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LEGISLATIVE ASSEMBLY ESTIMATES COMMITTEE A

Thursday, 23 May 2019

Legislative Assembly

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ESTIMATES COMMITTEE A

The meeting commenced at 9.00 am.

Division 36: Transport, \$240 996 000 —

Ms J.M. Freeman, Chair.

Ms R. Saffioti, Minister for Transport.

Mr I. Cameron, Acting Managing Director.

Mr R. Sellers, Director General.

Mr A. Kannis, Project Director, Metronet.

Mr P. Parolo, Executive Director, Finance and Procurement Services.

Mr D. O'Reilly, General Manager, Regional Services.

Mr P. Abromeit, Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

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 minister to clearly indicate what supplementary information she agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for North West Central.

Mr V.A. CATANIA: I refer to the line item "On-demand Transport Reform—Assistance for Regional Taxi Operators" under "New Initiatives" on page 509 of volume 2 of the *Budget Statements*. As the minister would be aware, there has been quite a bit of debate and strike action about regional taxis. I know there have been quite a few reforms, with regional WA taxis not having a 10 per cent levy, but the regional taxi drivers believe they should be part of the buyback scheme that metropolitan taxis are a part of. Why can regional taxis not be part of that buyback? Can the minister give an explanation and a reason for that and provide the definition or the legal advice that says that regional taxis cannot be part of that buyback?

Ms R. SAFFIOTI: First of all, the clear advice that we have received is that the regional licences are not private property owned by the licence holder. We have used the same definition that previous governments used; for example, under the previous government when the transitional system was offered to taxi plate holders, it was limited to 1 000 privately owned plates in the system. Annual licences were renewed normally as part of the process. All the advice tells us that the plates are not privately owned property of the licence holder. The other key points are that these operators can continue to operate in the new environment, and we are working with all the operators around the state. They will be required to be part of the new legislation. They currently operate under different legislation than the metropolitan area. They can continue to operate. They will be authorised under a different system, under the booking service authorisation, but reflecting that change is often difficult. The Department of Transport regional offices have been working with the operators to help with that transition.

The other key point is that a number of discussions were held. One discussion about the proposed reform was held early last year with regional taxi operators. A number of options were put forward including grants and other assistance. The strong feedback was that the regional operators did not want the levy, and so we excluded them from that levy. We also discussed this issue in Parliament, and the member and the regional Labor members also raised the issue of the requirement for cameras. As a result of that discussion in the Parliament, and the issues the member raised, we created the grant for the provision of those cameras, and that grant has been well taken up by those regional operators.

I understand that the challenge out there is to reform. We have also put forward a \$10 000 assistance package and waived a number of fees for regional taxi operators. A significant assistance package of \$3.4 million is out there to support the regional taxi industry. We have seen that some operators are very keen to participate in the new era, and others are not as keen, but this is reform. I discussed this issue at length very early on about what we would do in the regions if it did not reform. The problem would have been similar to what we saw in the metropolitan area four or five years ago. If there were no reform package and we did not allow them to expand, compete and be more flexible in how they operate in the new environment, they would have been picked off by new entrants. This gives them the ability to compete in the new environment. I understand many taxi operators now want to be part of the buyback. But all legal advice is that that was impossible.

Mr V.A. CATANIA: The minister says that metropolitan taxis have a property right and regional taxis do not, yet my understanding is that regional taxi plates can be sold for \$60 000, \$70 000 or \$90 000. What is the difference between a regional taxi being sold for tens of thousands of dollars and a metropolitan taxi being sold for tens of thousands of dollars? Are operators selling a property right in regional WA as well as metropolitan Perth? What is the difference between the two if they are basically being traded in the same way?

Ms R. SAFFIOTI: The arrangements throughout regional WA have changed over time, and every region was established differently and is different depending on who runs it, whether it is a family-based business or whether it is a new entrant to the market. We have gone through some of the data and seen that, primarily, a business has transferred, which ordinarily includes the vehicles, the taximeters, the entire infrastructure and the goodwill of that business. The business has been transferred and there has been an application to transfer those licences in many instances, which is different from the plate itself. I make the point that there are many businesses in the metropolitan area involving the taxi industry, such as fleet managers. These businesses have been created over time because of the regulations of the taxi industry. They are not part of any buyback or assistance package. They are businesses born from the taxi industry but they do not have privately held plates. The buyback was targeted at those with privately owned plates. During the term of the previous government, the \$20 000 transitional assistance package under the taxi reform was made available to only those with privately held plates. In a sense, we targeted the same group of people in our buyback as did the former government.

[9.10 am]

Mr V.A. CATANIA: I understand what the minister is saying to a degree. I classify a taxi operator who has purchased a private plate for a taxi in metropolitan Perth as a small business, because in purchasing a plate, a person is purchasing a business and they have an opportunity to sell a product. It is the same with a regional taxi, even though someone is not purchasing a plate. The plates in regional WA have been limited, but those who purchase a regional taxi business are still purchasing a business that they would not have purchased unless they had the plates to go with it. Even though they are leasing a plate—for want of a better word—and not purchasing a plate, they are still purchasing a business that is associated with a plate. I cannot see how that is different from a metropolitan taxi plate; it is still a business in metropolitan Perth and it is still a business in regional WA, because taxi businesses that have plates are still selling their business for a significant amount of money, similar to those with plates in metropolitan Perth who are still selling them for a significant amount of money. Both have had limited plates, whether they are in Kalgoorlie, Carnarvon, Albany, Mandurah or wherever—there are still limitations on their ability to have plates. Does the minister understand that there is really no difference because they are both small businesses?

Ms R. SAFFIOTI: The situation has been different in regional WA. If the member goes through all the data on the transfer of businesses, he will see that, in many instances, the licences were transferred at zero cost. The department would release licences through an expression of interest process with only the licence fee of \$200. It has been different and varied. When there has been a transfer, it has been of the business, and that is where the value is—in the business, in the vehicle, in the goodwill of the business. It is in all the things attached to it.

Mr V.A. CATANIA: Is that not the same as a plate in metropolitan Perth; the goodwill goes with that plate?

Ms R. SAFFIOTI: No, the goodwill does not go with the plate. A plate in Perth means the ability to operate the business.

Mrs L.M. HARVEY: Going back a step to the meeting last year, the reason that those taxi operators wanted to be excluded from the levy was that they were told that they were not eligible for the buyback. They have told me that they were not given the option to be eligible for any compensation and that is why they accepted being excluded from the levy. They have presented me with evidence about the sale of plates that is quite compelling. They paid stamp duty on the transfers. They are asking for an opportunity to sit down with the minister or someone senior to show them the structure of the business and the value of the plate—the licence to operate a taxi in the business purchase. They are suffering. They have overcapitalised, because they have paid for the ability to operate a taxi and now that is pretty much a redundant business, similar to plate operators in metro Perth. The minister said that the former government operated under the same principle, but I think she will agree that the former government was booted out because it could not get it right! Is there an opportunity to go back and have another look at the structure of their businesses? They are very frustrated, because in their

conversations with department officials, the response has been, “Well, we’re sorry you made a bad business decision, but it’s not our responsibility”, when, in fact, the government’s decision to open the regions to other operators means that their business model is stuffed.

Ms R. SAFFIOTI: The member said that we opened up the business to other operators, but that was already happening. As I said before, we could have sat back and done nothing. The existing businesses would not have been able to change and compete in the future because they would have been limited in where they could go and requirements placed on them would not rest on other operators. We made sure that they can compete. Many of them are engaging positively. This allows them to compete in the future. We are starting to see a lot more activity among existing operators and they will be able to compete in the future. This gives them the ability to expand their businesses, have peak plates and do a number of things, and those who have the goodwill and a business name in the community will absolutely be able to compete in the future and do well. This allows them to do that. I understand their concerns. Some operators did not engage in the process early on because they did not think it would happen. I will ask Iain Cameron to make some further comments. When Iain came on board, I said that we had to triple our efforts in regional WA. We have made sure that Department of Transport officers have been engaging in outreach by talking to people and assisting them through that process.

Mr I. Cameron: The department has an ongoing relationship with regional operators. The nature of the conversations has changed over the period of the transition, but it is really important that the department has an ongoing relationship even in our traditional regulatory role in the safety of vehicles, the safety of drivers and the services that have been operating. As the minister said, we have done a number of things over the years to make sure that those services are relevant for those communities under the old operating environment, and that included expressions of interest from time to time. We would get feedback from a community that there were not enough taxis or not enough service. We would run expressions of interest and work with the local operators, the local government and local stakeholders. Those expressions of interest would make additional plates available, and they were free of charge, subject to the annual licence, which is typically a couple of hundred dollars. The general manager of regional services is here. His team of people are on the ground. They have been on the ground for many years and they have engaged and continue to engage with the operators as they work through this transition. As the minister said, there have been a lot of meetings throughout regional WA over a long period and they continue to be held. Our departmental officers certainly understand the issues; indeed, most of our conversations are around the challenges that people face during the period of change. We understand that. Any advice about business and business decisions are not labelled bad decisions; rather, it is advice to say, “We understand that businesses need to assess risks when they take on a new business”. That is an old issue as well as a new issue. Mr O’Reilly may be able to add more specific details of the degree of consultation and what we are doing at the moment.

Mrs L.M. HARVEY: Mr Cameron said that businesses need to analyse the risk before they take on an investment—that is exactly the argument that those operators have put to us. They did an analysis of the risk and their banks were satisfied with that analysis and loaned them the money to buy the plates so that they could operate taxi services in regional areas. The problem is that they invested because the risk was assessed and the banks decreed that the risk was an acceptable risk to take because of the established value in the purchase of these plates. That is their argument—they did the analysis. They are quite offended when people from the department tell them that they did not do their due diligence. When there is a history of plates trading and value, and banks are willing to leverage against that history, people feel confident making a business decision to invest. Now that has been completely eroded and they have nothing left. There is no value in their businesses now.

[9.20 am]

Ms R. SAFFIOTI: I have two points to make. Firstly, the member for Scarborough refers to the privately owned plates in her question, and that is incorrect. Secondly, the assumption that somehow regional Western Australia would not need taxi services from 1 July is completely wrong.

Mr V.A. CATANIA: Have any closed down?

Ms R. SAFFIOTI: I understand that one in Denmark and one in Katanning exited, but advice is that over the past 10 years others have exited too for other reasons. The Denmark Chamber of Commerce and Industry has engaged with the department and has positively gone out to seek further expressions of interest. Basically, the next five weeks is a very difficult period as existing operators look at how they can transform or move into the next era. Others who want to provide that service are not yet able to provide it. I understand that the next five weeks is a difficult time; however, if the operators have a good name in the community and have established relationships, this allows them to continue. It is just a new regulatory framework that allows everyone to compete. I will say this again: without this, those in Peel and the south west in particular, where we see early activity of Uber coming into the towns, would be under a very regulated regime, controlling how they operate and where they can operate. Someone could come in and completely undercut them. That is exactly what happened in Perth. Without this reform, the other on-demand services would come in, as we saw in Perth when they just flouted the existing regulations. This will allow taxidrivers to continue. The businesses that have operated well and have delivered a good service to their community will continue to be able to do so.

The government is providing a \$10 000 assistance package per licence and waiving the on-demand booking service fee for four years for the existing operators. That gives them an advantage in the sense over the new operators. There is a three-year waiver on the passenger transport vehicle authorisation for regional operators as well. The waiver on those fees is worth over \$300 000. On top of that is the assistance. As I said, this is not the end of the road for those operators, but an opportunity to continue to service the community that I know they have done so well in.

Mr V.A. CATANIA: When the changes came in, regional taxi operators had to pay \$134 for the first 12 months for a call centre dispatch. They said to me that in the first 12 months it was \$134 a taxi and then it went up to \$1 380 for the next 12 months. We can see the concern that regional taxis had because the first 12 months was good, but after that there was a sharp rise in the operation of taxis. I suppose that in regional WA taxidriviers face other complexities. In Carnarvon, for example, some of the clientele are quite difficult. There are a lot of run-offs and people not paying. It is difficult to get people to drive after 10 o'clock at night. The concern the community has now is that because the licence says that they do not have to operate 24/7—they can operate when they feel fit to operate—there are gaps throughout the day in the provision of a taxi service. In Carnarvon, for example, it is a lifeline for people to travel to medical appointments and to do their shopping. There is that aspect, but also the damage caused to cars by rock throwing and so forth, which is a community issue. There is pressure in a lot of community towns on regional taxis and the fear of someone else coming in and reducing their margin and their profitability of being a taxidriver. There is a real concern about being able to deliver a service and real concern from the community point of view about not having a service. I fear that we will see more of the dead marks happening around regional WA because of the complexities and issues in those regional towns.

The CHAIR: Is there a question?

Mr V.A. CATANIA: My question is: is there any way to offer further assistance by perhaps strengthening legislation to protect our regional taxis as well and allowing them to operate from 10 o'clock to 12 o'clock? That is often a peak period, especially over weekends.

Ms R. SAFFIOTI: I will talk first about the fees, because that is what the member raised initially. We understand that concerns were raised about the fees not being applied in the first year and then increasing. That is why we have waived the booking service fee for four years for existing operators. It is an advantage for existing operators that they do not need to pay the booking service authorisation fee for four years, which is a pretty good benefit. Additionally, the passenger transport vehicle authorisation fee will be waived for three years for existing operators. The government will continue to monitor the operations in the regions. We are looking at where we have authorisations already. As part of this process, we are seeing where there is activity of authorisations post 1 July to ensure authorisations are done across the state. So far we have seen a lot of take-up. Supply is currently looking quite good, but closer to 1 July, probably in mid-June, we will do another stocktake to see who is authorised and to ensure that we do not have any gaps in service.

Mr J.E. McGRATH: I have a question on taxis, because we might not get back to taxis. I mentioned this matter to the minister the other day. I went to the soccer final at Optus Stadium in a cab and I asked the cabbie how everything was going at the stadium. He said the one problem is that when the rank is full with cabs waiting to pick up people—I have never seen a bigger queue than that on Sunday night; it was bigger than after a footy game—if he gets to the point of entry and it is full, he is waved on. He has to do the whole loop past Crown and come back along Graham Farmer Freeway to try to get back in. The cabbies have asked whether they could somehow have a holding zone in a slip road on the edge of the freeway; however, Main Roads has told them that it does not do that on freeways. Is that something that could be looked at? I waited in the queue for a cab for 40 minutes the other night. It was a very big queue, and it is a very small area. That is just how it has worked out. I know it is difficult to get cars in and out of that stadium area because it is pretty tight.

Ms R. SAFFIOTI: The weekend, including Sunday, was a big test for Transperth. It did very well given that we had the Friday night Eagles game, other services for HBF Run for a Reason and, of course, the massive grand final between Sydney and Glory. The departure from the stadium was one of those big tests because everyone was waiting for the penalty shootout but I had not seen a quicker exodus from a ground in my life as soon as we lost!

Mr V.A. CATANIA: The Premier should not have worn that scarf. It was a bad omen!

