that the WorkSafe funding of \$170 000 came out last year, is there any funding from WorkSafe for the ThinkSafe small business program in this budget?

Mr P.T. MILES: I will answer that. There is no funding for it in this budget. The minister has asked for a review of possible funding options. As Lex McCulloch, the commissioner, just said, a review is being undertaken. Quite clearly, WorkCover is a major supporter of this program as it is the insurer. The government is now looking at possibly another funder to help support that program.

Ms S.F. McGURK: My question relates to the same area on page 492 and is about the reduction in the number of full-time equivalents across safety and employment protection and construction standards. What roles are no longer being filled?

Mr P.T. MILES: So, what were the actual positions or the —

Ms S.F. McGURK: The FTEs; that is right. Last year 510 FTEs were budgeted for, but this year the budget target is 443.

Mr P.T. MILES: Sorry; was that in the work safety area?

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Ms S.F. McGURK: Safety and employment protection and construction standards.

Mr P.T. MILES: Is the member talking about a reduction in labour relations?

Ms S.F. McGURK: No—it may have been in labour relations, so go on.

Mr P.T. MILES: It is labour relations, yes. There were 17 employees who were not full time.

Ms S.F. McGURK: Are we talking about FTEs?

[3.50 pm]

Ms J.M. FREEMAN: The service area has gone from 510 —

The CHAIRMAN: Hang on, member for Mirrabooka. Is this a further question or is the parliamentary secretary going to answer this?

Ms J.M. FREEMAN: No, it is the same question.

The CHAIRMAN: No, it is a further question. The member for Mirrabooka is clarifying what the member for Fremantle was asking.

Ms J.M. FREEMAN: If we look at the 2013-14 budget, that service area has 510 FTEs. The service area has now gone down to 443; it has lost 60 or 70-odd workers. The member for Fremantle is asking where they have been taken from.

Mr P.T. MILES: I will refer to the acting director general to give the member a proper, accurate reflection.

Ms A. Driscoll: This service area is quite complex in that it actually comprises, as the member indicated, a number of different activities including the Building Commission, labour relations, WorkSafe Western Australia and EnergySafety. In looking at those full-time equivalent figures, there is actually also a component of the corporate overhead in that for each service area to completely service and equip that area, a corporate overhead is needed as well. Some of the areas have been affected in terms of public sector workforce reform and other rationalisation. The Building Commission FTE has reduced by four; and corporate services, in totality, has reduced by 19.1 FTE, but that component does apply across the other two service areas. The labour relations FTE reduction is 14 at this point, and WorkSafe, at this point, is three. We continue to basically manage this transition, and what I am outlining at the moment is the voluntary severances that have been taken in these particular areas. Obviously, in part, FTE is one form of management of our staffing, but the other is the salary allocation itself. There now is also a salary limit in terms of how much the organisation can spend on salary. The two, as has been the case for many years, have to be managed jointly. The FTE creates a ceiling, as does the salary. My understanding is that it will be the salary that is the primary determinant, and we may not indeed reach these ceilings.

Mr D.A. TEMPLEMAN: On this staffing line, can the parliamentary secretary confirm that two of the senior staff from the legislation and policy branch who had carriage of the retirement villages legislation are in fact two of the volunteer redundancies; and, if so, is that the reason the preparation of this legislation has taken so long? Is in fact this department totally under-resourced and not able to do the job it is supposed to be doing?

Mr P.T. MILES: The department is doing a very good job.

Mr D.A. TEMPLEMAN: I am not attacking it; there are not enough people.

Mr P.T. MILES: The department is doing a very good job, and people do come and go in departments —

Mr D.A. TEMPLEMAN: But the government is not replacing them and they are doing important work.

Mr P.T. MILES: — so I do not want the member for Mandurah to put some slur on a department for not doing its duties, which is what the member for Mandurah is doing.

Mr D.A. TEMPLEMAN: No, that is not true.

Mr P.T. MILES: I do take exception to that.

Mr D.A. TEMPLEMAN: Do not put words in my mouth, parliamentary secretary, because they are not true. The simple fact is that the department is under-resourced because the government has been slashing the staff.

Mr P.T. MILES: I do take exception to that slur on the department. I will ask —

Mr D.A. TEMPLEMAN: Point of order! I did not slur the staff, so do not put words into my mouth.

The CHAIRMAN: Member for Mandurah!

Mr D.A. TEMPLEMAN: He is putting words into my mouth!

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

The CHAIRMAN: Member for Mandurah, I am well aware. Please finish the answer, parliamentary secretary.

Mr P.T. MILES: I will ask the director general to answer the detail, but the department is resourced for where it needs to go, and when people are moving from the department, whether by redundancy or transferring out, it is always done in the most appropriate manner. The director general and other management make sure that that sort of process is being done. I ask the director general to answer the question of whether a couple of those staff have moved on.

Ms A. Driscoll: Does this question relates to the consumer protection service area, as opposed to safety and employment protection?

Mr D.A. TEMPLEMAN: Yes.

Ms A. Driscoll: Yes, it is the case that a level 8 manager ceased work with consumer protection from the policy area and that she was involved in the retirement villages. Her departure was at the end of March, and she very much was the architect of the most recent proclamation of the legislation regulations. But there is a level 8 senior policy officer who also has legal qualifications who really has also had primary custodianship of this work, and she continues and indeed has had a major role in the implementation. There was also a level 6 policy officer involved in this. But I think, as I earmarked earlier, the reality with retirement villages is that it has been so intensive with the consultations that it has indeed drawn in at least five, if not six, policy staff. One of the challenges has been the work required to bring this forward.

The reason policy staff were reduced marginally is that we were actually carrying extra positions because the Council of Australian Governments work has finished and the funding associated with the COAG work has finished. We have a very senior and experienced policy officer—level 8 manager coming across from the COAG group to take his former substantive position as a policy manager and take over from the officer who left. Really, it is simply a recognition that the funding for COAG has ceased, and we are resuming a number of policy officers into the substantive policy area.

Ms S.F. McGURK: My question also relates to the reduction in FTE.

The CHAIRMAN: Is this a further question?

Ms S.F. McGURK: It is a related question.

As to the FTEs that we were discussing earlier under “Safety and Employment Protection and Construction Standards”, I thank the director general for giving us a breakdown of those reductions. I wanted to ask about the reduction in the WorkSafe FTEs: What is the nature of the FTEs that have gone under WorkSafe? What is the vacancy rate amongst inspectors at the moment? Also, could the parliamentary secretary talk briefly about what is happening with the number of deaths and serious incidents and how it relates to previous years?

Mr P.T. MILES: I will refer that question on to Lex McCulloch, who can answer that fully.

Mr L. McCulloch: I think the director general said three; two of those were through the voluntary severance scheme. One was a manager of our audit and special investigation team; the other was an administration clerical-type person in our legal area, but that person was actually a registered redeployee. Some were around a government reduction we had to make—it is only a very tiny bit of that—and we lost some FTE to the director general’s office as well for the Aboriginal adviser position, which brought us down to three. They are the three.

As to the inspectors right now, one who left was an inspector position, but we replaced that with another position within WorkSafe. We still have 103 positions that carry inspector authorities. Right now, 92 of those positions are filled. We had 93 until about the end of March, when one person left. I have checked, and no-one can remember a time when we have had more than 93 inspectors on. We have a really good training and development process, so we recruit only twice a year. They get six weeks’ heavy-duty training and they then get six months’ coaching and mentoring. We try to bring on only a certain number at a time because the lectures, coaching and mentoring are done by other inspectors, so we do not want to have a whole lot of people tied up doing that and not out at workplaces doing inspections.

The third question was about fatalities. To date, this year we have had 13 fatalities, tragically. Of those, eight have been in general industry, and four have been in the mining industry so we do not actually do the investigative stuff around those. The final one was a fatality in a crop duster, I think, around Corrigin; that will be investigated by the Air Transport Safety Bureau. Last year there were 18 fatalities and the year before about 21.

[4.00 pm]

Ms S.F. McGURK: Last year there were 18?

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr L. McCulloch: Yes, 18; the previous year, I think there were 21. The best year we have had was 2009, when there were, I think, nine fatalities.

Ms S.F. McGURK: Just a question of clarification on those figures: my recollection is that the figure of 13 is not year-to-date, is it? It is 12 months from the date we are talking about at the moment.

Mr L. McCulloch: It is from 1 July last year to now; there have been 13.

Ms S.F. McGURK: Compared with 18 for the full year; we are just a couple of months short.

Mr L. McCulloch: No, 18 for the time before that.

Ms J.M. FREEMAN: I refer to the reduction in full-time equivalents from 470 to 443 in safety and employment protection. The director general said that there were 14 FTEs that went from labour relations. Can the parliamentary secretary outline where those FTEs went from, and does that include further cuts to the pay equity unit? Last year the director general said that there were 1.2 FTEs in the pay equity unit. I am wondering whether that means that the pay equity unit has suffered further quite debilitating cuts.

Mr P.T. MILES: I thank the member. Yes, it was 14 FTEs. Seven of those staff were from the compliance and education directorate, six were from the policy and legal directorate and four were from the public service directorate. In terms of the services affected, there has been a cessation of non-core services such as the production of statistical information for news bulletins. There has been the development of website capacity to enable clients to serve themselves and an internal restructure to remove a tier of management and to reduce the number of team leaders to reflect the reduction in that area.

Ms J.M. FREEMAN: What about the pay equity unit?

Mr P.T. MILES: I will ask the director general if she has that information.

Ms A. Driscoll: If I could refer that to Kristin.

Ms J.M. FREEMAN: The director general said last year that the department had 1.2 FTEs in the pay equity unit.

Ms K. Berger: I can also clarify the number of FTEs that the member was after. For the public sector directorate, it was 3.6; policy and legal, 4.46, which is where pay equity sits; and for compliance and education, 6.12 FTEs, making a total of 14.18 FTEs. I understand that the minister, during debate in the Legislative Council, stated that in 2012–13, funding for the pay equity unit was \$104 073 and that the FTE at that time was 1.4; in 2013–14, the funding is \$92 733, and the FTE is 0.84.

Dr G.G. JACOBS: I refer to page 490 and my question relates to motor vehicle dealers and repairers legislation. As a member of Parliament, I have had the experience of going through a not very happy process with a motor vehicle dealer who was also a repairer. I believe that he was unfairly dealt with due to the lack of clarity in the legislation. I understand that the legislation will, in fact, address protection for consumers, but will it also address protection for dealers/repairers? I would like the parliamentary secretary to comment on this and take it to the minister, because my experience is that it needs to address the potential entrapment of dealer/repairers under the present legislation.

Mr P.T. MILES: On coming back into government after the election last year, we needed to start looking at some areas with red tape, and there is quite a bit of red tape in the motor dealers and repairers industry, which is affecting that industry, and we need to look at it. The idea is that we are going out for consultation at the moment, to work out what parts of the legislation need to be amended or relinquished. The legislation for the motor repair industry has been in place for only a short amount of time, really—since 2008. Regulation for retail and other areas change so much, and I do not think that our motor dealers and repairers have been able to keep pace with the changes regarding people purchasing vehicles, so we need to offload some of the red tape that is holding them back. We also need to change the legislation to help some of the repairers get more support. I will ask the Commissioner for Consumer Protection to say a few more words on that.

Ms A. Driscoll: I believe the parliamentary secretary has provided a good overview of some of the issues. Certainly, we have received some preliminary feedback from some of the key stakeholders in this arena. To some extent, given the earlier anecdotal feedback, the advice from the Motor Trade Association is that there is still strong support for licensing in both the repairer and dealership areas. We are certainly going to test that with a regulatory impact statement and a consultation RIS, which is due to be released around the end of July. We will get a chance to test whether there is some appetite for deregulation. Certainly there is potentially a case for that for sales representatives, but what was surprising was the degree of support for motor vehicle repairer regulation to continue in a similar form to that which already operates. I wonder whether the member could be more specific about the nature of the entrapment he referred to.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Dr G.G. JACOBS: I would probably prefer not to go into any more detail; I have been through a personal case as a representative, but I am happy to talk about it later.

Mr P.T. MILES: Maybe after we get some detail from the member.

Mr D.A. TEMPLEMAN: I refer to the heading “Details of Controlled Grants and Subsidies” on page 496, under which appears the line item “Employment Law Centre Western Australia”. In 2013 the government committed \$864 000 to this centre for two years; what is shown for 2013–14 is \$424 000, and for 2014–15, \$440 000. Given the parliamentary secretary’s comments last year that Western Australia has only one of these centres that assists vulnerable, disadvantaged employees, will there be any funding in the out years after 2014–15; and, if not, why not?

[4.10 pm]

Mr P.T. MILES: I will ask the financial person, David Goodwin, to possibly fill us in on that detail.

Mr D. Goodwin: Indeed. Presently, the budget contains a provision for a 2014–15 allocation of some \$440 000; it is a co-contribution, if you like. The commonwealth government also makes a provision to this service. The Employment Law Centre of WA is a community legal centre whose staff assist vulnerable and disadvantaged employees. The agreement with the law centre is currently under review. We understand that its future financial years will be considered as part of the next budget process.

Ms S.F. MCGURK: Given the cuts in the education and compliance section of labour relations within the department, does that section still refer cases to the Employment Law Centre as it used to do?

Mr P.T. MILES: I will actually ask Kirstin if she can answer that.

Ms K. Berger: My understanding is that that process is still in place; that is, referrals are still made to the Employment Law Centre as they have been in the past.

Ms S.F. MCGURK: Just to clarify: the Treasurer at the time, I think it was in 2008, tried to cut funds to the Employment Law Centre but was embarrassed. The member for Vasse was embarrassed to reinstate the funds when it was revealed that the government was, on the one hand, referring clients—people who rang in to the Employment Law Centre to get advice—but then on the other hand, it was cutting its funds. It might be an opportunity for us to highlight the need to provide funds to an important agency such as the Employment Law Centre.

The CHAIRMAN: That is more of a statement than a question.

Ms K. Berger: If I can make a further comment, I am not aware of any change in the process of whether people are referred. I am happy to take that on notice, if the member wants me to find out how that process works.

Ms J.M. FREEMAN: We do not need it on notice. I have further questions for the parliamentary secretary: Will the Employment Law Centre be funded for its operation in future years, given that the department actively uses it? Will it be funded so it has certain funding in 2014–15, 2015–16 and 2016–17? The government cannot ask an agency to run on year-by-year funding. Will it be funded?

Mr P.T. MILES: From the advice I have received, it depends on whether continued funding comes from the federal government. It is funded by both state and federal governments, and we are having those negotiations, as was suggested earlier.

Ms J.M. FREEMAN: Does it depend on whether the centre keeps receiving the funding from the federal government? If the funding is cut from the federal government, does it expect that the funding will be cut from the state government, and then there will be no service? When the parliamentary secretary says “it depends”, does he mean it depends on ongoing funding or a funding cut?