[9.30 am]

Ms R. SAFFIOTI: It was a pretty good season and a pretty good year; if only the Dockers could do that! Dockers fans do not leave early, because we are used to it. We just sit there and suck it up.

The departure from Optus Stadium on Sunday and the number of people who left in such a short time was significant. I have never seen the stadium vacated so quickly. The member has raised this issue with me and I will follow it up. In particular, the ability for taxis to get a quick departure is tough at the stadium because it is a very constrained area. Traffic management tries to ensure it keeps clear the Victoria Park off-ramp from the freeway to allow traffic to flow smoothly, but taxis in particular probably need a better place to wait, rather than have to trek through a big round trip to get back to the stadium. We do not want taxis to create more congestion in the area.

The member has raised this issue with me and I take it on board because we are always looking at ways we can tweak the system to make it work even better. It is incredible that we can clear the ground so quickly but we are always looking at ways to make things better.

Mr J.E. McGRATH: I have tried to work out why it happened. I think it was because there were a lot more interstate visitors and a lot of people might not have been aware that the bus service was going to be the same as it is for the AFL games. A lot of people would have taken a cab to the game because they were not sure whether the transport service was going to be the same.

Ms R. SAFFIOTI: The member raised that issue with me. I think it is quite interesting. As I have said, people who go to the football all the time completely understand the service. But there was a bit of confusion before and after the Eminem concert because many of those attending may not have been football-goers and they were not used to the public transport services. We made that judgement about the Perth Glory game. Most of the hardcore Glory supporters would have been used to going to HBF Park; others probably had not been to a game since Glory last played in a final. In the media on the Thursday prior to the game, we pointed out that the services would be similar to an AFL game. Of course, as Iain just whispered to me, we have also created the other taxi and on-demand services rank on the other side of Matagarup Bridge. Again, if people know the area, they know that transport option is available, and especially its proximity to Optus Stadium.

Mr J.E. McGRATH: It is a long walk.

Ms R. SAFFIOTI: Yes, Matagarup Bridge is a bit of a walk.

Mrs L.M. HARVEY: I refer to the Westport planning no page 509 of budget paper No 2, specifically the \$10 million allocation over the two years 2020–21 and 2021–22. What is that additional funding for?

Ms R. SAFFIOTI: The Westport governance now rests primarily with the Minister for Ports, but I will answer this question. The federal government gave the state government \$10 million as part of its federal budget announced in mid to late May, as I recall. We took a decision to book the revenue that the federal government was giving us. We booked \$10 million on Westport and will focus that \$10 million on the business case planning for the project. We are now doing an options analysis and work to look at all the options for the new port. Westport will make recommendations to the government at the end of this year. Of course, that then carries on to the next stage, which is business case development. That normally costs a lot of money, particularly for a project like this one.

Mrs L.M. HARVEY: We were given the impression that Westport was still being managed under the Department of Transport, not Minister MacTiernan; is that the case?

Ms R. SAFFIOTI: It is part of Transport, but the port planning rests with the Minister for Ports. I am dealing with all the other logistical parts, in particular the road and rail aspects of the new port and the existing port. I am happy to take questions.

Mrs L.M. HARVEY: Thank you. Has analysis been done on the capacity at Fremantle port and the infrastructure that sits around it, within the existing infrastructure constraints versus the port's capacity if access to the port was freed up somewhat?

Ms R. SAFFIOTI: The operations of the Fremantle port, again, rests with the Minister for Ports. Westport is looking at all aspects of port planning, so it is looking at Fremantle, the outer harbour prospect and Bunbury as part of its deliberations. I think everyone has been quite amazed at the Westport task force's level of stakeholder engagement; it is probably the best I have ever seen. The task force is engaging with all stakeholders regardless of their views. It is trying to engage with the entire community and looking at all the key streams, including road and rail capacity, the environment, the Fremantle operations and all the proposals for the outer harbour. The task force is looking at everything. I think the federal government decided to provide \$10 million in funding for the project because it was so impressed with Nicole Lockwood and the team developing that proposal.

Mrs L.M. HARVEY: With respect to the government's freight on rail project at Fremantle port, what is the capacity of the rail infrastructure heading into Fremantle port? How much more freight can that rail infrastructure take?

Ms R. SAFFIOTI: We have been really focused on freight on rail. It is amazing how, with a bit of effort, we have really changed things. As the member would be aware, a number of years ago, freight on rail dropped down to maybe even 11 per cent; it had dropped to 10.9 per cent in 2009–10. With the concerted effort of the Department of Transport working with existing operators and other operators to encourage them—and, of course, a subsidy—to put more freight on rail, in the month of April, we saw the rail load share reach a record 23.7 per cent. That has a direct impact on the number of trucks on the roads. It is a very, very positive move that again shows that by talking to and working with industry and providing the right financial levers we can get great results.

We are working on a number things for capacity. We have been working with the port operations and what it is looking at for its future contracts with the port. We have also been looking at working with intermodal groups in the future. The relationship we have with intermodal groups is very, very important. Another key point, of course, is looking at the rail paths to the port and working with the Public Transport Authority and other third parties to see how we can create extra paths to allow trains to get to the port. We are examining other aspects, such as the length

of trains. We are continuing with the work. We have not set ourselves a cap, but the announcement by both sides of federal politics and the Morrison government's \$115 million budget commitment for the new Fremantle Traffic Bridge will allow us to expand the port's capacity. We matched that commitment with another \$115 million, so there is \$230 million in the budget for the bridge.

We are continually working, through the Public Transport Authority and third party providers and managers of the network, on how we can increase that capacity.

[9.40 am]

Mrs L.M. HARVEY: I understand that 37 operators are now availing themselves of the Fremantle container rail subsidy. Is it possible to get a list of the businesses that have accessed the Fremantle container rail subsidy over the past four years? Could we have a list of each of those operators and the value of the subsidy that they received?

Ms R. SAFFIOTI: We will check whether that information can be provided, as I understand that there are legal contracts with the other groups, which may prevent some of that detail. I will seek advice on whether I can provide that information by way of supplementary information.

Mrs L.M. HARVEY: I thank the minister. If the advice is that the minister can provide that information by way of supplementary information, can she provide a list of the operators over the last four years and the value of their subsidy? Even if the minister cannot reveal the names of the operators, can I get a breakdown of how the subsidies are spread across the people who are accessing it? Even if the names are redacted, I am just interested to see —

Ms R. SAFFIOTI: Just to clarify, the subsidy did not exist four years ago, so I do not quite get the aim of the question. Does the member want to know how many operators there have been over the past four years?

Mrs L.M. HARVEY: In estimates committee B the other night, Minister Templeman provided information that 37 businesses received the rail subsidy in 2019–20; 34 businesses in 2017–18; 31 in 2016–17; and 30 in 2015–16. I am just interested to know who those operators are. That was the information that was provided. I am just curious to find out the breakdown of the businesses that are accessing the subsidy and the value of their subsidies.

Ms R. SAFFIOTI: We will follow up and clarify that question with this answer.

The CHAIR: Does the minister want to do it as supplementary information?

Ms R. SAFFIOTI: Yes.

The CHAIR: Can the minister explain what she is getting for the member?

Ms R. SAFFIOTI: By way of supplementary information, we will provide the number of operators receiving the subsidy today and over the past four years. We will do that, but we will also provide the total number of operators in the system over the past four years and we will seek legal advice on whether we can provide their names and the amount of subsidy.

[*Supplementary Information No A22.*]

The CHAIR: The member for Bunbury.

Mr D.T. PUNCH: I would like to defer my question to the member for Thornlie.

The CHAIR: Sorry, deferring is not what we usually do, but okay. Members, just so you know, deferring means jumping, so put your hand up and I will put you on the list.

Mr C.J. TALLENTIRE: Topics do move on!

A form of active transport, cycling, is a passion of mine that I know the minister and many Western Australians share. I refer to the item on cycling infrastructure on page 510 of budget paper No 2, volume 2. Can the minister outline the level of investment in cycling infrastructure in the 2019–20 state budget and how it will be allocated across the state's cycling network?

Ms R. SAFFIOTI: I thank the member for Thornlie for his passion and commitment to active transport, as a minister who maybe does not get on her bike as much as she should; I am improving! It is great to have a member who works so well with cycling groups and is so well respected in the cycling community. He is also always providing advice on how we can improve things, so that is great.

As the member for Thornlie might be aware, this budget has allocated \$146 million over the next four years to fund a series of projects. Of this, \$91 million is funded by the Department of Transport and \$64.3 million goes towards filling gaps on the current principal shared path network. There is \$26 million in grants for local governments, through the WA bicycle network grants program and the Safe Active Streets program. The Department of Transport, Main Roads and even the Public Transport Authority have worked well as a whole—part of our thinking is Metronet, too—to make sure we try to leverage good bike paths and good pedestrian paths as part of other works. With Main Roads, we try to make sure that for every significant road upgrade or new road, there is a dedicated principal shared path. NorthLink, which is an incredible project, has 42 kilometres of continuous bike paths. Lord Street has a new dedicated bike path and there are other projects up and down the

freeway and across the network. One that I know the member for Cottesloe is excited about is our Grant Street work. I received a lot of direct feedback on that project from the Cottesloe community and councillors, who welcome a Labor government delivering safer and better access through that suburb. We are continually looking at infrastructure. The Minister for Road Safety is also doing her job in ensuring we make our roads as safe as possible in places where cyclists and motorists interact. From an infrastructure point of view, my job is to create more dedicated paths and more projects to both encourage hardcore cyclists, like the member for Thornlie, and make cycling as attractive as possible to families and others who want to ride to work, to the shops, to the gym or wherever else they want to go.

Mr J.E. McGRATH: It is a great subject, cycling, and —

Mr V.A. CATANIA: You are a cyclist, are you?

Mr J.E. McGRATH: No, I am a jogger; I jog, like Bill Shorten!

A lot of people in my electorate either jog, walk or cycle along the South Perth foreshore, doing the two bridges. During the federal election campaign, I was interested to see that the Labor opposition came out with an election commitment to construct a cycle–pedestrian bridge at the causeway. That created a fair bit of interest in my electorate, because the causeway is very close to us. We know that the opposition did not win the election, but is that something the minister was very supportive of, and is it something she thinks could be necessary for Perth in the future?

Ms R. SAFFIOTI: I thank the member for South Perth. I saw some swings to Labor at those booths, and I am taking credit for that because of the cyclepath! We saw some good swings in Victoria Park and South Perth to Labor, and I credit that to the causeway cyclepath!

This project has been on the agenda for many years. If we look across the network, one of the most heavily utilised cycle and walking paths is the causeway bridge. The causeway bridge path, as we know, is not very wide, and there is a lot of interaction between cyclists and pedestrians. The path itself is not very smooth. It is a choke point; I think it is probably the third most heavily utilised path across the entire network. Ideally, it is one that we would like to do. We worked on this proposal as part of our preparation for trying to secure as much money from both sides of federal Parliament. Our initial proposal had quite a high price attached to it, but as I said, I have already built one iconic bridge over the Swan, and we do not need to do too many, so I wanted a more simplified bridge that would help facilitate both cyclists and pedestrians. We prepared a proposal that attracted the federal opposition's interest; Anthony Albanese came out in support of it last week. All up, the project is estimated to cost between \$30 million and \$35 million; federal Labor committed \$23 million. Currently our program is quite full, because we are working along the gaps in the northern suburbs, the eastern suburbs and the western suburbs—and the southern suburbs, member for Baldivis! I saw the member looking at me strangely for a second! Of course, it is across the network. It is a large amount of money and would need to have some specific funding granted to it; it probably would not be part of a normal PSP allocation. We would try to seek further funding. Depending on who is the new federal minister for transport, or minister for cities, suburbs or whatever they create over there, I will write to them and say that it attracted a lot of interest and caused a seven per cent swing at the South Perth booth.

[9.50 am]

Mr J.E. McGRATH: Do not mention the swing!

Ms R. SAFFIOTI: Given there was a lot of excitement in the South Perth community about this project, if Steve Irons sticks around in the electorate for the next three years, he might even support it.

Mr J.E. McGRATH: He might do.

Ms R. SAFFIOTI: He might do. If he does, it will be great, because it is something that can really add to the community. I think some people are deterred from cycling because of how tight the path is. Of course, people who have the legs for it can cross over the Matagarup Bridge and return, or, of course, the Narrows or the Windan, but I think this is a good project.

Mr J.E. McGRATH: Thank you.

Mr V.A. CATANIA: I refer to aviation and paragraph 10 on page 511, where it refers to the state aviation strategy and that it will “identify opportunities for improvements in regional aviation”. It is one year since the year-long Economics and Industry Standing Committee inquiry into regional airfares in Western Australia and it will take the minister's government another year to finalise addressing the findings of the inquiry in the form of a revised state aviation strategy. It is three years since the minister's commitment to take action against the high cost of flying in regional WA, which is an essential service, and we are still seeing high prices even though the government has announced a collaboration with Qantas. The cheap fare to Broome, I think, is \$179 one way. To fly to Broome on 24 May and return on 27 May would cost \$1 122. I refer to the recently announced Exmouth flights. Despite collaboration between the government and Qantas, to fly to Exmouth on 5 July and return on 15 July would still cost \$858; to Karratha it is still over \$1 000; and to Carnarvon it is over \$800. As the minister can see, airfares in regional WA are still exorbitantly high. Virgin recently cancelled its flights to Geraldton, so that also will affect

prices, because we are still looking at over \$460 to fly to Geraldton and back. Who knows whether fares will increase, given there is only one carrier. What is the minister doing to reduce the cost of airfares in regional WA, given it is an essential service for people who live and work in the regions?

Ms R. SAFFIOTI: The issue of regional airfares is one that this government takes seriously. I will not make any real political comments about the previous government and what it did not do, but I will say again that we take it seriously. We have seen the Economics and Industry Standing Committee report. The Minister for Tourism has been highly engaged with the airlines. I also have met with the airlines. Although the Minister for Tourism is looking at world and interstate travel, he is really focused on what we can do intrastate. Over the past 12 months, we have seen the introduction of community airfares to Monkey Mia and Carnarvon; the introduction of a community and stand-by airfare in the northern goldfields air routes of Meekatharra, Mt Magnet, Wiluna, Leonora and Laverton; and, with a subsidy, some sale fares to Exmouth and Broome. Over the past 12 months, there have been a lot of new initiatives, both through the Minister for Tourism and the Department of Transport when negotiating our routes.