Mr P.T. MILES: As I said, the funding is being negotiated at the moment. It is up to the minister to make the call on what happens if the federal government no longer funds its portion of it. I do not have any further information at this time.

Ms J.M. FREEMAN: Is it the intent of the government to no longer fund the centre, if the federal government continues to fund it?

Mr P.T. MILES: No, not at all.

Mr V.A. CATANIA: I refer to the third dot point on page 490 of budget paper No 2. I know that the department has conducted a review into industry codes of conduct and so forth. Can the parliamentary secretary give a bit of an explanation on what has actually happened with that review and its outcomes?

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr P.T. MILES: I thank the member for his question. It is expected that the review of the codes of conduct for real estate agents—also land valuers and settlement agents in Western Australia—will deliver a number of benefits for the industry, its participants and consumers. The review aims to provide further guidance for licensees in the industry on what constitutes acceptable behaviour and what requirements and obligations must be satisfied and fulfilled to protect consumers. It also seeks to eliminate any unnecessary red tape currently imposed on the industry. That is something the government is very serious about. The codes of conduct will also be modernised to ensure consistency with Australian Consumer Law, and we bring such legislation into the house continually. The overall benefit to the industry will be to deliver codes of conduct that are more relevant and appropriate for the current property market. The resulting benefits always will be to consumers—namely, to increase their protection by ensuring that agents fully understand their duties to perform quite ethically, and to promote more confidence, in effect, within the property industry.

Mr F.M. LOGAN: I put my question to the parliamentary secretary in anticipation of his response to what is effectively a question/statement, that if I —

The CHAIRMAN: Can you provide a page number?

Mr F.M. LOGAN: I will, but there are a number of issues that are all related to local content. I refer to the second dot point on page 491, which is a statement on local content. I also refer to the reduction in full-time equivalent employees in the “Industry and Technology” table on page 493 from 100 FTE in 2012–13 to 19 FTE, which is over and above the transfer of people to the Department of the Premier and Cabinet’s science portfolio. Can I take it from the asset investment program on page 494 that nothing is in the new works for anything related to local content, including the marine technology park, the southern precinct or any other local content proposal? Can I take it from the “Income Statement” on page 496, which details the controlled grants and subsidies, that the industry and innovation grants and subsidies have completely gone in this financial year? Further, last year, the department slashed the money to ProjectConnect. Can I take it that given all those changes, the government has simply given up completely on local content? The department has been slashed to pieces, the programs have been cut and the industry innovation grants are completely gone. Basically, government members have thrown their hands up in the air and said, “It’s all too hard.” That is confirmed by the second dot point on page 491.

Mr P.T. MILES: No, that is not the case. The government is very keen to see local content thrive in this state. I will refer the member’s question to John O’Hare, who will provide a more detailed answer. The government has taken innovation and local content in a different way in that we are now in partnership with the major people who purchase services within this state—like Chevron, Shell and others—and who now seek support from the department to put out programs within the local content area.

[4.20 pm]

Mr F.M. LOGAN: We had that; it was called ProjectConnect.

Mr P.T. MILES: That is so that industries can participate in purchasing and providing services for those companies. I will defer to John O’Hare to go into more detail on the local content area.

Mr J. O’Hare: The total reduction in full-time equivalent staff in the local content team was two. In fact, we are still continuing to work with Chevron and obtaining funding from Chevron under our facilitation project support program, which is working very well. As I said, we have actually gone to Chevron and received funding from it. We are in the process of approaching other majors to assist us in what has been a very successful program for local content. The department also chairs the Browse and Wheatstone local content committees and we are still servicing them. It is pleasing to report that we have also been recently approached by Shell to participate in its round table. Therefore, the industry participation team now falls under my responsibility as part of the marine and defence team at the Australian Marine Complex, and we are continuing to deliver against the key strategic projects.

Mr F.M. LOGAN: The parliamentary secretary is not expecting us to believe that we are now working with companies such as Chevron, which has given virtually 80 per cent of its engineering products for fabrication and engineering to foreign companies overseas, and that it is working with us now to provide what? Chevron has given the work away. I also draw the parliamentary secretary’s attention to what I said earlier in that the question I asked of the parliamentary secretary referred to the fact that the government completely got rid of industry and innovation grants. The organisation ProjectConnect, which was working with Chevron before to do exactly what the parliamentary secretary has said the department is doing, had its funding cut last year.

Mr P.T. MILES: I will defer to John because he has further detail. As far as ProjectConnect is concerned, like any program in government, we have to run it for a time and re-evaluate it to see whether we need to do other

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

projects, change the scope or whatever. That is what this government has been doing in modernising. We do not need hot bums on seats to create local content. I know that the member is not suggesting that at all.

Mr F.M. LOGAN: No.

Mr P.T. MILES: It is about having the right people in the right areas to go out and have meetings with larger companies around the world and to be able to explain what we in this state can deliver and what we can do for those companies. I will ask John to elaborate.

Mr J. O'Hare: Since the introduction of the local industry participation framework in July 2011, our media reports indicate that WA-based companies have been awarded more than \$60 billion in contracts. As I mentioned previously, the government has offered small grants through the industry facilitation and support program to improve the capabilities of small companies to supply the resources sector. As I previously mentioned, Chevron assisted us in co-funding that round. To date, 150 companies have received grants totalling \$3 million under this program. That has led to \$198 million in contracts, 302 jobs and 27 apprenticeships. Also in April this year in Karratha, working in conjunction with Chevron, we held a workshop to assist companies in the regions to access Chevron. Although 170 companies were represented, it is interesting to note that 40 companies went from Perth to Karratha to gain firsthand information on how to gain access to these opportunities.

Mr P.T. MILES: I add that there is a submission for \$480 000 before the minister at the moment to run a second regional round of the industry facilitation and support program, which includes information workshops that we have been conducting in the region. That submission is before the minister at the moment.

Ms J.M. FREEMAN: We have just been told through the parliamentary secretary about the success of the innovation grants to the industry. The parliamentary secretary just said that the minister is considering doing some training because he can see that working with small business is really important. Given that working with business is not the only way to deliver this program and that working with small business is actually the way to deliver it—as we have just been told—will the minister continue the industry innovation grants program in the following years or has it been cut? I ask that because from the budget it looks as though no more funding is available for the industry innovation grants that allowed small businesses to have the edge in getting these contracts. Can the parliamentary secretary confirm that the money has gone?

Mr P.T. MILES: No. I understand that the money is there for this year, and after this year it will be under review. John might want to elaborate on that.

Ms J.M. FREEMAN: As a point of clarification, it finishes on 30 June this year and it does not continue into next year. That is my understanding. Can the parliamentary secretary confirm that?

Mr P.T. MILES: Once this current round is finished, it will then be reviewed and we will go forward.

Ms J.M. FREEMAN: There is no funding in the 2015–16 budget.

Mr F.M. LOGAN: There is no money for 2014–15; it has gone.

Ms J.M. FREEMAN: There is \$300 000 for the innovation centre. On page 496, the line item “Industry and Innovation” for 2013–14 indicates that there is \$1.968 million. In 2014–15, there is no funding; in 2015–16, there is no funding; in 2016–17, there is no funding; and in 2017–18, there is no funding. Can the parliamentary secretary confirm that there is no funding for the innovation grants?

Mr P.T. MILES: There is funding for this year, and it will then be reviewed after the current grants system goes through. Then obviously next year will be a new budget session and we will —

Ms J.M. FREEMAN: No, it is this budget.

Mr F.M. LOGAN: It is not in there.

Mr P.T. MILES: I do not know which page the member is referring to.

Ms J.M. FREEMAN: It is on page 496 under “Details of Controlled Grants and Subsidies” in the line item “Industry and Innovation”.