The Department of Transport is talking to stakeholders in preparing our response to the standing committee report. I will make a couple of comments. I would like to see our response to that probably by the end of this year. In relation to other work, both the Minister for Tourism and I are working together on some specific initiatives that we can undertake in this space. In my discussions with both Qantas and Virgin, which I have had over the past three months at very senior levels, I have raised what key action those airlines can take to promote themselves and establish a lot of goodwill in WA. Focusing purely on what has to be done, we need to increase passenger-carrying capacity across the state and we need to help support that capacity and create a level of momentum, which, after a number of years, will allow it to stand on its own feet. I think that is what I will be looking at. From an economic point of view, we need to achieve the capacity, grow and sustain the numbers and make sure it is financially sustainable in the longer term. That is a big package of initiatives and is something we are looking at. In the significant areas where tourism plays a big part, we have to look at the capacity and, in the smaller areas, we have to work with the airlines to see what we can do to support cheaper airfares. However, I think it is all about the size of the planes. If there are bigger planes with greater capacity, it will create a lot more flexibility and the ability to offer consistently lower fares.

Mr V.A. CATANIA: The community fares are all very well. Can the minister provide me, by way of supplementary information, the number of passengers travelling to and from regional airports right across the whole of Western Australia?

Ms R. SAFFIOTI: Yes. We will provide all the information we have on passenger numbers to all the regional airports around WA.

Mr V.A. CATANIA: Not just regulated routes but also Karratha, Hedland and Broome.

Ms R. SAFFIOTI: Yes; we will provide whatever information we have.

[Supplementary Information No A23.]

Mr V.A. CATANIA: Can the minister provide me with the average fare for regional flights? Obviously, there are regulated fares and what is controlled by the government—Albany, Esperance and so forth. Can the minister supply also the average fares to each airport, such as Karratha, Hedland, Broome, Paraburdoo and Kununurra—all the regional WA airports?

Ms R. SAFFIOTI: I will endeavour to provide the member with the information we have access to. I will clarify the supplementary information in a second. One of the findings of the committee inquiry was about gaps in data and information. It is something we are working through in an endeavour to get the data we require and on how we can acquire information from the airlines. We will provide the information we have on the average airfares for key destinations across Western Australia.

[Supplementary Information No A24.]

Mrs L.M. HARVEY: Virgin recently pulled out of Geraldton. Did the minister have discussions with Virgin? She said that she had met with the airline over the last three months. Did Virgin discuss with the minister its reason for pulling out of Geraldton? What was done to try to keep that service in operation?

Ms R. SAFFIOTI: Not specifically. As I recall, Virgin said it was looking at Geraldton. Generally, it is about capacity and numbers. Virgin is struggling with its numbers, so the key issue for us is to make sure we can increase the number of passengers travelling within WA. That is why the Minister for Tourism is very, very keen to make sure he can do what he can to increase the numbers within WA.

[10.00 am]

Mr V.A. CATANIA: Can the minister provide me with the number of mining activity charters approved by the Department of Transport that are going to regional destinations? Can she provide me with the number of passengers or charters approved by the department flying to destinations in regional WA such as Mt Magnet, Wiluna, Meekatharra and so forth?

Ms R. SAFFIOTI: I am not sure whether we have all that information. It may be held by the airports. I will refer that to Richard Sellers.

Mr R. Sellers: We might have some of that information, but when it is a commercial arrangement between a mining company and a charter provider, we would not have that aspect of the information that the member is asking for. For things that we approve, I do not see any reason why we would not be able to provide that.

The CHAIR: Minister, do you want to clarify whether you will do that by supplementary information or on notice?

Ms R. SAFFIOTI: By way of supplementary information, if we have the information, we will provide the number of charters going into Wiluna, Meekatharra —

Mr V.A. CATANIA: All destinations—so, whatever there is for regional WA.

Ms R. SAFFIOTI: We will see. Subject to us having the information and it not being commercial-in-confidence for whatever reason, we will provide data on the number of charters flying into regional areas.

[*Supplementary Information No A25.*]

Mr V.A. CATANIA: I think in the past there have been subsidies for flights between Broome and Derby and Broome and Kununurra. Can the minister provide a list of government financial subsidies for flights between certain destinations in regional WA?

Ms R. SAFFIOTI: Yes, I will provide supplementary information on the cost of subsidies for regional air services.

[*Supplementary Information No A26.*]

Mr J.E. McGRATH: I refer to the heading “Marine Safety” on page 516 of the *Budget Statements*. This is a bit of an unusual question. It relates to a constituent of mine. I do not think he would have been one of the swinging voters, but he is a boat owner.

Ms R. SAFFIOTI: Obviously a boat owner, not a cyclist!

Mr J.E. McGRATH: There are a lot of boat owners in South Perth, even though it is a long way from the ocean. He had a white fibreglass sailing boat, 54.0 PU—whatever that means—with an inboard motor, which he has since sold, but he had it licensed on 2 July 2018. The registration fee was \$544.20. He later took the boat to the Mornington Peninsula, where the cost to register it was \$87.40. He contacted me and said that he thought that the boat owners of Western Australia were being ripped off somehow with this discrepancy. Is there a reason that we pay more to register boats in Western Australia than do people in Victoria?

Ms R. SAFFIOTI: I think it is probably for historical reasons. Many of the costs in WA are due to not having the population to support our large landmass. In relation to maritime fees, it is due to the high cost of maintaining harbours and other facilities. A decision was made a number of years ago to move to full cost recovery for maritime facilities, and I suspect that that may be different in the eastern states. Maybe Victoria heavily subsidises its infrastructure or maybe it just has the volume of users to cover the cost of that infrastructure. I am not sure why that difference would exist, apart from the reasons I have just given.

Mr J.E. McGRATH: If I wrote to the minister, could we get some sort of response about the different fees in various states? Victoria is a small state and we have a very big state to service, so I understand that.

Ms R. SAFFIOTI: Yes; if the member wants to write to me, that is fine.

Mrs L.M. HARVEY: Paragraph 9.7 on page 511 of the *Budget Statements* states —

working with service provider partners to introduce body-worn cameras to improve compliance in the conduct of heavy vehicle Practical Driving Assessments performed on the Department’s behalf.

Having two children and lots of nieces and nephews who are trying to achieve their drivers’ licences, I am interested in this matter. Many of them have complained about the attitude and intimidatory behaviour of the instructors towards them during the driving test. Is it envisaged that body-worn cameras might be introduced for all driving instructors so that that kind of behaviour can be managed more effectively?

Ms R. SAFFIOTI: I, too, have a niece and nephew who got their drivers’ licences last year—how quickly time goes. I will get Iain to provide a further response, but I think, generally, the drivers do a pretty good job. I think there are different accounts. My niece and nephew reported one who seemed to be particularly harsh.

Mrs L.M. HARVEY: It is the assessors.

Ms R. SAFFIOTI: Sorry; yes, the assessors. I will get Iain to provide more comments on that.

Mr I. Cameron: This is in relation to heavy vehicles. For all light vehicles and the matters that the member is referring to for young people, we have introduced i-Assess tablets, which record and monitor the entire experience. We monitor that very closely. We are certainly aware of feedback that we get. It is a very simple matter now for us to get the recording of that experience. In some cases, the feedback or the comments are mistaken. It is certainly

a very stressful situation, and our assessors understand that. We have an equivalent technology called i-Assess. It is used in the metropolitan area now and we are in the stages of rolling it out to regional areas. It monitors and records those assessments.

Mrs L.M. HARVEY: Does the department keep data on the number of driving assessments conducted by individual instructors at each assessment centre and the number of passes and fails that they have?

Mr I. Cameron: Yes, we do. We have that information by centre. It is very closely monitored. We have a lot of that information.

Mrs L.M. HARVEY: Is it possible, by way of supplementary information, to get the number of assessors at each driver assessment centre and the number of passes and fails by assessor? Obviously, I do not want the names of the assessors, but I would like the number of passes and fails for each assessor over the year.

Ms R. SAFFIOTI: Yes, we can provide that. We will provide the number of tests per centre and the number of failures and passes per centre.

[*Supplementary Information No A27.*]

Mr V.A. CATANIA: I refer to the line item for the regional airport development scheme in the details of controlled grants and subsidies table on page 521 of the *Budget Statements*. What is a breakdown of projects being funded by RADS between 2018–19 and 2019–20? In 2018–19, there is \$7.584 million and in 2019–20, there is \$11.622 million. Can the minister provide a breakdown of those projects? I am happy to take that as supplementary information, if that makes it easier.

[10.10 am]

Ms R. SAFFIOTI: I was seeking clarification. I thought it was a two-year program, but, basically, it is Transport helping to fund the council. I can provide a breakdown of that by way of supplementary information. I understand it is a multi-year program—the funding is provided for a period of time—but we can provide the breakdown for regional airports development scheme funding for 2018–19 and 2019–20.

[*Supplementary Information No A28.*]

Mr V.A. CATANIA: There is a huge drop in the budget in 2019–20 and 2020–21, which continues. What is the reason for that drop? Is it due to the Busselton–Margaret River Regional Airport terminal? Is \$10 million still being allocated to fund the terminal?

Ms R. SAFFIOTI: Yes, it is to do with cash flow for the Busselton–Margaret River Regional Airport.

Mr V.A. CATANIA: Is the minister saying that in the 2019–20 financial year, \$10 million will still be allocated to complete the Busselton airport terminal project?

Ms R. SAFFIOTI: I can confirm that the \$9.5 million for the Busselton–Margaret River Regional Airport upgrade is being deferred from 2018–19 to 2019–20.

Mr V.A. CATANIA: Will that money flow to build the much-needed terminal in the coming financial year?

Ms R. SAFFIOTI: That project is being managed by the Minister for Regional Development. At the request of the Minister for Regional Development, this money is being deferred and placed on hold until the project receives the go-ahead from that minister.

Mrs L.M. HARVEY: I refer to the line item on the Port Hedland marina on page 510 of the *Budget Statements*. An amount of \$5 million is being allocated to that marina over the next two years. Could the minister please advise what that money is for?

Ms R. SAFFIOTI: This project is being managed by the Minister for Regional Development, but the Department of Transport is providing assistance for funding the design and other assistance. I will pass to Richard Sellers to answer further.

Mr R. Sellers: As the minister said, a series of coastal studies on wave action and other things happening in Port Hedland harbour were required for the design of the marina. The cyclone that occurred this year had a negative impact, but did not do so much damage that it stopped that planning. Now a portion of that money, through the department, is being spent on the detailed design of the marina. That is how the money is being spent.

Mrs L.M. HARVEY: Should this project get up—it is one of those unicorn projects, which has been around for a long time—is it envisaged that the Department of Transport will run or manage that marina, or is it likely that the management will be turned over to the Town of Port Hedland?

Mr R. Sellers: A steering group across government is considering that and other issues. Some marinas around Western Australia are managed by the Department of Transport and others are managed by local governments. There are a variety of those around the state, so that is to be determined.

Mrs L.M. HARVEY: I understand that for the marina to go ahead, an additional channel will need to be dredged so that larger boats can avoid sail craft. Has a determination been made about who will be responsible for the ongoing maintenance and dredging program? I would also appreciate information on the frequency of that dredging.

Mr R. Sellers: The Department of Transport has a budget of \$9 million for various small boat harbours and channels around the state, for which there is a priority list. The design of this specific harbour and what the channel will look like will need to be firmed up before it is known how it should be dredged and maintained. When that happens, we will either put it in that program or if it is managed by someone else, it will go into their program, but its design is still underway.

Mrs L.M. HARVEY: Where are we up to with environmental approvals and those other approvals?

Ms R. SAFFIOTI: Richard, do we have that information?

Mr R. Sellers: I do not have that with me. Normally, those environmental approvals would start at a more advanced design stage. Although, for some of the land bank, some things may already be happening that I am not across. But until the dredge channel design is finalised, we would not normally move into the environmental approval processes.

Mr V.A. CATANIA: I refer to the same service, “Coastal Infrastructure”, on page 510. I want to raise some pressing issues that are occurring in the electorate of North West Central. I will run through them. The first is the fascine waterway. The Carnarvon Yacht Club has bought a dredge and 80-year-old-plus volunteers are working day and night to open the waterway. Currently, the waterway is closed which gives the impression that Carnarvon is closed for business. The management of this waterway is under the Shire of Carnarvon, but I seek clarification on who owns the waterway—the seabed. Is it the Department of Transport, or is it crown land that is owned by the state government? Does the minister have a copy of the agreement between the Shire of Carnarvon and the Department of Transport on who maintains and owns the waterway? The yacht club cannot continue investing all its funds and having 80-year-old-plus people working night and day to dredge the fascine when I believe that that work should be done by the Department of Transport. Is there a time frame for a long-term fix to open this waterway?

[10.20 am]

Ms R. SAFFIOTI: I was up in Carnarvon a few weeks ago and this was the main matter —

Mr V.A. CATANIA: Thanks for the notice!

Ms R. SAFFIOTI: Oh, well. The member does not let me know when he is in my electorate!

Mr V.A. CATANIA: I drive through it a few times.

Ms R. SAFFIOTI: He should let me know.

I was up there a number of weeks ago to discuss this, amongst other issues, but the fascine was the main topic of discussion. I understand the issue. Since coming back, I have had a discussion about this with the Minister for Regional Development and the department. There are three key challenges in front of us from a Transport point of view. The first is the very short term: the dredging activities being undertaken now, how that is being done and whether the state can do anything to assist generally with dredging in that area. The Department of Transport has already started talking to the Department of Primary Industries and Regional Development about what can be done. The second is the agreement, which, as I recall, was struck in 1995 and has not really been revisited since.

Mr V.A. CATANIA: Does the minister have a copy of that agreement, because no-one seems to have it?

Ms R. SAFFIOTI: Not with me.

Mr I. Cameron: I have not seen it.

Mr R. Sellers: I have not seen it.

Mr V.A. CATANIA: No-one has seen it. Herein lies the problem.

Ms R. SAFFIOTI: I understand that the agreement struck in 1995 basically gives all management to, and puts all the responsibility on, the shire. In my meeting with the mayor and the CEO, they said that they did not believe it was fair for the future. Since then, of course, a lot has happened, including some state infrastructure not being able to be accessed. Following a discussion with the Department of Transport as late as yesterday, we are keen to relook at that whole situation to see how it can be fairer and whether the Department of Transport might take a more active role, together with the Department of Primary Industries and Regional Development. We are open to that. That is something we are looking at right now.

The third is the longer term; namely, what are the more permanent infrastructure needs? The Department of Transport is currently assisting the shire by doing some modelling about all those things, including currents and other things in the area, to see what we can do. What is possible for a more permanent solution to ensure these things do not recur and what is the cost? The initial work is really just getting some of the surveying done and working with the consultants. A consultant has been employed up there to do all the modelling to see what will be required for something more permanent. The Department of Transport is assisting the shire with that.

Like I said, it is one of those issues that has been going on for many, many years. I understand that maybe we need to move on from the 1995 agreement, understanding that the shire's budget is relatively small. We need to look at how we can assist through the Department of Primary Industries and Regional Development. It is something that the Minister for Regional Development and I have talked about and will continue to talk about.

Mr V.A. CATANIA: There are volunteers who are 80-plus years of age. Iris and Ray Smith are doing an amazing job. They cannot continue, and it could have the potential to send the yacht club broke. They are doing it through volunteers' time, and money from memberships. It is a desperate situation. It sends a message that Carnarvon is closed. We have state infrastructure. Royalties for regions money was put into a marina that no-one can use. Time is critical and I urge the minister to get that open to help the economy of Carnarvon.