Mr P.T. MILES: I will defer to John to answer the question on that particular program.

Mr J. O'Hare: As the member mentioned, \$300 000 is available for the innovation centre. At the end of that year, we will be evaluating the centre and its worth.

Mr F.M. LOGAN: I thank Mr O'Hare for the answer but that is for the innovation centre. We were talking about the grants and subsidies in the controlled grants funding.

Ms J.M. FREEMAN: They are still paying for you; they are just not paying for anyone else.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr F.M. LOGAN: There is no funding available.

Mr P.T. MILES: No. I have just been advised that there is a reason for it. The administration of the grants is no longer covered by the Department of Commerce. That has been transferred over to the Department of the Premier and Cabinet under the science function of its accounts. It will therefore no longer appear under our accounts.

Mr F.M. LOGAN: Can I ask the parliamentary secretary to clarify that? For the types of industry assistance or industry grants that Mr O'Hare just referred to, a business does not come to the Department of Commerce anymore; it goes to the Department of the Premier and Cabinet and tries to get the money from science. Is that right?

Mr P.T. MILES: Yes, that is the advice I have here. It is now being administered by the Department of the Premier and Cabinet, not by commerce, because it comes under science. David might have something to add to that—or is that about right?

Mr D. Goodwin: That is correct. All the grants programs that were related to science were transferred in 2012–13, I think it was, to the Department of the Premier and Cabinet.

Mr F.M. LOGAN: So that is it; it has gone!

Mr D. Goodwin: At that stage it was in excess of \$24 million, I believe, so there are no further grants shown in our out years.

[4.30 pm]

Mr P.T. MILES: I will ask the director general to clarify.

Ms A. Driscoll: Perhaps I will also mention that it is not simply that line that is applicable; for example, royalties for regions, which is the second line from the bottom of that table, is also applicable. Although specific science projects may have transferred to the Department of the Premier and Cabinet, there are other activities within royalties for regions. As I understand, there is a local content component as well as the telecommunications component relating to the towers. It is really about how the different allocations were categorised. It is difficult, given this issue with science having left the department and the projects associated with that, and then other activities shifting to royalties for regions.

Mr F.M. LOGAN: Thank you for that explanation. Can the parliamentary secretary then explain where the funding came from relating to what Mr O'Hare has just been talking about? Did it come out of the industry and innovation grants or out of royalties for regions? From which pool of money did it come? All we can see is that there is no money left.

Mr D.A. TEMPLEMAN: It has gone.

Mr F.M. LOGAN: It has gone.

Mr P.T. MILES: I will ask John if he can answer that.

Mr J. O'Hare: It is important to note that the department gets funding for this, as I mentioned, from Chevron, and that will not appear in consolidated revenue. We have been successful also in getting money from royalties for regions, particularly for rounds that are associated with the Wheatstone projects around Onslow. Again, that funding is from royalties for regions and Chevron.

Mr F.M. LOGAN: So I can say that Chevron and royalties for regions are funding our industry policy.

The CHAIRMAN: Parliamentary secretary?

Mr F.M. LOGAN: I cannot read it any other way.

Ms S.F. McGURK: I am also trying to ask a follow-up question.

The CHAIRMAN: Does the parliamentary secretary want to answer that question? He is not obligated to answer any question.

Mr P.T. MILES: I think it was a statement.

Ms S.F. McGURK: My question relates to the discussion we have just been having. What advice did the government give any of the industry partners about the change in governance of these grants and assistance? Was any feedback given to the government by industry bodies about the change in governance from the Department of Commerce to the Department of the Premier and Cabinet? Was there any reduction in grant allocations?

Mr P.T. MILES: I will ask John whether he has any information.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr J. O'Hare: There is no information on that or on any fund or potential fund. That would have to be sought from the Department of the Premier and Cabinet, rather than Commerce, to express its views on what had occurred.

Ms S.F. McGURK: I am sorry, but it is a bit hard to hear the adviser.

Mr J. O'Hare: I would envisage that information on any potential fund would have to be sought from the Department of the Premier and Cabinet to express its wishes. We have passed on the responsibility for that. To come and see Commerce would not affect what the Department of the Premier and Cabinet intended doing. One would go to the Department of the Premier and Cabinet for that sort of advice.

Ms S.F. McGURK: The Department of the Premier and Cabinet has the responsibility to tell the industry partners. I am trying to understand. Industry is supposed to liaise with the Department of Commerce to assess and improve our local content, particularly in the oil, gas and mining industries. Responsibility for the science portfolio has now changed from Commerce to the Department of the Premier and Cabinet, but no-one was told that it had changed.

Mr J. O'Hare: No, we still have responsibility for that. It seems that there is some confusion. The science component went to the Department of the Premier and Cabinet—I must confess that that is what I thought we were talking about rather than local content.

Ms S.F. McGURK: Yes, we know that.

Ms J.M. FREEMAN: He is making the rest up.

Mr J. O'Hare: Local content still remains with the Department of Commerce. The science component moved to the Department of the Premier and Cabinet. If people were looking to —

Ms S.F. McGURK: We have known that science —

The CHAIRMAN: Let Mr O'Hare finish.

Mr J. O'Hare: Since 30 June last year, if a proponent had an issue with accessing science activities and funding, they would no longer come to Commerce. That has gone to the Department of the Premier and Cabinet; however, local content still remains the provision of the Department of Commerce.

Ms S.F. McGURK: I do not know whether these answers were supposed to clarify how this funding works but it has only confused me. We have known for some time that science is under the Department of the Premier and Cabinet; there is nothing new about that. We are trying to understand why the line item "Industry and Innovation" in the table titled "Details of Controlled Grants and Subsidies" on page 496 had \$1.9 million in 2013–14 but has no money in 2014–15 and the forward estimates. What assistance was being given to improve local content under that line item? Have the industry partners been advised of any changes to those arrangements and have they given any feedback to the government?

Mr P.T. MILES: What I will do to help, not only myself, but also members, is take that question on notice and provide the answer as supplementary information. I will clarify where the industry and innovation funding is now located, or where it is made up from and what parts of that have gone over to science. Is that what the member is asking?

Ms S.F. McGURK: It would be more helpful than what we have been given.

The CHAIRMAN: Could the parliamentary secretary restate that for the record?

Mr P.T. MILES: Again, we will provide where the funding for industry and innovation programs has gone or where it is and how long it has to last. Basically, we will provide an update on where it is at and where it is going.

[*Supplementary Information No A23.*]

Ms J.M. FREEMAN: I refer to the "Spending Changes" table on page 488 of budget paper No 2.

Mr P.T. MILES: Page 498?

Ms J.M. FREEMAN: Page 488.

Mr P.T. MILES: I do not have page 488.

The CHAIRMAN: It is the very first section.

Mr P.T. MILES: Oh, yes, I found it.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Ms J.M. FREEMAN: If the parliamentary secretary does not have page 488, he does not have the total head page.

The CHAIRMAN: The parliamentary secretary has a censored report!

Mr P.T. MILES: It was hidden.

The CHAIRMAN: Where on the page are we, member for Mirrabooka?

Ms J.M. FREEMAN: I refer to the fifth line item in the table, “Accommodation Expenditure”. I note that in 2013–14 the estimated actual was \$4 548 000 and in 2014–15 it is estimated to be \$845 000. I also note that the amount of \$4 548 000 did not appear in the 2013–14 budget. Over the past five years, including last year, \$8 million has been spent on accommodation, half of which was spent last year but did not seem to be in last year’s budget. What was it for? Where was it accounted for last year? Has this relocation cost the Department of Commerce more than if it had relocated to the centre of the City of Stirling, as the government had committed to?