I also want to ask about the Tantabiddi boat ramp in Exmouth, because it is another issue affecting tourists, commercial operators and the like. That desperately needs attention. Can the minister provide a time frame and the amount of money that is needed to fix the Tantabiddi boat ramp in Exmouth?

Ms R. SAFFIOTI: I also met with people from the Shire of Exmouth on the same day. We talked about the challenges there, in particular the heavy use of the boat ramp and the fact that the shire does not really receive any revenue from it. I think it is all collected through the Department of Water and Environmental Regulation, or at least some of the fees are collected through DWER. A cross-government working group will meet in Exmouth in the next two to three weeks. I might go as well, to see it in operation. It is a significantly used facility. The whole industry is based on it. We are looking at what we can do across government. I will defer to Richard, who is on the working group.

Mr R. Sellers: We are working very closely with the Parks and Wildlife Service, the shire and the development commission up there, when we can. This one is a little more advanced in the oceanographic-type studies. We are lucky that one of the universities—I think it is Curtin—had a lot of material around what is going on both in the water and with that waterway that periodically floods sand onto the ramp. That very preliminary design is now being discussed with the shire, the Parks and Wildlife Service, and the broader community. In the interim, our representatives up there are working with tour operators and others to get better management in place around how vehicles are parked and how that interaction takes place. As the member said, it is a focus point for both the community and the charter operators. The design that is envisaged will have some separation between the charter operators and the normal boat ramp. We are looking at ways to do that so the ramp will not be shut down periodically by a sand event.

The second part of the question related to timing. That would come from this design being finalised and then coming back to government to seek funding for it. I cannot give a quantum in dollars but, as the minister mentioned, we will be up there again the week after next to get into a serious discussion about the design.

Mrs L.M. HARVEY: I have one last question and then I would like to move on to Main Roads, if others agree.

I refer to the line item "Tariffs, Fees and Charges" on page 510 of the *Budget Statements*. There is some interesting movement and quite a massive increase in tariffs, fees and charges expected in the out years. Is it possible to get an itemised list of what those variations relate to, please?

[10.30 am]

Ms R. SAFFIOTI: I can provide the breakdown of the tariffs, fees and charges. For coastal infrastructure, they are \$949 000 in 2019–20; \$2.730 million in 2020–21; \$2.277 million in 2021–22; and \$2.58 million in 2022–23. As we said and announced in last year's budget, the new statewide fee structure is basically to try to make sure that we can collect the revenue for significant maintenance and upgrade demands to maintain maritime facilities. Driver and vehicle services is the next component. It is negative \$3.916 million in 2019–20; a positive \$5.498 million in 2020–21; \$13.534 million in 2021–22; and \$19.267 million in 2022–23. The decrease in DVS revenue in 2019–20 is as a result of a reduction in motor vehicle recording fees and a reduction in drivers' licence revenue based on the fee change of volume variations. In the forward estimates, that increase is being driven by an expected increase in economic activity and transactions. The increases in marine safety—\$508 000 in 2019–20; \$1.18 million in 2020–21; \$12.896 million in 2021–22; \$1.707 million in 2022–23—are primarily due to an increase in boat registrations. For on-demand transport, all of these are negative. This is basically a clearing out of some of the existing revenue forecasts because of the new structure of the on-demand transport fees. On-demand transport is negative \$2.298 million in 2019–20; negative \$1.777 million in 2020–21; negative \$342 000 in 2021–22; and negative \$142 000 in 2022–23. This is the transitioning to the new service model, so there is a backing out of some of the existing numbers that were in the budget and forward estimates.

Mrs L.M. HARVEY: The minister said for marine safety in 2021–22 that it was \$12.896 million, and the following year it is \$1.707 million.

Ms R. SAFFIOTI: Sorry, marine safety for 2021–22 is \$1.296 million.

The appropriation was recommended.

Division 37: Commissioner of Main Roads, \$1 337 380 000 —

Ms J.M. Freeman, Chair.

Ms R. Saffioti, Minister for Transport.

Mr R. Sellers, Commissioner of Main Roads.

Mr P. Woronzow, Managing Director.

Mr P. D'Souza, Acting Executive Director, Finance and Commercial Services.

Mr D. Snook, Executive Director, Metropolitan and Southern Regions.

Mr M. Cammack, Director, Budget and Investment Planning.

Mr P. Abromeit, Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

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 minister to clearly indicate what supplementary information she agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for North West Central.

Mr V.A. CATANIA: I refer to page 526, volume 2 of the *Budget Statements*. Under "New Initiatives" is the item "Wheatbelt Secondary Freight Routes". This project is costed to be around \$500 million, and has been funded so far from the federal government to the tune of \$70 million and the state government has made a contribution of only \$16 million over the forward estimates. Can the minister please detail how these initial works will be prioritised to fit the current budget?

Ms R. SAFFIOTI: This project was allocated \$70 million by the federal government, but \$57 million of that was outside the forward estimates—from 2023–24 onwards—so only \$13 million is in the forward estimates. We will work with the Wheatbelt Regional Road Group to allocate our contribution as part of the overall strategy. This is not the only money that we will spend in the area. We have funding to be announced for the commodity routes. We will make some further announcements on the commodity routes very soon, plus other commitments across the area. Other projects under the wheatbelt road investments in the 2019–20 budget include the Bindoon bypass, the wheatbelt secondary freight network and the Walgoolan to Southern Cross section of Great Eastern Highway.

Mr V.A. CATANIA: Will the wheatbelt secondary freight network working group be part of the decision-making process in prioritising what needs to happen?

[10.40 am]

Ms R. SAFFIOTI: Absolutely. The wheatbelt secondary freight route working group met with me and developed the list, which has also been fed into our revitalisation strategy, which is the wider strategy that has been developed by the Department of Transport and Main Roads and includes ports, rail and roads. The government will soon release that strategy for consultation. Of course, we will work closely with that group, which, as I recall, represents 42 shires throughout the wheatbelt.

Mr V.A. CATANIA: Is there a funding obligation on the 42 local governments for the project?

Ms R. SAFFIOTI: We will work through it. There is a contribution from the commonwealth and the state and there will be some contribution from the councils, as I understand. These announcements were made by the federal government a week before it called the election. It sent us cash flows, but we are now negotiating some of those cash flows to see what is possible, because we want to get going as soon as possible. The cash flows for Albany ring-road are very bad and will not allow us to do the project. We have already made contact; Peter Woronzow has made contact with the federal government agency and we will have further discussions about what we can spend as quickly as possible. There is probably room for movement depending on its budget situation. We do not know who the federal minister will be, but we have been informed of a transport ministers' meeting in August, I think, which presents another opportunity to negotiate other projects. The Royal Automobile Club of WA and Main Roads

are particularly passionate about the regional run-off program. We did not secure any funding for that through the federal budget round or in the lead-up to the federal election. Main Roads and RAC are backing that program 100 per cent because of the return on a minimal investment, in a sense. It is not minimal, given the lives we save and the number of single vehicle run-offs we reduce, which seem to be a big issue, particularly in the wheatbelt.

Mrs A.K. HAYDEN: Is the minister able to advise whether the orange route is included in that; and, if so, has there been a funding allocation? I know that federal member Ken Wyatt committed money to the orange route. Is there a time frame on that?

Ms R. SAFFIOTI: As I understand, some money was put forward by the federal government. We are still working through that. Again, as part of our negotiations with the federal government, we will look at that project. The planning and costs will be significant. It is something that we will follow-up with the federal government.

Mr D.T. PUNCH: I refer to page 535 of budget paper No 2, volume 2, and specifically to the Bunbury Outer Ring Road, which comes under the asset investment program. Can the minister provide an update on the progress of this really exciting project?

Ms R. SAFFIOTI: I thank the member for Bunbury for his proactive approach to this project. It has created a lot of discussion in the south west. What I find with some projects is that a lot of people call for them but when we go to deliver them, they say it is all too hard. That is not this member, who has been proactive and very keen to support the continuing dialogue to make sure that the project works for the entire community. To those in the south west who knock this project, it is a significant investment of both commonwealth and state money. We want to make it work; we want to engage and make sure that we serve the entire community. As the member knows, the project has been discussed and has been on the scene for many, many years. We have received a lot of feedback from our discussions with the community, which we are working through, and we will make some announcements in the next few weeks. The issue of north-facing ramps at Raymond Road, for example, has been raised in particular by the member for Murray–Wellington, who is very keen on the project. Bunbury is very keen to make sure that everyone knows its location, so that it does not miss any visitors to Bunbury. We are very keen to make sure that everyone who wants to visit Bunbury can easily access Bunbury and, of course, we are working hard to facilitate that.

Another issue relates to Bussell Highway. We are looking at the project overall and getting feedback from all members, including the member for Bunbury and the member for Collie–Preston. We are looking at how we can incorporate Bussell Highway in the Capel area as part of the Bunbury Outer Ring Road project. We will talk to the federal government about slightly increasing the scope of the project to facilitate Bussell Highway works. We believe that it can all be funded from the existing budget. Main Roads has already found out that we can do that, so we just need the federal government's sign-off. We will approach it to do that. An amount of \$4 million will be provided by the state government for minor works to preload the first five-kilometre stretch, which will happen this year. That needs to happen in advance of any construction work and it is underway.

The environmental issues have been deeply considered to make sure we get an alignment that works for everybody. We want to continue to make Bunbury an easily accessible place to visit, support businesses in the area and move freight, trade and commuters easily around the south west.

Mrs L.M. HARVEY: I refer to page 536 and to the line items “Metropolitan Intersections Crash Program” and “Run-Off Road Crashes Road Improvements”, which are about two-thirds of the way down the page under the Road Safety Commission section. These programs are not being funded anywhere near the levels that they are usually funded. As I recall, in 2016–17, \$65 million was allocated to the run-off road crashes road improvement program and \$20 million was allocated to the metropolitan intersections crash program.

Ms R. SAFFIOTI: Sorry, can the member say those numbers again?

Mrs L.M. HARVEY: I am talking about 2016. I want an explanation of the figures in the budget for the metropolitan intersections crash program—\$4.3 million in 2018-19, \$3.84 million in 2019–20 et cetera—and the money allocated for the run-off road crashes road improvement program. Is that money funded from the road trauma trust account?

Ms R. SAFFIOTI: Yes, but can I clarify those figures. The member for Scarborough said that \$67 million was allocated in 2016–17

Mrs L.M. HARVEY: In 2016, \$65 million was allocated to the run-off road crashes program and \$20 million to the metropolitan intersections program from the road trauma trust account.

Ms R. SAFFIOTI: Where is that?

Mrs L.M. HARVEY: That was in December 2016. That allocation was put in at the midyear review, but it has dropped off significantly.

Ms R. SAFFIOTI: For one year?

Mrs L.M. HARVEY: Yes.

Ms R. SAFFIOTI: In the 2016 midyear review, \$65 million was put in —

Mrs L.M. HARVEY: — for the run-off road crashes program and \$20 million for the metropolitan intersections program, which is a significantly lower investment.

The CHAIR: I need to point out that based on the estimates process, members need to stay in the current estimates. That is what Erskine May tells us to do. Try to stay within the estimates before us.

Mrs L.M. HARVEY: I am interested to know whether this is the only allocation that Main Roads is getting from the road trauma trust account for the metropolitan intersection program and the run-off road crashes program or whether other investment will be made in those critical areas.

Ms R. SAFFIOTI: First of all, the negotiations for the road trauma trust account are done on an annual basis. The numbers here are set for only one year because we do it each year. That is why there is no funding in the forward estimates for some of the projects. They are accounted for in the road safety account but, as the member would be aware, they are allocated on an annual basis. We are getting similar levels for road safety as we have in the past for Main Roads projects. There has not been any drop-off from the road trauma trust account.

[10.50 am]

Mr V.A. CATANIA: Page 535 of budget paper No 2 refers to the Karratha to Tom Price road. I understand that the federal government will contribute to the project \$235 million and the state will contribute \$50 million, which will complete the 155 kilometres of road that needs to be sealed. Can the minister provide me with an updated time frame for sealing this project—the start time and obviously the completion of the project with the federal funds that are available?

Ms R. SAFFIOTI: I think we discussed last year the fact that we needed funding for it.

Mr V.A. CATANIA: That is right, and I advocated strongly and we got the money for it from the feds!

Ms R. SAFFIOTI: That was very effective. In the end, if that is not funded, I will blame the member! We expect to start stage 3 in the middle of this year and to finish at the end of this year. The government has been dealing with the management of asbestos. In the next stage, the government will go through the environmental approvals. With many of those projects we have to go through the environmental approvals process for stage 4. That will be both state and commonwealth. We have seen a disturbing trend in relation to some of the commonwealth approvals in particular that do not seem to be well resourced to facilitate some of our projects. That has held up a project in the eastern corridor. We will do what we can to make sure we get the commonwealth approvals in time.

Mr V.A. CATANIA: That road is known as the Roebourne–Wittenoom road. Has a tender won the contract to seal the road? Can the minister elaborate on that? I understand that the contract puts the onus on the contractor to take responsibility and liability for any asbestos it comes across on the road.

Ms R. SAFFIOTI: Yes, the tender documents include a requirement for an asbestos management plan. That is part of the process. Remediation works commenced in November 2018. During that time additional areas of contamination were discovered and they will be worked on. I will ask Peter Woronzow to answer the more detailed question about the obligation of the tenderers.

Mr P. Woronzow: As part of doing the due diligence to get the contract documents together for stage 3 we engaged GHD to do an asbestos survey. It identified about 300 cubic metres of asbestos along the alignment of stage 3. Subsequently we engaged Thuroona Services, a well-known Aboriginal-owned company, to do the remediation. It has recently finished that remediation and has found and dealt with in the order of over 10 000 cubic metres of asbestos. We are reasonably confident that between GHD and Thuroona the majority of asbestos that needs to be dealt with has been found. However, as the minister said, once the contractor submits its tender and before it starts works, it is required to put in place an asbestos management plan to deal with any asbestos it may find subsequently.

Mr V.A. CATANIA: Does the asbestos management plan mean that the onus is on that contractor to dispose of it and take liability for future issues that may arise with workers who may contract asbestosis or mesothelioma? Is there a contract that puts the onus on the company to take ownership of any of those issues that may arise in the future, given that 10 000 cubic metres of asbestos has been removed? I imagine there are still quite a few fibres in the road. What protection is the government offering those companies to do that work?

Mr P. Woronzow: The contract documents require the contractor to provide an asbestos management plan. That plan will contemplate those things that the minister talked about. We will engage with the contractor to come up with a fair risk allocation. We have worded the document such to try to get a competitive field for the contractors dealing with what might potentially be an unknown risk, as the member said. We made it clear at the industry briefing that we will contemplate discussions around how those things may be dealt with going forward.