Mr P.T. MILES: In a moment I will ask David to clarify the figures for the member.

Ms J.M. FREEMAN: To tell me why it was not there.

Mr P.T. MILES: The Department of Finance is responsible for where we are located or where departments go. There are about seven buildings used by Commerce and most of Commerce will be relocated to a fairly large building near a train line in Cannington that was occupied by the Office of Shared Services. A small portion of the Department of Commerce will remain in the central business district and be relocated to the existing space in Gordon Stephenson House, which is where the railway station is. Some costs are associated with setting that up, but we are expecting to save \$44 million over 10 years. I will ask David to clarify some other points for the member.

Mr D. Goodwin: Generally, the government has a strategic plan to decentralise government departments away from the CBD where accommodation rents have been getting very expensive over the past few years. The department has been struggling to meet its accommodation recurrent cost commitments. Hence the original plan was to relocate to a purpose-built building in Stirling. Just as that business case was going through cabinet, the Cannington option became available and financial analysis showed that to be much more comparatively attractive. At that point the plan was changed. The new plan will see significant parts of the department relocate to Cannington. The EnergySafety division is already at that site. WorkSafe and corporate services will also relocate to that site. It will be, I think, the most significant site for the Department of Commerce. Components of Consumer Protection will relocate to the current WorkSafe site in West Perth. Components of Consumer Protection will also relocate to one40william. The financial aspects of it are that the amended plan should enable us to avoid costs in the vicinity of \$3 million in recurrent rent per year. In the initial years, there are additional costs, and they are the costs that appear in the budget papers.

[4.40 pm]

Ms J.M. FREEMAN: But they did not appear last year in the budget papers.

Mr P.T. MILES: Mr Goodwin.

Mr D. Goodwin: That is quite correct, because last year the plan for the Stirling option was still being developed. So the decisions regarding the amended plan and the financials are only occurring in this year’s budget.

Ms J.M. FREEMAN: I started my question by talking about fiscal discipline in the Department of Commerce, given that commerce had this massive blowout. Now I am being told that something that was not put into the budget for commerce in a previous year suddenly is accounted for in a previous year as a spending change for a past year. I do not understand how that is fiscal discipline. If commerce had a spending change of over \$4 million in 2013–14 and of \$845 000 in 2014–15, why was that not in the Department of Commerce budget at that time?

Mr P.T. MILES: I refer to Mr Goodwin.

Mr D. Goodwin: That is right. It did not appear in last year’s budget papers. The Cannington site became available at somewhat short notice, and so the plan has moved incredibly quickly, if you like. Whilst the provision is there for this expenditure in 2013–14—the current financial year—it is currently underway, and in fact I suspect that some of the funds will be carried forward into next year, because the project will be still in train. It is also relevant to note that of that extraordinary increase in funding for 2013–14, the first part of it is to meet our shortfall in accommodation this current financial year, and the other part—about half of it—is related to the cost of moving to the new locations.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Ms S.F. McGURK: I refer to page 492 of the *Budget Statements* and the discussion that we had earlier about activities in the department and the reduction in the number of FTEs. My question relates to labour relations, and specifically to what is happening with the nurses' collective agreement. When is that agreement expected to be finalised, how many staff are allocated to finalising that agreement, and what impact will the reduction in FTEs have on those negotiations?

Mr P.T. MILES: The nurses' negotiation is before the Industrial Relations Commission, and the government is waiting for the commission to hand down its decision or final determination on that. I do not believe that the staffing positions that have moved have had any impact on that. But I will ask Kristin to add any further information.

Ms K. Berger: We are awaiting the decision of the commission. The matter went to arbitration and was finalised in February. There are no active negotiations going on in respect of the Australian Nursing Federation matter. There are obviously negotiations going on in other areas, and we prioritise our staff according to those negotiations.

Ms S.F. McGURK: In relation to those negotiations, are the parking fees and attraction and retention allowances contained in that arbitration?

Ms K. Berger: I cannot recall the matter of the parking fees, but I am certainly aware that the matter of the regional incentives, or the rural gratuities that the nurses get, was part of that arbitration.

Dr G.G. JACOBS: I refer to page 492, service 1, "Consumer Protection". Note 2 under the heading "Explanation of Significant Movements" talks about policy projects. I would like the parliamentary secretary to explain to me the development of a policy project around a bill. A good example is the review of the Associations Incorporation Act. Can the parliamentary secretary walk me through that process, and also the need for that review?

Mr P.T. MILES: The member is talking about the review of the Associations Incorporation Act 1987. I was actually hoping that we would get that bill into the house last year, and I think I said that in estimates last year.

Ms J.M. FREEMAN: You did!

Mr P.T. MILES: Oh, dear!

Ms J.M. FREEMAN: I can quote you, if you would like, parliamentary secretary!

Mr P.T. MILES: It is already in *Hansard*. But, yes, I was hoping to get that into the house last year; in fact, the member for Southern River did a grievance on this issue in the house. It is a bill that seems to have languished for some time. A green bill was released for public comment, and quite a lot of submissions were received with regard to that green bill and on how to develop the current reforms. In August 2010, cabinet approved the drafting of a bill to amend the Associations Incorporation Act—the Associations Incorporation Amendment Bill—with the aim of reducing the regulatory burden on incorporated associations, while also addressing problems that have emerged in the administration of the act in recent years as demands on incorporated associations have increased. A number of wideranging changes in high-level consumer protection policy since August 2010, at both state and federal level, have delayed finalisation of the amendment bill; namely, the commencement in January 2011 of the Australian Consumer Law and the new Fair Trading Act 2010, which provide a new investigation and enforcement framework for the Commissioner for Consumer Protection; the amendments to the financial reporting provisions in the commonwealth Corporations Act 2001 applicable to companies limited by guarantee; and the introduction of the Australian Charities and Not-for-profits Commission Act 2012, which imposed new financial reporting obligations on not-for-profit entities. The amendment bill has had to be revisited in light of these developments. But my understanding is that we are hoping to get that bill into the spring session of Parliament. I am getting the nod from the director general.

Mr D.A. TEMPLEMAN: That is a bit doubtful!

Ms J.M. FREEMAN: The parliamentary secretary has made promises before that he has never been able to deliver, so why is he doing it now?

Mr P.T. MILES: Do not start that one! It is just little old me!

Mr D.A. TEMPLEMAN: Grounds for termination, in my view!

Ms J.M. FREEMAN: If the parliamentary secretary does not deliver it in spring, he is off!

The CHAIRMAN: Order!

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr P.T. MILES: We need to get that legislation into the house as soon as possible, because obviously the Australian Consumer Law will affect some parts of that bill as well. The advice is that we will definitely attempt to bring that bill into the house later this year—obviously parliamentary time permitting.

[4.50 pm]

Dr G.G. JACOBS: To come to the crux of the issue for me: will this legislation deal with some of the good faith aspects of the franchising industry? The member for Southern River has raised some of the aspects of fair trading, some of the aspects of acting in good faith and some of the potential breaches in the franchising industry. Will this legislation touch on some of those issues in the potential breaches of fair trade?

Mr P.T. MILES: I am sorry, member; what was that last part—just the last few words, not all of it?

Dr G.G. JACOBS: I think the discussion in Parliament over the past 12 months has revealed that we need to address some issues in the franchising industry in and around aspects of fair trade and acting in good faith. The member for Southern River has talked about this issue on many occasions; in fact, he introduced a private member's bill that went down by one vote.

Mr V.A. CATANIA: I think that was his own as well!

Dr G.G. JACOBS: That was when I joined him, but it was not enough.

We get lots of mild reassurances that this issue has to be dealt with by the federal government before it is dealt with by us. Is there an opportunity with this bill to deal with some of those issues? Obviously, the franchising industry is just part of the general industry, and if there are breaches of fair trading, we should try to address those. There should be a flat playing field, if you like.

Mr P.T. MILES: The Associations Incorporation Bill does not cover some of the detail that the member is seeking an answer on, although it touches on some of the Australian Consumer Law stuff. I will refer to the acting director general to possibly touch on some of that stuff to answer the specifics that the member for Eyre has asked about.

Ms A. Driscoll: The Associations Incorporation Bill will obviously apply to not-for-profit organisations and will deal with the conduct of those associations to ensure a democratic operation and good financial management. Indeed, the bill will better specify and make clearer the duties owed by committee members and officers. To some degree, there will be better clarification of the obligations of committee members, as people perhaps do not fully understand what is the case at common law.

In terms of franchising and good faith—certainly the Chair (Mr P. Abetz) may know more than I—in broad terms, I can advise that a very productive review of franchising has recently been undertaken at the commonwealth level. Indeed, there are some recommendations currently out for comment, some of which relate to a change to the position on good faith—perhaps not to the degree previously advocated by the Chair—to further refine the Franchising Code of Conduct and to make remedies more easily accessible to the regulator. I think there are some very promising changes in that arena that will provide a very good incremental improvement to further work in defining good faith more specifically.

Ms J.M. FREEMAN: In terms of the proposed bill, one of my concerns—I was not here last year, but I know the member for Fremantle raised this issue—is that every time a parents and citizens association holds a meeting, it is considered to be a general meeting and therefore it is bound by procedural rules of notification to, for example, pass payments for the netball team. The schedule to the act that outlines what is required in the constitution has a requirement for general meetings, and because of the peculiarities of P&Cs, every time they meet it is essentially a general meeting. What usually happens with not-for-profit organisations is that they have one annual general meeting and the executive meets on an ongoing basis. In the past, P&Cs had a constitution which was endorsed by the Western Australian Council of State School Organisations but which contravened the Associations Incorporation Act. The department was aware of this and made it change it —

The CHAIRMAN: It is very interesting to have a discussion on that; I just wonder what point the member is referring to.

Ms J.M. FREEMAN: Given that it has been raised again, what has happened to ensure that that will not be the case when that bill is introduced to Parliament this September?

Mr P.T. MILES: I will defer to the acting director general.

Ms A. Driscoll: Again, I am not aware that we have received notification of that particular issue, but I am very happy to take it, if we may, as a supplementary question. It is certainly the case that there will be model rules under the new legislation, and there will be capacity for different associations to tailor those rules to their own needs, but there will of course be broad obligations under the primary legislation that cannot be varied. We will

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

need to check on the specifics. I will check whether the P&C group has approached us and whether that issue is being addressed, because it has not come up as an issue in any of the documentation that I have seen.

Ms J.M. FREEMAN: I can send the acting director general the letter to the Consumer Protection Division.

Ms A. Driscoll: We will definitely follow it up.

The CHAIRMAN: We should let Ms Driscoll answer the question and then we should move on. Parliamentary secretary, do you want to provide supplementary information?

Ms J.M. FREEMAN: Yes; I would like supplementary information on the bill that the government is about to introduce to ensure that the associations will not be acting contrary to the act.

Mr P.T. MILES: I will provide information on the implications that the Associations Incorporation Bill, which is yet to be brought to the house, will have on school P&C associations specifically.

[*Supplementary Information No A24.*]

Mr D.A. TEMPLEMAN: My question is about plumbing. I refer to page 490 of the *Budget Statements*. This issue is of particular interest to one of my constituents—the president of the Master Plumbers and Gasfitters Association of Western Australia, Mr Geoff Kelly from Kelly’s Hot Water, Gas and Air in Mandurah. He runs a very successful business. The discussion paper on alternative plumbing solutions in Western Australia was released in January this year. I understand that feedback has been received and the feedback period has now closed. What are the next steps in this process, what is the budget for the next stage of the review and what is the ultimate time line to expect final recommendations and final actions?

[5.00 pm]

Mr P.T. MILES: The department has commissioned a review by some consultants. I will ask Peter Gow, the Western Australian Building Commissioner, to answer that.

Mr P. Gow: The consultant’s report was received late last year and made available to the industry at the beginning of this year. The minister is considering a recommendation at the moment on how to proceed. Until we get the minister’s formal endorsement, I cannot give accurate timing or consideration, but we propose that there be two stages of reform. One will use the current regulations under the act to bring in some quick wins. We have proposed to the minister that the Plumbing Code of Australia and the alternative solutions aspects be handled then. There is a more substantial need for legislative reform to bring in the more fundamental reforms that the review has recommended. That will take longer—in the order of 18 months to two years—to get legislation drafted.

Mr D.A. TEMPLEMAN: Are we looking at 2016 before we might expect some legislation to be presented to Parliament?

Mr P. Gow: A new act or amendments to the act are quite likely to be done by the end of 2015 or the beginning of 2016. We are expecting amendments to the existing plumbing regulations, which will bring in the Plumbing Code requirements, which, subject to the minister’s approval, can be handled this year with the implementation date either late this year or early next year.

Mr D.A. TEMPLEMAN: Thank you. Plumbing is very important.

Ms J.M. FREEMAN: I refer to the total cost of services for Consumer Protection on page 492. On page 491 reference is made to the extent to which traders comply with regulatory requirements. In 2012–13 the compliance figure was 97 per cent, but the target for 2014–15 is only 93 per cent. Why has the compliance figure declined by a significant percentage? What measures are being taken to ensure compliance? In particular, what is Consumer Protection doing to ensure that consumers are not being disadvantaged by the misleading use of traffic and parking infringements by private car-parking operators? The parliamentary secretary will be aware that recently a purchaser of a second-hand car had their vehicle clamped due to the absence of regulation over these companies. What does the department intend to do to ensure consumers are not wrongfully targeted and are forced to deal with unjust wheel clamping and the proliferation of parking companies that are selling their services to shopping centres? A person can overstay at a shopping centre in Cannington and then overstay at the Karrinyup shopping centre and get their motor vehicle’s wheels clamped even though they had overstayed in completely different parking areas. My question goes to that and how the department will ensure traders act fairly with consumers. I went a long way around the clamping issue, sorry.

Mr P.T. MILES: It is a very good question.

Ms J.M. FREEMAN: Sorry; it got me there. Someone wrote the question for me and then I realised they had given me a bum steer.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr P.T. MILES: I will ask the acting director general to answer it. She has written copious notes from the questions.

Ms A. Driscoll: In relation to the outcomes and effectiveness indicators, reference was made to 93 per cent. That has been the target for many years. In 2012–13 we exceeded the target at 97 per cent. Fortunately, I can advise that in the end of April figures there is an estimated actual for 2013–14. I checked that this week to see how we are tracking with the most recent figures because I was keen to find out why it had reduced. The latest estimated actual is 96 per cent, so it is not too different from the 97 per cent. I mentioned before that we have had to review our proactive inspections and have looked to target, if you like, the high-risk areas, so it is quite encouraging that it has not reduced too much.