Mrs A.K. HAYDEN: Page 534 of budget paper No 2 refers to the Tonkin Highway corridor upgrade. I am sure the minister is not surprised that I am asking about this. The corridor upgrade involves quite a few projects, such

as the extension of stage 3 of Tonkin Highway from Thomas Road to the South Western Highway in Mundijong. It includes also interchanges at Hale, Kelvin and Welshpool Roads. Has a business case been finalised for all of those projects? If so, will the minister provide a copy of those? If not, when will those business cases be finalised?

Ms R. SAFFIOTI: We will provide by way of supplementary information an update of the business cases for the three sets of projects.

The CHAIR: Minister, are we clear about the information being provided?

Ms R. SAFFIOTI: I will provide a status update of the business case for Tonkin Highway.

Mrs A.K. HAYDEN: Tonkin Highway, extension 3, and all the gap projects along there as well.

Ms R. SAFFIOTI: I will provide information on the Tonkin Highway gap, Tonkin Highway extension and Tonkin Highway interchanges at Welshpool, Kelvin and Hale Roads.

[Supplementary Information No A29.]

Ms R. SAFFIOTI: More generally, this is an exciting set of projects, something that we are keen to implement. We need to go through all the processes—environmental clearances and so forth—but these are projects that will transform the eastern corridor, particularly in relation to the gap. I have already received a lot of feedback from people enjoying the run from Morley to Gngangara Road. However, heading south past Collier Road and onto the existing Tonkin Highway is an issue because of congestion, so we are keen to proceed with that as soon as possible. The overpass/interchange projects at Hale, Kelvin and Welshpool Roads will address significant congestion. The Tonkin Highway–Welshpool Road intersection has now jumped to number one as the most congested intersection across the network. I think we have all experienced significant delays there; primarily turning right from Tonkin Highway to Welshpool Road is very bad.

[11.00 am]

Of course, there is the extension of Tonkin Highway. The last time Tonkin Highway was extended was under the previous Labor government, so we are happy to be the next government to undertake the further extension.

Mrs A.K. HAYDEN: I, too, acknowledge the great work done on Tonkin Highway north, which started under the previous Liberal government, and the Gateway project, which is the big upgrade on Tonkin Highway past the airport. I agree that the next steps are vital and I think, apolitically, we need to continue with these intersections. The federal government, and federal members Ken Wyatt and Andrew Hastie, allocated over \$900-odd million towards this project. Have those funds been allocated in the budget papers, because only \$500-odd million is allocated over the forward estimates? I believe only half of that \$900-odd million has been allocated. Has the federal money or the state money been allocated?

Ms R. SAFFIOTI: As I said, the federal government allocated money to our projects in the federal budget, and there was a mixture of outside forward estimates and within forward estimates. In the time that we have had to process that information, we put that funding and our matching funding in the budget. These projects are all fully funded. In most cases—I think in all cases—we have taken the federal cash flows. That is what we have done. We have reflected all the federal funding and put in our matching money.

If the member wants to go through the projects, Gateway and NorthLink were started by federal Labor. I am actually really excited about getting on and building these roads and it is the state that has to do it.

Mrs A.K. HAYDEN: Is the minister saying that the federal funding is allocated in this budget, yet the full amounts are not in this budget? What are the estimated completion dates for these projects?

Ms R. SAFFIOTI: What is the premise of your question?

Mrs A.K. HAYDEN: The full funding to 2020–23 is not in the budget.

Ms R. SAFFIOTI: Did the member hear my answer?

Mrs A.K. HAYDEN: I am trying to finish my question. Money is still going out past 2023. Can the minister indicate when each of these projects will be completed?

Ms R. SAFFIOTI: We have taken the approach, and I have instructed my agencies, that we have a window to try to get as many jobs on the ground as possible. What we will do, and this is what we are doing, is work through all the information through the budget process and work with the federal government on the projects and how quickly we can deliver them. Regarding the cash flows, even though the federal government funded a lot of these projects outside the forward estimates, I have said that we should get the approvals in place, get Infrastructure Australia to tick them off, and then get on and build them. That is what we are doing. Over the next six months, I will be working to get the approvals underway and the projects well progressed so we can start the contracts. That is what we are doing. Although the cash flows are in the budget, we think there is an enormous opportunity to get on and do the projects, but we need all the right approvals.

Mrs A.K. HAYDEN: The minister does not yet have a completion date set for any of these projects?

Ms R. SAFFIOTI: As I said, we got the information about six weeks ago. We are working through the process and, with the federal government, we are going—let me explain that again: the federal government—to start negotiations to see how fast we can build these projects.

Mrs A.K. HAYDEN: Further to that, has the government planned the final route for the Tonkin Highway extension and/or acquired the land? Quite a few landowners are in limbo waiting to see what happens. They want some certainty about any land acquisition that may be required. What is required for the Tonkin Highway stage 3 extension?

Ms R. SAFFIOTI: I understand the alignment has been finalised and we need to negotiate with about four or five existing landowners.

Mrs A.K. HAYDEN: Have negotiations started with those landowners; and, if not, when does the minister anticipate that will happen?

Ms R. SAFFIOTI: We will probably be making contact in the next month or two, as we start finalising all the details.

Mrs L.M. HARVEY: Can the minister provide a list of the projects being funded under the federal government's urban congestion fund and the state government's contribution to each of those projects? I understand that \$35 million is available for the Mitchell Freeway widening from Hodges Drive to Hepburn Avenue and from Reid Highway to Erindale Road. Where is that project in the budget?

Ms R. SAFFIOTI: How does the member understand that \$35 million is available for the project?

Mrs L.M. HARVEY: Alan Tudge has put out some information that that project will be funded under the \$4 billion urban congestion fund.

Ms R. SAFFIOTI: I have the Liberal Party statement by the Minister for Cities, Urban Infrastructure and Population, Alan Tudge, that was released during the caretaker period. I think it mentions \$35 million of funding—or was it in another statement that the minister released? I have not seen that funding in the budget. Can the member refer to where the \$35 million is in the federal budget?

Mrs L.M. HARVEY: I was advised that it is under the \$4 billion urban congestion fund and that not every individual project was listed. There is a bit of confusion in the community about the project, so I just wanted to get some clarity.

Ms R. SAFFIOTI: The Liberal Party has created the confusion, because it said that the funding was in the budget when it was not. We sought confirmation from the relevant department about whether this project has been specifically committed to or defined in any document anywhere, because we cannot find it. We have been referred to Liberal Party election statements. We cannot see the funding in the budget. If it was in the budget, we would have matched it.

Mrs L.M. HARVEY: In your correspondence with the agency, has the agency confirmed that the funding is available or said that it is not available?

Ms R. SAFFIOTI: I can only go with what is in the budget. We have all the information from the budget. As I have said a few times in this place, \$50 million was allocated to Kwinana and Mitchell Freeways projects, which we matched. That \$50 million allocation was described on the federal government website. It stated that the projects would be determined in consultation with the WA government, including coordinated ramps, additional lanes, and an intelligent transport system. We matched that funding, so there is \$100 million for those works in the budget. Alan Tudge and, I think, Christian Porter said that on top of the \$50 million, there was \$35 million for this project in the budget, and it is simply not true. I will be writing to the federal minister about that, once we find out who it is, asking the federal government to provide us with \$35 million for that project.

The CHAIR: It is nice to be discussing the federal budget, but we have a limited amount of time and a number of divisions to get through in this session. If members could keep their questions to a particular item contained in this division and identify what that is as we are going through, that would be great.

Mrs L.M. HARVEY: Further to that, could the minister provide by way of supplementary information the projects that are being funded in collaboration with the federal government under the urban congestion fund?

Ms R. SAFFIOTI: I was sent a budget letter but the projects are also in the budget. The Mitchell Freeway extension from Hester Avenue to Romeo Road, the Stephenson Avenue and Tonkin Highway interchanges and the Tonkin Highway stage 3 extension are funded under the congestion package.

Mr R.R. WHITBY: This is a big issue for people in my electorate, and in many other electorates in the south, who use Kwinana Freeway. I refer to page 536 of budget paper No 2, volume 2. About one-third of the way down the list of line items is "Kwinana Freeway" and, specifically, "Russell Road to Roe Highway—Widening Northbound Lanes". It is my understanding that when we came to government, no money was allocated for this important project, even though it was a huge issue with the community. That bottleneck heading north every day really impacted on quality of life, so I am glad to see this money there now. Maybe the minister can confirm whether any money was committed previously. There is \$29 million forecast to be spent in this budget period. Can the minister tell us what progress has been made on this project and whether we will see the notorious Cockburn bottleneck fixed as a result?

[11.10 am]

Ms R. SAFFIOTI: I thank the member for Baldivis for this question. He is right; when we came to government there was no funding for these projects in the forward estimates and they were not seen as a priority by the previous government. I actually recall a couple of phone calls from the member for Baldivis, outlining the feedback he was getting as a newly elected member about the congestion in that area. When we were negotiating the funds from Perth Freight Link, it was one of those projects that I thought deserved to be looked at and to be prioritised because of the congestion around that area. We have made a number of commitments through that area—a combination of election commitments and priority projects that we are implementing. Of course, the first one is \$49 million to widen the city-bound Kwinana Freeway to three lanes between Russell Road and Roe Highway. This is employing 340 people, and the project is well underway, as the member would know. It is due for completion later this year. The extra lane capacity will accommodate an additional 1 800 vehicles per hour.

We also understand that the issues do not stop there and that we have to continue to work further north along Kwinana Freeway, between Farrington Road and the Narrows Bridge. The government is investing \$47 million in Perth's smart freeway initiative, using intelligent transport systems. The provision of infrastructure will support all-lane running, with the creation of an additional lane using the existing emergency stopping lane between Canning Highway and the Narrows Bridge; the use of variable speed limits to improve traffic flow and to get away from the stop-start that really infuriates drivers; the creation of coordinated ramp signals to meter the flow of traffic onto the freeway during peak times; and the use of electronic signage. Work began late last year on that project, which is employing 245 people and will be completed midway through next year. These projects will really reduce congestion across Kwinana Freeway.

The member talked about Cockburn Central. Again, all the data and figures show that to be a huge choking and congestion point. We will soon announce the start of works for the Armadale–North Lake bridge, which will be a big project of, off the top of my head, \$240 million. That will help with flows onto and off the freeway in that area and the connection from Armadale Road, linking into the other side. It is an incredible project. The Armadale Road duplication will also finish relatively soon. A significant amount of funds—hundreds of millions of dollars—has been committed to the reduction of congestion through that entire area.

Mr R.R. WHITBY: I have a follow-up question.

Several members interjected.

Mr R.R. WHITBY: This is important to my community, members.

The CHAIR: Members! Members, you are wasting time.

Ms R. SAFFIOTI: Excuse me. The member for Dawesville has not been in here for most of it. The opposition has had 90 per cent of the time.

Mr R.R. WHITBY: Thank you, minister. My follow-up is of importance and interest to the people of Baldivis, whom I represent. The much-advertised point of this project was to provide a third lane, but I understand that what is not known is that a fourth lane is being provided as a way of getting between on and off-ramps so that traffic does not have to merge with the freeway at all, which has been a major cause of the bottlenecks.

Mr J.E. McGRATH: That is well known.

Ms R. SAFFIOTI: No, it is not well known. The member for Baldivis is right. It will reduce congestion for more people than just the people of Baldivis. Anyone living to the south of Baldivis will also appreciate that, member for Dawesville, or so one would think. It is a great project for the southern suburbs. Thank goodness there is a Labor government delivering these projects; otherwise, the member for Dawesville's constituents would not get anything, I suspect!

Mr V.A. CATANIA: I refer to paragraph 10 on page 535, under the heading "Albany Ring Road". As part of the works for providing a sustainable transport route to the international export facility at Albany port, can the minister confirm that those works will include a truck-braking bay to alleviate the safety concerns of the heavy haulage operators?

Ms R. SAFFIOTI: I thank the member for North West Central. We are currently going through the final details of planning for the project. It is something that has been considered as part of the overall scope of the works as they are being finalised, and we will take it on board as part of our considerations.

Mr V.A. CATANIA: The minister cannot confirm whether it has been included?

Ms R. SAFFIOTI: We do not believe it is currently included within the scope.

Mr V.A. CATANIA: So it is currently not in scope—is that right?

Ms R. SAFFIOTI: Yes, but we will take it on board.

The CHAIR: Committee members, we have a question from a non-committee person, which I do not think anyone will have an issue with, and will save us swapping out for one question.

Mr V.A. CATANIA: From the government, is it?

The CHAIR: No, from the member for South Perth.

Mr J.E. McGRATH: Thank you very much. During the wait I have lost the page! It is to do with the Manning Road ramp and the funding that is in the budget for 2019–20. There is \$15.2 million for 2019–20, but \$1.4 million for 2020–21. We were of the belief that the Manning Road ramp would be completed sometime in 2019. My constituents, like the member for Baldivis's constituents, are very interested in this great project. Could the minister give us some idea of the time lines? I notice that all the buildings have been knocked down and that some work has started, but when does the minister expect it to be completed so people can drive down that ramp? The reference is on page 536.

Ms R. SAFFIOTI: This is a project that we have committed to. Again, member for South Perth, it is a Labor government delivering for the good constituents of South Perth! Look at that; it is a good government!

Mr J.E. McGRATH: I should have worn a red tie!

Ms R. SAFFIOTI: Yes! I know the member for South Perth has wanted this project for the past eight and a half years, but the previous government would not deliver. This project is expected to commence in September this year. As the member knows, a lot of forward works and preparation needed to take place with regard to negotiations with the landowners and the tenants. From all reports, Main Roads should be congratulated on its negotiations, because they seem to have gone very smoothly, given the number of tenants involved. I was a little apprehensive about this project for that reason. We have been through the land part of it, we will be starting in September and we will be due to finish in mid-2020. More generally, I have asked Main Roads to analyse the pressure it will take off Leach Highway and Shelley Bridge, because I think there will be wider network benefits from this project. As I said, the project was one that we brought to government; it was not an election commitment but, as part of our negotiations with the commonwealth government, we put this on the list to secure some other projects, and this is what the negotiations ended up with. As I said, I think it will benefit primarily the member for South Perth's constituents. I think also there will be wider network benefits due to the lack of opportunities to enter the freeway from that area.

[11.20 am]

Mr J.E. McGRATH: A lot of people coming from Curtin University in that area go down Leach Highway because of the problems at the end of Manning Road. I think they will now come down Manning Road and use the ramp.

Ms R. SAFFIOTI: Exactly. As I said, we have been doing some monitoring of, I think, Leach Highway and Canning Highway, because a lot of people go back to Canning Highway. I think it will deliver some wider network benefits. As I said, it is a significant project. Freeway projects are always significant because people are entering a high-speed area where construction has to be of a particular standard. That is one of the key aspects. I do not know whether discussions have been finalised with some of the local businesses in the areas just before the ramp but, so far, it has been a relatively smooth project given its complexity.

Mr J.E. McGRATH: Residents were keen for an underpass or overpass to be built. In my discussions with departmental people, I think the underpass was out of the question, but there is some scope later for overpass access just up from the Mt Henry Tavern. It will be a very busy road and crossing to get to the Canning Bridge station will be an issue for pedestrians.

Ms R. SAFFIOTI: That was raised and we discussed the crossing points. The determination was that there will be an earlier rather than a later opportunity closer to the freeway. However, those issues are still being finalised with local residents.

Mr J.E. McGRATH: Thank you.

Mr V.A. CATANIA: I refer to the asset investment program on page 534 and note that there is no mention of the Dongara–Northampton corridor alignment study and there is no funding and no mention of it. The City of Greater Geraldton and the Shires of Irwin, Chapman Valley and Northampton all support the option 6 alignment, which includes the Oakajee–Narngulu infrastructure corridor. Obviously, the priority is around a Northampton bypass. What is the time frame and potential cost of the first stage, which I see as option 6, to build the much-needed Northampton bypass? Can the minister take that as a supplementary question if she does not have the information on option 6?

Ms R. SAFFIOTI: Thank you. I met with some of the relevant shires last year or maybe the year before. This has involved a longstanding discussion in the community about what to bypass and what not to bypass, as is always the case when looking at ring-roads and bypasses. I understand there has been consensus on the Geraldton–Dongara route. In a sense, two main options are being considered for the Geraldton–Northampton route.

Some planning work has been done and there has been some engagement by the regional office. We are continuing to negotiate to see whether we can achieve a consensus—I am not sure whether that will occur—between all the relevant shires in the community and Main Roads. Currently, there is no funding for construction. Due to all the other projects, some of our planning efforts have focused on some of the other projects throughout regional WA. We had a discussion about this yesterday and we will see what we can do about trying to land the route as soon as possible so we can then provide the proposal to the commonwealth to seek federal funding.

Mr V.A. CATANIA: Regarding option 6—the Oakajee–Narngulu industrial corridor—obviously property owners are limited in what they can do because it is a corridor. I think over the last 15 years, the land has basically been sterilised and the landowners cannot do anything. Obviously, landowners would like to see certainty around option 6. Does the minister have an indicative cost for option 6, including the corridor and the bypass all the way to Dongara?

Ms R. SAFFIOTI: We can provide more information about this project, including any indicative costs and the next step in the process, by way of supplementary information. Is that fair enough?

Mr V.A. CATANIA: Thank you.

[Supplementary Information No A30.]

Mrs A.K. HAYDEN: I refer to the “Thomas Road and Nicholson Road Oakford” upgrade under “Works in Progress” on page 537. I note the \$20 million allocated to this project—\$10 million from the federal government and \$10 million from the state. Has a business case been developed and finalised; and, if so, can the minister provide a copy? When does she expect the project to be completed?

Ms R. SAFFIOTI: This is a project that we put forward in my negotiations with the commonwealth to get this issue addressed. The funding was finalised as part of the federal budget. I am not sure of the detail. There are a couple of issues on Thomas Road, and this is one, but more generally, we are working through a number of issues, including some funding issues in the area closer to the freeway. This should be relatively simple. I do not think we need a full-blown business case for this, rather a project definition plan. That is something we will work with. It will also be in conjunction with the council, as I recall. I understand the Armadale city council will also make a funding contribution because, in a sense, it is a more localised project.

Mrs A.K. HAYDEN: A few weeks ago, the minister put out a media release that said she would deliver on this and match the federal funding of \$10 million, which is greatly appreciated by Oakford residents. The minister might also recall that I tabled a petition here and put forward a grievance to the minister on that. I have not had a response yet, so if I can get some answers from her, it will save the minister time down the track. The community is really keen to find out what the minister has determined that intersection will be. It will be interesting to know whether the minister has that plan determined and what time frame she will be working to in order to deliver the intersection upgrade.

Ms R. SAFFIOTI: I understand this project involves significant service relocations, particularly power and water. I call rural projects like this one “roads that have transformed into major distributor roads in growing areas”. We will negotiate with Water Corporation and Western Power. Given the style of the intersection, most of the costs will be eaten up by service relocations. Now that funding is secured, which happened five weeks ago, we will work to see how we can implement it as soon as possible, but we will need to start with the service relocations.

Mrs A.K. HAYDEN: I am seeking clarity for the people who live in this area. As the minister will understand, it is quite a dangerous intersection and people have been tolerating it for some time. Funding is spread out to 2023 and \$1 million has been left until 2024. Can the community not expect this to be done until after 2024?

[11.30 am]

Ms R. SAFFIOTI: In case the member did not hear it the first three times I said it, all this information was presented to us five or six weeks ago. We are working to see how we can deliver all these projects as soon as possible. Maybe that community, after eight and a half years of a Liberal government that delivered nothing to that area, understands that we cannot deliver it all overnight. As the member for that area for eight and a half years, she delivered nothing.

Mrs A.K. HAYDEN: In response to the last comment, the minister keeps rewriting history. We will not keep going over that, because the people of Darling Range totally understand what they get under Labor—that is why I am sitting here.

The CHAIR: The question, please.

Mrs A.K. HAYDEN: The question is: as the minister put out a media release prior to the federal election with the local candidate promising to deliver this road, when will the people in this area see her deliver this road, because no money has been fully allocated until after 2024 and she cannot tell me right now on what date she will deliver this road?

Ms R. SAFFIOTI: Member, I cannot wait for that redistribution to see you out there —

Mrs A.K. HAYDEN: Look at the last wins!

The CHAIR: Members!

Ms R. SAFFIOTI: — losing all that good territory.

Mrs A.K. HAYDEN: This is estimates. You do not need to get nasty; we can all do that.

Ms R. SAFFIOTI: I cannot wait for it. I will tell the people of Darling Range —

Mrs A.K. HAYDEN: Why don't you tell the people of Australia? What did they do?

Ms R. SAFFIOTI: — that it will be delivered a lot quicker than under you, who delivered nothing for eight and a half years.

Mrs A.K. HAYDEN: You did not do very well last weekend. What did you do?

The CHAIR: Member for Darling Range, you have already asked the question. Let the minister respond.

Mrs A.K. HAYDEN: She is not answering the question.

The CHAIR: She is getting there.

Ms R. SAFFIOTI: Tell the people of Darling of Range this —

Mrs A.K. HAYDEN: They cannot trust Labor.

Ms R. SAFFIOTI: We will not ignore them for eight and a half years, like you did when you did nothing. You pranced around the hills on the cocktail circuit; that is all you did.

Mrs A.K. HAYDEN: You are totally misleading.

Mr V.A. CATANIA: This has nothing do with the budget.

Mrs A.K. HAYDEN: They do not trust you, they did not trust Barry Urban and they do not trust Labor.

The CHAIR: Thank you, members. Are there any more questions?

Mrs L.M. HARVEY: I was out that way about a month ago at a wedding at Yoothamurra Homestead, which is near this intersection. I am curious to know whether road reservation is already in place or whether road reservation needs to be acquired for the intersection upgrade.

Ms R. SAFFIOTI: I am not sure whether we need any land acquisition, but given that it is a road safety issue and the member was the Minister for Road Safety, I am not sure why she did not do it in eight and a half years either.

Mrs A.K. HAYDEN: You have been in for three years. Do your job.

Mrs L.M. HARVEY: I am just asking a serious question about the project, minister.

Ms R. SAFFIOTI: I cannot wait for the redistribution.

Mrs A.K. HAYDEN: Take it seriously. Get out of campaign mode. You lost on the weekend. Get over it!

The CHAIR: Excuse me, members! Are there any further questions?

Mrs L.M. HARVEY: I think I might be getting an answer shortly. I thought the officers were going to give me an answer to the question about the road reservation. It is just an administrative question; it is not political.

Ms R. SAFFIOTI: We do not have the information at the moment. As I said, a lot of it is service relocation. It is a significant project involving negotiations with Western Power and the Water Corporation. The other issue about Thomas Road is that it is a rural road that is emerging as a key distributor road. There are issues along Thomas Road, so we are looking holistically at what can be done to ensure that the whole road services constituents now and into the future.

Mrs A.K. HAYDEN: I agree 100 per cent with the minister about Thomas Road; it is a local road that has too much traffic. I know that the Shire of Serpentine-Jarrahdale has been asking whether Main Roads would look at taking over jurisdiction for that road. Have those negotiations started and where is the agency at with that?

Ms R. SAFFIOTI: We are looking at a number of roads across the metropolitan area, which, as we know, go from rural roads to key connecting roads. We have had initial discussions about roads across the area, but we have not specifically progressed that one.

Mr C.J. TALLENTIRE: I have a question about Aboriginal employment on Main Roads projects. I refer to paragraph 5 under the heading "Significant Issues Impacting the Agency" on page 527 of volume 2 of budget paper No 2. Can the minister advise how Main Roads is aligning with the government's Aboriginal procurement policy to increase the number of Aboriginal employment and business opportunities on Main Roads projects?

Ms R. SAFFIOTI: This is something that we have brought into government—that is, Aboriginal procurement on projects. On Tuesday we were in Bidadanga, where there is a \$4 million project to seal the airstrip and also to reseal, as I recall, about five kilometres of road. We engaged with the local Aboriginal community to get as many local workers as possible. Twenty-five workers are involved in that project. It is a small project, but we are working with the local Aboriginal community. Two and a half years ago, no Aboriginal workers were involved in the maintenance program throughout the Kimberley. We have got that up to 50 per cent in two and a half years. For the Cape Leveque road, we are gaining 50 to 60 per cent local Aboriginal employment. For the Broome to Cape Leveque

road, 48 per cent of the workforce is made up of local Aboriginal people. For the Great Northern Highway upgrade from Maggie's Jump Up to the Wyndham spur, 32 per cent of the workforce is from local Aboriginal communities and four per cent is from non-local Aboriginal communities, and 14 per cent of the contract spend is with Aboriginal businesses. As I said, for the project to seal the Bidyadanga access road, 32 per cent of the workforce is made up of Aboriginal people and 14 per cent is made up of non-local Aboriginal people. Again, we are getting a lot of local Aboriginal employment. For the Muchea north section of the Great Northern Highway project, 24 per cent of the workforce is made up of Aboriginal people. We are also getting more Aboriginal employment in city projects and projects across the suburbs. For the Kimberley region maintenance program, 80 per cent of the workforce is made up of Aboriginal people, with 15 Aboriginal workers, while 20 per cent of the contract spend is with Aboriginal businesses. For maintenance contracts in the Pilbara, 32 per cent of the workforce is made up of Aboriginal people.

This is a huge success story for Main Roads. I congratulate Peter and all the members of the teams who have put a lot of focus on this. It is also about the contractors. In many instances, it is about Main Roads' direct engagement, but, in other instances, it is about working with the successful contractors, as has been done for the Great Northern Highway project at Maggie's Jump Up, and working with local Aboriginal communities. As part of these projects, we are trying to create three to four-year project expenditure and training on the job. In many instances, these people can work in other areas, in other employment centres across the regions and in resources centres. The maintenance contracts are ongoing. When local Aboriginal people are employed for maintenance contracts, they have long-term, sustainable employment. It is local employment and it is real employment. In the Pilbara and the Kimberley in particular, we are seeing huge success stories. In Wyndham, there were two workers on day release from the work camp. Peter can give us some feedback from Wyndham.

Mr P. Woronzow: On the Wyndham spur project, we were very pleased to negotiate with the Department of Corrective Services to release seven people from Wyndham Work Camp. Those seven Aboriginal people worked on the Wyndham spur project. It has been one of the great success stories.

The CHAIR: It certainly does sound great.

Mr J.E. McGrath: Paragraph 9 on page 535 of the *Budget Statements* refers to replacing Fremantle Traffic Bridge. That is a great project. As a Fremantle boy, I used to swim under the bridge. Infrastructure Australia put that forward as an important project. It also listed in its report Canning Bridge, which is alongside my electorate. I am aware that Canning Bridge will eventually have to be replaced. What is the life span of the original bridge, which has to be replaced, and how long does it have to go? What are the plans for Canning Bridge in general and also for the new bus interchange that has been talked about for some time to get buses off the main road?

Ms R. Saffioti: The member has spoken about two projects. Main Roads did a business case for Fremantle Traffic Bridge that was put forward to Infrastructure Australia. It made the IA list and Main Roads was able to secure funding in the federal government's budget and we have matched that funding. The bridge was built in 1938 as a temporary bridge. We know that maintenance costs over the next five to six years will be substantial, as we have to re-lay pavement and do more structural support. Basically, the new bridge will improve the capacity for not only vehicles, but also bikes and pedestrians and freight on rail in that area. I recall that the Canning Bridge project was put forward by the City of Melville as part of an Infrastructure Australia process, and that was in relation to the new bus interchange.

[11.40 am]

Mr J.E. McGrath: Several councils supported it.

Ms R. Saffioti: I am sorry if I am not 100 per cent across all the detail. It was also put forward by the private sector in a project proposal with council. This is probably something we can talk about under the Public Transport Authority because it relates to a new project that will include a new bus interchange and some development on the river. I understand it was put forward by a third party. I am not sure who it was.

Mr J.E. McGrath: I have heard that.

Ms R. Saffioti: That was then put to council, which then put it forward to be included on the IA list. That is what I understand that project to be.

Mr J.E. McGrath: Given the age of the old Canning Bridge, how long will it be before it needs to be replaced?

Ms R. Saffioti: I understand that maintenance continues to be done on Canning Bridge, but its replacement is not a priority. It cannot be compared with the Fremantle Traffic Bridge or the 100-year-old wooden bridges on the Fremantle line. That is the priority. Currently, in Subiaco, the Hamilton Street Bridge is being replaced. That was taken away about two months ago. I went past it the other day, and the new bridge should be completed pretty soon. There is also one in Claremont that needs to be done. Priority is being given to 100-year-old timber bridges because of safety concerns.

The appropriation was recommended.

Division 38: Public Transport Authority of Western Australia, \$991 736 000 —

Mr S.J. Price, Chair.

Ms R. Saffioti, Minister for Transport.

Mr R. Sellers, Director General.

Mr M. Burgess, Managing Director.

Mr R. Hamilton, Executive Director, Major Projects.

Mr J. Chung Wah Cheong, Acting Executive Director, Finance and Contracts.

Mr A. Kannis, Project Director, Metronet.

Mr P. Abromeit, Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

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 minister to clearly indicate what supplementary information she agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for North West Central.

Mr V.A. CATANIA: I refer to page 556 of budget paper No 2, volume 2, the income statement line item "Other appropriations (operating subsidy)". Perhaps the minister may have to provide the answer by way of supplementary if she does not have the information, but can the minister provide as a percentage the total operating subsidy for the current subsidy attributed to railway lines in WA?

Ms R. SAFFIOTI: I have 2017–18 statistics for public transport subsidies. I will go through the four subcategories: country school business services, 97.3 per cent; TransWA road and rail, 75.3 per cent; regional town bus services, 89.8 per cent; and Transperth, 69.2 per cent.