On the issue of parking, one of the first questions that arises is the extent to which misleading representations under the Australian Consumer Law are fully applicable in this circumstance. Clearly, there is an issue with people's cars being moved when they have not improperly breached their contract with these providers of parking. As the member will be aware, issues have arisen primarily because a new owner of a car inherits a reputation through a former owner and, before they know it, their car wheels have been clamped. As the member will appreciate through this debate, parking providers complain that they cannot get access to vehicle transfer information, which would alleviate this situation. To some extent, there are Department of Transport issues there, but I think we all respect that some of that information should be confidential. We need to look at what opportunities there are for better tracking vehicles without revealing personal information. I need to look in more detail at aspects of misleading representation in relation to the ACL. It is not potentially a sale; it is not a consumer transaction in the sense of a misleading representation. It is probably in the contract. I would need to look at that in more detail. I have not been close to that in the last months due to temporarily taking on the director general's tasks. I am aware of some of the detail, but I will have to look more carefully into the contractual obligations and the capacity to use the ACL in this context.

Mr P.T. MILES: We can provide that by way of supplementary information.

[*Supplementary Information No A25.*]

The CHAIRMAN: Minister, what are you going to supply?

Mr P.T. MILES: I will provide further information on car parking infringements such as clamping —

Ms J.M. FREEMAN: It is the misleading —

Mr P.T. MILES: — and whether clamping is in breach of the Australian Consumer Law.

Ms J.M. FREEMAN: It is for misleading use of traffic and parking infringements. When people go to a shopping centre, they are not entering into a contract with a shopping centre; they are not paying for a contract; they are parking at the shopping centre and the parking company is saying that if people overstay, they get a sort of fine. They are not actually fined, as such, but if a person overstays at a car park on three occasions, their vehicle is clamped.

The CHAIRMAN: Parliamentary secretary, can you reconfirm that supplementary, please?

Mr P.T. MILES: We are going to provide further information for the member in relation to the Australian Consumer Law on people overstaying in car park A, driving to car park B and then to car park C and possibly getting their car clamped because they are being policed by the same entity.

Ms J.M. FREEMAN: It is the idea that there is free parking but there are conditions on that parking —

Mr P.T. MILES: I think we understand.

The CHAIRMAN: Yes; I want to make sure we have correctly recorded what supplementary information is to be provided.

Mr P.T. MILES: We will look at *Hansard* to see exactly what the member said. I think that is pretty clear. I think the director general understands it fully.

The CHAIRMAN: Before I give the call to the member for Eyre, I want to let the membership know that we have been on division 44 for two hours. We have only an hour left and we have another division to deal with.

Ms J.M. FREEMAN: The parliamentary secretary and I have said we will change at half past five.

The CHAIRMAN: Thank you, member.

Dr G.G. JACOBS: Thanks for asking us!

Ms J.M. FREEMAN: Sorry.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

[5.10 pm]

Dr G.G. JACOBS: I refer the parliamentary secretary to page 492 of the budget papers. I now understand why the parliamentary secretary frowned when I asked my last question. I was off beam and the acting director general has almost brought me back on course, because franchising codes et cetera were not anything to do with the Association Incorporations Act. However, I made my point. The only point I would like to make is that if the feds had done some of this work, as the acting director general said, maybe we could make this a policy project for Western Australia.

I want to refer to the full-time equivalents in the table under “Consumer Protection”. I would like to know what all those people do. How many are involved in the legal branch, if any? Again, I may be off beam, but I believe that the Consumer Protection Division has a legal section because I have in fact dealt with it over a matter. How many cases for breaches of the consumer protection act have been challenged legally or taken to court in the last 12 months?

Mr P.T. MILES: I will ask the acting director general to answer that question.

Ms A. Driscoll: There are many aspects to that question. I would have to get the precise figures for the number of people involved in policy. It is approximately 23. I will give the member an indication of the number of policy projects. The member will be aware that we are involved in a major review of residential parks at the moment. There are major reviews of retirement villages; motor vehicle dealers and repairers; and limited partnerships, which is important for joint ventures. We expect to have major act amendments introduced later this year. The cooperatives legislation is under review to align it with the national harmonised model so that our cooperatives can trade with other states. Of course, there is deregulation of travel. We are doing fee deregulation for land valuers and settlement agents. Specific legislation is required for boarders and lodgers. There is a consumer protection miscellaneous amendments bill, and there is a review of the property codes. We have mentioned the Association Incorporations Act. That will give the member some sense of the range and diversity of the work. It might appear that we do not have a lot of people working on policy, and there have been some delays, but I think that gives the member some sense of the wideranging and very active work in this domain. It is my intention, once we have clarity about our budget as it translates to salaries, to try to redirect some more resources into policy. They are really important projects and we would like to see more advancement of many of those.

In terms of legal staff, again, to be absolutely accurate, I need to take that as a supplementary. But I can tell the member that within the unit there are probably about 12 staff and, within that, there are about eight lawyers. We have been fortunate in attracting very skilled lawyers and have had some excellent outcomes in a range of areas. I will go to the number of actions that we have taken in the last 12 months. We have had 10 matters before the State Administrative Tribunal as proceedings relating to sanctions. We have taken seven civil actions, including matters in the Supreme Court and the District Court, about, for example, property spruikers and rent-to-buy schemes. We have had engagement in a number of Court of Appeal matters, in some of which we have been successful and in others not so. We have had 10 letters of undertaking or deeds. I am just looking down the list here. We have had one injunction lodged. We have had 30 prosecutions. That gives the member some sense of our activities. Of course, this is detailed in our annual report in terms of specific outcomes. Generally, we have been very fortunate in having success. We do not take matters on lightly. We see ourselves as a model litigant and are very careful to take matters forward that we believe are strongly evidenced. But, of course, we are also looking at the importance of taking on that matter in terms of deterrent value et cetera. From time to time, even if we do not have strong evidence but we think that the matter is important and perhaps the law is not strong enough, we would consider taking action in that case as well.

Dr G.G. JACOBS: Did the acting director general say that that was in a month?

Ms A. Driscoll: No.

Dr G.G. JACOBS: Was it 12 months? What period was the acting director general talking about for these actions?

Ms A. Driscoll: I am sorry about this; I might have to restate all those figures because I was looking at the 2014–15 target, which is essentially based on our history. My apologies. If I can very quickly go through —

Dr G.G. JACOBS: I am happy to take that as supplementary information in deference to the time.

Ms A. Driscoll: Thank you.

The CHAIRMAN: Does the parliamentary secretary agree to provide the supplementary information?

Mr P.T. MILES: Yes. I am happy to provide the information that the member has asked for, which is the activity of the department in terms of legal actions.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

[*Supplementary Information No A26.*]

Ms S.F. McGURK: My question relates to the heading “Consumer Fraud” on page 490. That paragraph really follows on from some of the issues that we have just been discussing and the imminent issues being dealt with by the Consumer Protection Division, and in particular the systematic fraud that is going on, especially that coming from international sources. Can the parliamentary secretary tell me what additional resources are allocated to deal with these threats, and perhaps a bit about how they are being dealt with?

Mr P.T. MILES: The department has actually been doing very well on some of the more elaborate overseas fraud cases. For instance, Project Sunbird is a joint initiative of the major fraud squad and the Consumer Protection Division that is focused on, as we know, money that has been transferred to west African countries such as Nigeria, Sierra Leone, Ghana, Benin and Togo. These people fraudulently contact Western Australian residents and obviously form a variety of online relationships to get those frauds underway. The department has clearly been doing exceedingly well in this area, because the target audience that these people have been going after is now very much aware of how these fraudsters work. I will ask the acting director general to elaborate further on the actual statistics and numbers because I think it is quite important to put that on the record.