Mr V.A. CATANIA: Can the minister also provide the long-term forecast for the operating subsidies broken down by each of the key Metronet lines?

Ms R. SAFFIOTI: We do not have that information at this stage. We can provide that as the project gets underway. I can provide the forecasts for Transperth regional town bus services, TransWA road and rail services and country school bus services.

Mr V.A. CATANIA: Over the next four years.

Ms R. SAFFIOTI: Yes. By way of supplementary information I will provide the current forecast subsidy for Transperth services, regional town bus services, TransWA road and rail services, and country school bus services for the next three years after 2019–20.

[*Supplementary Information No A31.*]

Mr V.A. CATANIA: As a result of Metronet coming online, does the minister have a long-term forecast for an operating subsidy specific to railway lines?

Ms R. SAFFIOTI: We think it will probably be in line with what it is currently. Normally, we would look at the cost of providing services across the Transperth network and at the revenue collection. We would then create the statistic from that. I would say that it would be in line with the existing subsidy. Of course, part of the Metronet plan is to increase patronage and get more people living closer to rail lines. I am not sure whether this was considered when the previous government committed \$1.8 billion to the Forrestfield–Airport Link; I am not sure whether those figures were presented then. Our commitment is to increase patronage, and also, as part of our planning, create more housing opportunities closer to Metronet stations and public transport stations.

Mr V.A. CATANIA: I understand that, but surely some modelling has been done on projecting how much the operating subsidy for those specific railways will cost. There would be a rough estimate of how many patrons will use it. Obviously, the aim always is to grow the number of people who use public transport; I accept that.

Ms R. SAFFIOTI: All that information is released as part of the performance development planning, and business cases have to be prepared. The benefit–cost ratio for the two currently in the contract phase—Thornlie–Cockburn and Yanchep—are positive. That assessment includes things such as the economic benefit of those projects together with the capital and long–run operating costs. They are all over one. The business case analysis process basically helps to determine whether these projects in a very narrow interpretation financially are worthwhile and both receive more than one.

Mr V.A. CATANIA: Can I get a copy of those business cases?

[11.50 am]

Ms R. SAFFIOTI: A summary of project definition plans is on the website.

Mr V.A. CATANIA: Can the minister provide the long-term forecast projected for the patronage as a result of Metronet coming online, broken down by each key Metronet line? What is the forecast patronage for each Metronet line?

Ms R. SAFFIOTI: We can provide the patronage numbers for the Forrestfield–Airport Link, Thornlie–Cockburn, and Yanchep. We will do so by way of supplementary information.

[*Supplementary Information No A32.*]

Mrs L.M. HARVEY: I refer to the line item “Automatic Train Control—Project Definition” under “Works in Progress” on page 553. Last year, there was an estimated allocation of \$7.4 million for this project definition. I notice that its estimated total cost has now gone up to \$18.8 million. Can the minister explain why that budget has more than doubled and also advise us when that project is likely to go to tender?

Ms R. SAFFIOTI: The funding is really to finalise the Infrastructure Australia process. It is something that the federal government’s Infrastructure Australia is quite excited about. A lot of what IA focuses on is not only new lines and new projects, but also enhancing the productivity of existing infrastructure. Something like ATC enhances the productivity and efficiency of existing infrastructure. Existing infrastructure is able to be used to a greater amount. As a result, the benefit–cost ratios for these types of projects, although not sexy because they are not new rail lines, are important in increasing the utilisation of existing infrastructure. We are going through the final process of a stage 4 submission with IA, which is the PDP. We are working to see how and when these will be rolled out across the network. The next phase of our analysis is to look at what lines they will go on and how we implement it over the years. This a very long term project. Another key point is that we are adding capacity to the existing network through our railcar project. For example, C-series railcars increase the capacity of the railcar sets by about 20 per cent by virtue of each being one body in a sense—without the separation. We are increasing capacity in each railcar. This is just another element of ensuring we can continue to serve not only the eastern corridor through Midland, but also the north–south lines, which, over time, will have capacity issues.

Mrs L.M. HARVEY: Back in May 2017, when the radio systems replacement project was awarded to Huawei, I believe the announcement at the time was that that project would form a framework to facilitate ATC. Obviously, the company that has been awarded the contract, Huawei, has been banned from being involved in ATC by the commonwealth.

Ms R. SAFFIOTI: Sorry, can the member confirm that?

Mrs L.M. HARVEY: My understanding was that the commonwealth had a ban on the Huawei products expanding to ATC.

The CHAIR: Is that the question?

Mrs L.M. HARVEY: It is, yes.

Ms R. SAFFIOTI: We are not aware of that

Mrs L.M. HARVEY: Is it just the rollout to 5G that it has been banned from?

Ms R. SAFFIOTI: That is what we understand.

Mrs L.M. HARVEY: Is it likely that the ATC project would require the 5G network to operate it?

Ms R. SAFFIOTI: No.

Mrs L.M. HARVEY: Could I get a little more information about what will support ATC? Did the minister say that it is a radio project?

Ms R. SAFFIOTI: Yes, the radio systems project.

Mrs L.M. HARVEY: It is a radio systems project.

Ms R. SAFFIOTI: The radio replacement program is a digital platform. It is a closed network and it basically provides capacity for further expansion or further use of technology across the network.

Mrs L.M. HARVEY: Could the minister explain what those further uses of technology might be?

Ms R. SAFFIOTI: ATC.

Mrs L.M. HARVEY: With respect to the ATC project, what companies does the minister anticipate might be invited or approached to tender for that project?

Ms R. SAFFIOTI: As I said, we are still determining the rollout of the system, but we would probably go through an open tender process. The Public Transport Authority has engaged a couple of firms to look at the documentation but this project will go out to market.

Mrs L.M. HARVEY: Which firms have been engaged to look at the documentation?

Ms R. SAFFIOTI: It is not Huawei, if that was the question. There are a couple of other firms. We will provide, by way of supplementary information, the companies that have been engaged to provide advice for the rollout of ATC.

[*Supplementary Information No A33.*]

Mrs L.M. HARVEY: Could we have the value of those contracts as well?

Ms R. SAFFIOTI: The advice is there is an industry engagement process, but we can try to determine whether there is any value.

Mrs L.M. HARVEY: Thank you.

The CHAIR: For clarity, is that part of the supplementary information?

Ms R. SAFFIOTI: The answer will be provided as part of that supplementary information.

The CHAIR: I will allocate all that to A33.

Mr D.T. PUNCH: I refer to item 13 under “Significant Issues Impacting the Agency” on page 545 of volume 2 of budget paper No 2. The item relates to public transport services to regional WA. Can the minister provide an update on the procurement for the new *Australind* train and the works being undertaken in the meantime to keep the current rolling stock operating?

Ms R. SAFFIOTI: I thank the member for Bunbury for the question.

Mr V.A. CATANIA: Is that the line that keeps breaking down?

Mr D.T. PUNCH: This is the line that the former government did absolutely nothing about for eight and a half years. Thanks a lot!

The CHAIR: Thank you, committee members. The minister is going to respond to the question. Member for North West Central, that is enough.

[12.00 noon]

Ms R. SAFFIOTI: I thank the member for Bunbury for the question, and I thank the people of Bunbury for their patience over recent months in relation to the *Australind*. It is true that we have been addressing some significant issues with the *Australind*. The railcars were introduced in 1987, as the member knows. They were meant to have a useful life of 30 years. Over the past number of years they have been hard to maintain. The member for Bunbury pointed out that the previous government was there for eight and a half years, spent \$8.5 billion from RforR but did not allocate this as a priority in its budget. Earlier this year, a detailed inspection of the *Australind*'s railcars identified some corrosion. As a result, significant works have been undertaken to try to address that corrosion. Repairs, including the replacement of corrosive parts, have commenced. Some updates on the mechanical and electrical parts of the railcars have also been undertaken. This significant work cost between \$700 000 and up to probably \$1 million.

We were able to get two cars back on the line on Saturday, as there was another fault and an engine had to be replaced. The train is back in service. However, we do not have any back-up trains at the moment, so we are a little bit vulnerable to issues in *Australind*, as other rail cars are also being repaired. As part of our rail tender process, we have gone out to the market for the manufacture and assembly of 246 rail cars for the Metronet and public transport system. As part of that, we have also included the *Australind* train for replacement. Ideally, we would like to see that all as part of one package, and we expect to receive details of the tenders from the market at the end of this year. In the meantime, we have spent significantly on the *Australind* and we will continue to monitor it. We understand the frustrations of the Bunbury community and surrounds, but we have had to fix it to address many issues of the past. We hope we can get it to a stage at which it provides a very reliable service for the Bunbury community. We are also engaged with other consultants about other routes in relation to the existing route and what savings we could possibly make along the route, and other issues. We are committed to looking at all aspects of the *Australind* train service to improve the service for Bunbury residents.

Mr V.A. CATANIA: How many days was the *Australind* train out of service in the years 2017–18 and 2018–19 to date?

Mr D.T. PUNCH: And they left us a lot of corrosion as well.

Ms R. SAFFIOTI: We can provide information by way of supplementary information on the days the *Australind* was out in the years 2017–18 and 2018–19.

[*Supplementary Information No A34.*]

Ms R. SAFFIOTI: Corrosion does not happen overnight and it does not happen over two years; it happens over the past eight and a half years because of the neglect of the previous National–Liberal government.

Mr V.A. CATANIA: How much did the repairs to the *Australind* train cost over the years 2017–18 and 2018–19 to date? How much did the replacement bus service cost in the years 2017–18 and 2018–19 to date?

Ms R. SAFFIOTI: We can provide information by way of supplementary information the cost of replacement buses and the repairs to the *Australind* train over the years 2017–18 and 2018–19.

[*Supplementary Information No A35.*]

Mr W.R. MARMION: Is there a possibility of a fast train from Perth to Bunbury and has that possibility had any impact on any government department's enthusiasm to upgrade the *Australind* train because of the possibility of it being obsolete in the future?

Ms R. SAFFIOTI: That is not a part of our thinking. I have been careful about that issue because it is a bit like the fast train to Canberra: everyone talks about it and builds expectations about it, so I have been very careful about my language on this. Looking at the planning for Peel and the south west over the next 50 years, the significant residential developments between Mandurah and Bunbury and further economic activity in the south west, over time there would, of course, be an economic justification. I have always been careful about my language because I have never been one to promise things I do not think I can deliver in my term. There is discussion in the planning space about what is happening and the proposed routes between Peel and Bunbury. The member for Bunbury has raised this and we have had discussions, and it will happen, but we are being very careful about our language. All the future planning points to this being a project that will stand up economically.

Mr W.R. MARMION: The minister mentioned that planning is important and that possible alignments will not be built or they will cost more. I assume a number of alignments are being considered. Does the current *Australind* alignment form part of the consideration?

Ms R. SAFFIOTI: Everything has been put forward and one of those is the capacity constraints on the north–south line, which is something to take into consideration. It needs bigger rail cars, but it will also have capacity issues in the future. All of these things have been considered. We have concentrated on getting *Australind* into a better condition and better position to serve people, but the extension of the train down there is something that would happen in the longer term.

Mr V.A. CATANIA: I refer to page 143 in the *Economic and Fiscal Outlook* in reference to job creation in the introduction of the table. What is the total full-time employee list across all state government departments involved with the Metronet projects?

Ms R. SAFFIOTI: We can provide that in supplementary information. Is it the full-time employee list working in the Metronet office or on the Metronet generally?

Mr V.A. CATANIA: Who are the employees across all state government departments working on Metronet?

Ms R. SAFFIOTI: It is difficult. Within the Department of Communities there are probably a lot of people doing a little bit of it, because, in a sense, it is part of what they do now. They are looking at housing opportunities. They are looking at Metronet precincts. The best information I can provide is across my portfolio.

Mr V.A. CATANIA: I suppose it is specific to the minister's portfolio, but housing does have a major plank of Metronet.

Ms R. SAFFIOTI: There are housing people who are dedicated to the Metronet unit who we would include as part of that analysis, but what I am saying is there might be someone in Western Power who might be doing something, such as changing underground power near Denny Avenue, which I cannot account for. So, if it is across my portfolio, I will be able to give that information.

[*Supplementary Information No A36.*]

Mr V.A. CATANIA: What is the composition of the Metronet project team?

Ms R. SAFFIOTI: As in what does the Metronet project team like doing, or what are its favourite pastimes?

Mr V.A. CATANIA: In terms of who is in charge and who is putting the bolts in the carts?

Ms R. SAFFIOTI: I will tell you how it is structured. We have a Metronet project team headed by Anthony Kannis. It sits in the structure of the Department of Transport. He reports from a deputy director general level, in a sense, to myself and Richard Sellers. That team has some dedicated staff—they are all dedicated, sorry—and they have also seconded a number of people from different agencies, such as communities, planning, the Metropolitan Redevelopment Authority and LandCorp, and they all work in that unit. The actual Metronet team is tight, but it has seconded a number of people from other agencies. It basically has two arms.

We have land-use and infrastructure planning components and they both report to me and Anthony. That is the structure. When projects are signed-off for delivery, they head back to Mark Burgess and Ross Hamilton's group

at the Public Transport Authority to be delivered. That is how it is structured. If, on the planning side, the Metropolitan Redevelopment Authority delivers the precinct, it is sent to the MRA or LandCorp to be delivered. In a sense, Metronet is the planning arm and the delivery continues to rest with some of the existing agencies. We did not want to create another government agency to replicate what others are doing, so that is the format.

[12.10 pm]

Mr V.A. CATANIA: I want to get a good grasp of the number of full-time equivalents working on the project. It would be good to get a handle on the number of FTEs from across the agencies. Is the minister able to provide a breakdown of the team members, their pay grades and the government agencies from which they have been seconded to work on the project?

Ms R. SAFFIOTI: As in people's names? Can we put positions?

Mr V.A. CATANIA: Yes. Can I have a breakdown of their pay grade —

Ms R. SAFFIOTI: We will put down the positions and pay grade for the Metronet team and the secondments.

[*Supplementary Information No A37.*]

Mr W.R. MARMION: I refer to page 553, paragraph 18, which refers to the 30 new B-series railcars. I am getting my head around the railcar acquisition program and the future construction or assembly program for railcars. I presume that the 30 new B-series have been secured from overseas to assist with the initial demand for railcars over the next two years.

Ms R. SAFFIOTI: The 30 new B-series railcars was an order undertaken by the former government to feed the Forrestfield–Claremont shuttle or the Forrestfield extension. They have been received but not all of them are in service. I have been out to the depo in Nowergup a couple of times and have seen the bright new rail cars that are ready to roll. They were the last trains to be manufactured in the Queensland Maryborough factory by the Bombardier–Downer partnership. It is quite ironic that our train order extended the life of that factory for a bit longer. They were the last ones to be manufactured there because the former Queensland government—I am not sure why it would do this—decided to close the facility and purchase railcars from India, as I recall.

Mr W.R. MARMION: It might have been cheaper, otherwise why would they do it?