[5.20 pm]

Ms A. Driscoll: In terms of actual resources, it has to some extent been a redeployment internally. We have an extra person in the compliance area working on scams. We already had one person working on that and now we have a second, which is essentially to focus on the Sunbird work with the police. Additionally, the police have placed an officer with the department, so they are physically located with us and, of course, are very much part of the review of financial transactions and identification of suspicious transactions. It is interesting, too, that those transactions used to be considered as happening, basically, through wire transfer alone, but oftentimes it is through a bank transfer; again, it is important to be looking at both. Of course, once we do actually make contact with someone, it turns out that the funds specifically going to the five or six west African countries are only the tip of the iceberg; they are so linked internationally that the money is often going into Chinese accounts or to the United States or wherever, and then coming back into the west African domain.

Of course, recently we and WA Police have been particularly active in this area. We signed a memorandum of understanding with the Economic and Financial Crimes Commission—the economic regulator—in Nigeria. I can say that it has indicated to us personally, and we are seeing it now in action, that referrals from other countries are a priority for its government. For example, on learning someone was going to Nigeria, we have been able to alert it to that and ensure that that person was monitored during the entire period. The Australian Federal Police, and indeed the Department of Foreign Affairs and Trade, have also been very helpful in those circumstances.

In terms of the resources, the whole activity is very integrated. We have our market surveillance staff work on a database that takes all the details of what is happening so that we can see trends and then try to isolate individuals and activities. Media is an important part of this in terms of raising awareness. To give some examples of the effectiveness of our media team, in the 10 months year to date the various releases we have for Project Sunbird and general activity have had an audience reach of 65 million people. Project Sunbird was recently highlighted on SBS’s *Insight* program, and it has previously been on 7.30 WA. Indeed, the advertising value of that audience reach is in the order of \$6.8 million. In our view it is all about relatives and individuals being alert to the risk of these relationships, and then of course people take more notice when they get the first letter and the second letter. We know that after the first letter that people get warning them that they might be involved in a fraud, 60 per cent of people stop sending money as we track that over the subsequent three months. When those still sending get a second letter, 40 per cent stop sending money. Of course, then if we see large amounts going overseas, the police will physically attend the homes of people to endeavour to convince them that they are part of an elaborate fraud.

Ms J.M. FREEMAN: I refer to “Spending Changes” on page 488 of the *Budget Statements*. I am interested in two spending changes: what the labour relations operating expenditure of \$500 000 in 2014-15 is, and why it is not ongoing; and the Building Commission home indemnity insurance. I notice that is \$83 000 in 2014-15, but it also does not continue. Can the parliamentary secretary tell me what those two line items are and why they do not continue?

Mr P.T. MILES: I will refer that to Mr Goodwin.

Mr D. Goodwin: Firstly in respect to the line that reads “Labour Relations—Operating Expenditure”, that is a finite additional allocation to the division, to resource it.

Ms J.M. FREEMAN: To resource it?

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Mr D. Goodwin: To resource it for five full-time equivalents for this current —

Ms J.M. FREEMAN: I am sorry, I cannot hear you.

Mr D. Goodwin: Sorry.

The appropriation is to fund the labour relations division for five FTEs for this current financial year, as a discrete decision coming out of cabinet.

Ms J.M. FREEMAN: To employ an additional five FTEs in labour relations over the 2014-15 financial year?

Mr D. Goodwin: Sorry, the member has misinterpreted what I said there. It is actually restoring funding for five FTEs. If you like, the labour relations division, similar to other divisions, suffered some budget cuts previously—public sector workforce reforms and what have you. There was a decision from cabinet to restore funding for five FTEs for this financial year.

Ms J.M. FREEMAN: There was a reduction of 14 FTEs, but there would have been a reduction of 19 FTEs in that area?

Mr P.T. MILES: That is correct.

Ms J.M. FREEMAN: It is correct that there would have been 19? In future years will there be a reduction of 19 FTEs in labour relations?

Mr P.T. MILES: Yes, the actual number of FTEs will be decided because it is the amount of allocation of salaries to the department; how the department employs people will be up to it.

Ms J.M. FREEMAN: But it is effectively the amount of 19 people's salaries that will be going from labour relations?

Mr P.T. MILES: Yes.

The CHAIRMAN: Do you want to finish that question?

Ms J.M. FREEMAN: Yes.

If \$500 000 is effectively five FTEs, the parliamentary secretary is saying it is \$100 000 for each FTE, so we are looking at 19 times \$100 000—my maths is terrible and I cannot work that out—for future years that will be lost from salaries on a perpetual basis to labour relations—\$1.9 million. Whatever the maths is!

Mr P.T. MILES: I will let David continue to answer that.

Mr D. Goodwin: Yes, I think we are getting to the heart of the matter. Last year there were a range of decisions that reduced resourcing to the division. This decision is restoring some element of those resources for this financial year.

Ms J.M. FREEMAN: I want to stay on that question. Through the parliamentary secretary, labour relations went through and told me where the 14 came from. Can the representative from labour relations tell me where the additional five come from?

Ms K. Berger: If it assists, there was a \$1.7 million reduction to the labour relations division budget, and of that, \$500 000 has been reinstated for the coming financial year as a result of submissions made to the midyear review. Sorry; can I ask the member to restate the question she was asking?

Ms J.M. FREEMAN: The representative of labour relations told me exactly where the 14 went; I have now been told there are actually 19. Where are the other five from, or coming from?

Ms K. Berger: Actually the \$500 000 has been reinstated, so those positions will not have to be reduced or those people will not have to go.

Ms J.M. FREEMAN: Until next year? Is this only for 2014-15? So in 2015-16, when the \$500 000 is not there and those additional five FTEs have to go, where will they come from?

Ms K. Berger: Look, I do not know what is going to happen in the next budget cycle, but we will certainly be arguing that that number continues.

Ms J.M. FREEMAN: The Labour Relations Legislation Amendment and Repeal Bill 2012 is one of the highlights of this budget, and the budget reads —

Once Government has approved the proposed changes, the Department will be responsible for progressing the changes.

Ms Janine Freeman; Mr Paul Miles; Ms Simone McGurk; Chairman; Dr Graham Jacobs; Mr David Templeman;
Mr Vincent Catania; Mr Fran Logan

Given that it is not even having to be progressed at this point in time, does the parliamentary secretary assume—it is obvious to see—that the workload will only increase by what appears in the budget, and therefore that \$500 000 needs to be ongoing funding for the department to be able to pursue the government objectives as outlined in its budget?

[5.30 pm]

Mr P.T. MILES: The staff at labour relations are very effective in the work that they do, and they like to take on the challenges that government presents them with.

Ms J.M. FREEMAN: I also asked about the Building Commission home indemnity insurance.

Mr P.T. MILES: I will refer that one to Peter Gow, the Building Commissioner, because he has been working on this one.

Mr P. Gow: Indemnity insurance can be complex, but, in simple terms, from November last year the two insurers that have been providing the product were unable or unwilling to continue to underwrite it fully, so the government has entered into an agreement to 100 per cent reinsure home indemnity insurance issued since November last year. This funding is for two FTEs plus some actuarial advice so that government can manage the relationship and the risk of the indemnity premiums and payouts going out through those two insurers. That agreement was for 12 months, which is why the funding totals \$250 000; it is there over the two financial years. Subject to further work and cabinet approval, there is likely to be some continuation of that arrangement into the following financial year.

Ms J.M. FREEMAN: At the risk of asking a question that results in the same answer, I would assume that it would have to be continued because otherwise there will be no indemnity insurance. Can I assume that the forward estimates, whilst they are zero at this time, will have funding in future years?

Mr P.T. MILES: The government will be making full announcements in the coming weeks about where it goes on this particular deal.

The appropriation was recommended.