Ms R. SAFFIOTI: It was probably cheaper at the time, but the windows are not big enough and the railcars do not stop properly. The government had to spend tens of millions of dollars on extra maintenance, and there is some discussion about the factory reopening or having a greater replacement and maintenance role.

Mr W.R. MARMION: Following on from that, on the same page under “Works in Progress” there is a line item “Railcar Acquisition” for which there is \$124 million expenditure in the forward estimate year 2022–23. I am trying to reconcile whether that line item is for further railcar acquisition. There is \$508 million set aside for that particular acquisition program.

Ms R. SAFFIOTI: That is the Metronet acquisition program for the additional C-series to feed Metronet. The expenditure under “Railcar Replacement” refers to the railcar acquisition to replace the A-series. We have combined the two projects. The railcars needed to fuel the Metronet network and the expanded network, and the A-series replacement railcars, have been put into one contract, but they are listed separately.

Mrs L.M. HARVEY: Page 553 of the budget papers refers to the Forrestfield–Airport Link, the Thornlie–Cockburn link and the Yanchep rail extension all coming on in 2021–22, but the railcar acquisition extends beyond that. Will there be sufficient railcars for the opening of those three Metronet lines in 2021–22?

Ms R. SAFFIOTI: The Forrestfield railcars are already here, so that one has been dealt with. The government believes that it will have the capacity to deliver the Thornlie–Cockburn link and the Yanchep rail extension in that year. The program is big because it is not only these two lines; it is also the railcars needed for Byford and Ellenbrook. They are the additional ones as part of the project.

Mr W.R. MARMION: I want to get my head around the expansion in the number of railcars needed. The government has locked in the last ones from Queensland. Where will the government source new railcars? Will a tender process go out for new railcars or will they be manufactured in Western Australia?

Ms R. SAFFIOTI: When we looked at this, we understood that to enhance our opportunity for manufacturing and assembly in WA, we needed to create long-term certainty. The former government considered a \$1 billion project in the 2016–17 budget for the A-series replacement. I think it put \$5 million in the budget for a \$1 billion program to replace the A-series but then it walked away from it. We saw an opportunity to combine the replacement of the A-series, which we knew we had to do over time, with the expansion of the network through Metronet, into one contract for 246 railcars. We have taken that to market. The process has been taken as an overall package, including maintenance components, to create a 15 to 20-year strategy for the maintenance and assembly of railcars, noting that railcar delivery will be at the front end of that. That tender is in the market and is being evaluated at the moment, and we will probably make an announcement in the second half of the year.

Mr W.R. MARMION: Basically, the government will not follow the B-series project in the future because all A-series replacement and new railcars will come under one tender document. The government does not envisage someone tendering to provide complete railcars; rather, will it be assembly and some amount of manufacturing?

[12.20 pm]

Ms R. SAFFIOTI: Yes, and that is what our tender process has been targeted at. Just to clarify, we will build the C-series in Western Australia to replace the A-series. The plan is that the A-series will disappear, the B-series will drop to the heritage lines and the C-series will run the north–south route. It will increase capacity on the north–south line and put newer trains on the heritage lines.

Mr W.R. MARMION: Now it is getting clearer. It is a good target to get a 50 per cent Western Australian contribution, however that will be measured. Obviously it could be argued that there are some components of a railcar that could be built in Western Australia, such as the engine, but it would not be very efficient to do so. The provision of the engine would preclude a lot of people tendering on this and it would require an overseas company that has the engine. How many companies will be able to tender on this project?

Ms R. SAFFIOTI: I have had a lot of interest in this area. I visited Victoria to see what was done there. People nowadays believe that we have to fully import things and not have any local content. Victoria adopted a different approach. A number of years ago, Victoria set targets for local content. It started at 40 per cent, then went to 50 per cent and 60 per cent. It has combined this with its tram manufacturing. There are little manufacturing assembly hubs throughout Ballarat, Dandenong, Newport and Bendigo. Over time the state has been able to improve what it is doing. It engaged with overseas companies that do good train manufacturing, but required them to do it in Victoria and to employ local people and support local industry. There is direct work not only on the assembly floor, but also with the secondary suppliers. In Victoria, smaller suppliers were able to feed the supply chain. This government very much adopted the Victorian model and brought it to WA. I went there when I was in opposition and when we won government. I made a commitment when in opposition, and, when we won government, I started to implement that. There was probably a fear by some that we would not get the interest of some of the big players, but we have seen good interest. Three significant players are part of the current evaluation process. It is a good result so far. We will keep working on it. We will see it as a model that can deliver some good benefits.

People often talk about things being the cheapest. I make the point that there was a lot of discussion about the rate per railcar. The government did some analysis, and what Victoria was paying for its railcars as a result of its volume purchase was lower than what we were potentially purchasing for our Forrestfield B-series trains. Victoria was basically making them all there. We have seen in both the Queensland and New South Wales examples, when they went wholly overseas, significant issues that those states are spending a lot of money to rectify.

Mr W.R. MARMION: I am aware that in the mining industry in Western Australia one of the most sophisticated pieces of equipment is a rail grinder. That was put together—one could argue the word “manufactured”—in Western Australia. It won an engineering excellence award 12 years ago. The capability is there, but obviously the engine to drive the railcar was not manufactured in Western Australia. They had to source the engine. That is the point I make. Once an engine is sourced, the power required must be designated in the document. Obviously if consortiums are coming together to tender on the project, they will have to source the engine from certain manufacturers. I would be very interested to know if we could manufacture an engine in Western Australia. That would be terrific.

Ms R. SAFFIOTI: As I said, we put a target of 50 per cent. Similar to the Volgren bus facility in Malaga, it does bring in some components, but its assembly, and others manufacturing in that area, creates over 200 jobs. To me, that is a good outcome.

Mr W.R. MARMION: Sure, but the engines are Volvo, are they not?

Ms R. SAFFIOTI: Yes.

Mr W.R. MARMION: They do not make the Volvo engines in Western Australia. That is the point I make.

Ms R. SAFFIOTI: No. The other issue is that it is about maintenance too. Some parts of government—not our agency—have been good at looking at the lowest cost, but having the right maintenance in place is important too. So far in relation to the existing maintenance contracts at Claisebrook and Nowergup we have done really well with good maintenance and people who know what they are doing. The challenge is that when buying assets that last a long time, and when reliability is very important, a good maintenance program is also something that we need to take into consideration.

Mrs L.M. HARVEY: Page 553 of budget paper No 2 refers to the Yanchep rail extension. My understanding is that the Yanchep and Byford projects were bundled together for the tender process; however, I do not see the funding for the Byford rail extension in the budget. Can the minister explain how that has been managed?

Ms R. SAFFIOTI: It is Yanchep and Thornlie that were bundled together.

Mrs L.M. HARVEY: Okay. With respect to the Yanchep rail extension, my understanding is that some land swaps need to occur and new environment approvals were required. Where are those approvals up to at this point?

Ms R. SAFFIOTI: The government is going through that environmental process at the moment with Yanchep. It has been broken into two stages. We are nearing the end of the stage 1 environmental process and stage 2 is also underway. In relation to the bundling of the contracts, we have gone out to market as an alliance contract. Those two projects are to be delivered through one contractor under an alliance model.

Mrs L.M. HARVEY: The feedback I have had from industry on the bundling of the contract is that that has excluded the opportunity for some of the small Western Australian-owned construction companies to tender. They can tender for a project that is that big, being the Thornlie–Cockburn link and the Yanchep rail extension, only if they partner with one of the larger head contractors, all of whom are overseas-owned. With respect to the tender being awarded, is an effort being made to ensure that the wholly Western Australian-owned contractors have an opportunity to be part of that alliance or, indeed, a requirement to be part of that alliance?

Ms R. SAFFIOTI: Two tenderers are left—it is a competitive alliance now, so we have entered the next phase of that procurement process. We took on board the concerns initially, but some of those who were concerned are part of the consortiums in this tender process. The other key advice we received on the procurement related to value for money and also skills retention and acquisition. Western Australia is competing with other states in relation to skills capacity to deliver projects. A number of significant rail projects are underway or about to commence across the country. One of the things we had to be mindful of was creating a volume to attract someone to deliver the project. We understood the concerns of some of the smaller companies, but this project, together with other projects such as Bayswater train station, which is worth about \$150 million, and the Denny Avenue level crossing removal, plus other projects that will come online, gives the industry significant capacity to be involved in rail over the next two to three years.

[12.30 pm]

Mrs L.M. HARVEY: Where is the government up to on planning for the Byford rail project; what is the anticipated total cost of that project; and when will it commence?

Ms R. SAFFIOTI: We are going through the planning process at the moment. The location of the station is a key consideration. There are two schools of thought on that. We are going through detailed planning and preparation of business cases. The reality is that Infrastructure Australia's requirements are significant. The four-stage business case process includes having to prove that rail is the best option. Even though both state and federal governments have given commitments to the projects, we have to prove to IA that rail is the best option. We are going through that work with IA and the business planning and we hope to get underway. I will provide supplementary information on the proposed timetable for the Byford rail line.

[*Supplementary Information No A38.*]

Mrs L.M. HARVEY: Is the federal funding of \$241 million promised for the Byford rail project sitting in the Metronet fund or is it yet to be transferred over?

Ms R. SAFFIOTI: It is all sitting in the Metronet account. Some of the funds from the commonwealth were prepaid. The commonwealth government, for its own budgetary purposes, has tried a few things with us that we have accepted. Occasionally, the commonwealth prepays funds; we accepted that. We have parked money into accounts ready to be spent once IA ticks off our process.

Mr C.J. TALLENTIRE: I refer to page 551 of budget paper No 2, volume 2, "METRONET — Thornlie–Cockburn Link". Can the minister provide more detail on how the project is progressing?

Ms R. SAFFIOTI: As the member would know, the project has been bundled with the Yanchep rail line extension as part of a current procurement process. A lot of activity is underway, including, of course, planning for the two stations. Radford Road is an interesting location because it connects to Canning Vale and the local area, but the site does not lend itself to a lot of other activation. Moving to the Nicholson Road site—one I think the member is very interested in—a station located there would have proximity to the police station and the old reception centre, and there is a lot of interest from developers for a new development close to the station. We are working with all those parties, together with the respective councils. As I recall, there are three councils around that intersection.

Mr C.J. TALLENTIRE: It is Canning and Gosnells. Charter Hall.

Ms R. SAFFIOTI: Charter Hall, which is a very big—I think there is all up 25 hectares in that northern precinct, as I would call it. There is a lot of excitement for a station at Nicholson Road and that planning is underway. From an infrastructure point of view, we have been finalising negotiations with the third party infrastructure owners, because a large part of this project is relocation. Of course, we are working with Arc Infrastructure on its rail lines. We are talking to the community about the right noise walls and noise mitigation. The evaluation is happening now and we will be able to announce a successful contractor by the third quarter of this year.

Mrs L.M. HARVEY: With respect to the Thornlie–Cockburn Link, last year’s budget anticipated the project would have been started by now and anticipated \$110 million for 2018–19 and \$155 million for this financial year. It looks like the 2019–20 estimate is \$159 million being expended that year. When does the minister anticipate the project will commence? The minister mentioned negotiations with Arc Infrastructure. Have negotiations on the freight rail in that corridor been finalised?

Ms R. SAFFIOTI: Arc Infrastructure has been working really well with the Public Transport Authority on this project, and I thank all those involved because it is complex. I think we are negotiating with other third parties. Those negotiations have either been finalised or are in the process of being finalised. We expect to commence by the end of this year; that meets the time frames that we set out. The contract and other forward works will commence before that, too.

Mr R.R. WHITBY: When the Thornlie–Cockburn Link is completed, how will it impact on people who use the Mandurah line? I am thinking in terms of people getting to the football on game day. I know a lot of Dockers supporters live along the Mandurah line down the southern corridor. How much time would it take for people to get from Mandurah to Perth by that route, and would that be the preferred option for someone travelling up on game day?

Ms R. SAFFIOTI: It is actually a good question. It would probably save, looking at transfers, about half an hour. People living south of Cockburn would head north and then veer right on the new Thornlie–Cockburn Link to join the Armadale line at Beckenham—I always want to say “Beckingham” but it is Beckenham—and then through to the city. People will arrive at the Optus Stadium from the south. An associated impact of the Thornlie–Cockburn Link is the level crossing removal program. We put forward a number of projects to both the federal government and opposition to secure funding for level crossing removals through Victoria Park and Cannington. Of course, we made commitments at the election on Oates Street and Wharf Street, and we are proceeding with those. From both sides of government, we received commitments to remove three level crossings in Vic Park. We do not have funding from the Morrison government for the Cannington level crossing removals, but we will follow up on that. The trains per hour will increase on the line between Beckenham and Perth after the Thornlie–Cockburn Link is completed, and we want to try to remove some of those level crossings.

Mr R.R. WHITBY: Obviously, football is one day of interest, but does the minister anticipate that patronage on the Mandurah line would increase overall because of the extra link and availability of extra destinations for people in that corridor?

Ms R. SAFFIOTI: It will apply particularly to people in the south east corridor trying to connect to the south west corridor. The member for Thornlie will probably agree that a lot of people living along or in close proximity to the Armadale line need to connect over to the Mandurah line. The ability to make that connection will be significant, as will be the ability for people on the south west corridor to travel to the east. It will start the circle connection, understanding that people need to go across the metropolitan area to go to university, TAFE, work or major hospitals. We have seen it in the northern area, too. People need to be able to cross suburbs without having to go through Perth. That is a big one.

[12.40 pm]

Mr V.A. CATANIA: I refer to page 143 of budget paper No 3. For each of the capital expenditure line items in the table headed “Metronet”, can the minister explain and provide detail on the total amount of committed commonwealth government funding for each year from 2018–19 to 2022–23? Can the minister also provide detail on the total amount of state government funding committed for each year from 2018–19 to 2022–23?

Ms R. SAFFIOTI: Just to clarify, the amount of commonwealth funding for each line?

Mr V.A. CATANIA: Yes, from 2018–19 to 2022–23.

Ms R. SAFFIOTI: For each project? Would that make more sense?

Mr V.A. CATANIA: For each project, each line, yes.

Ms R. SAFFIOTI: Okay, but by way of supplementary information. I will just repeat: commonwealth government funding for each line of the capital expenditure section of table 2 on page 143.

[*Supplementary Information No A39.*]

Mr V.A. CATANIA: Can the minister also provide detail on the total amount of state government funding for each year from 2018–19 to 2022–23?

Ms R. SAFFIOTI: Yes, we can do that, although I will put a proviso on it. As I have said, the commonwealth government’s funding flows have been a little ad hoc. For example, it has given us money just to reduce its surplus for a particular year; it might have done that. Its money flows have been a bit all over the place, so we will provide that information, but it is more a management of its budget bottom line rather than an indication of anything else.

The CHAIR: Can the minister just repeat what she is going to provide?

Ms R. SAFFIOTI: Commonwealth government funding to Metronet projects from 2018–19 to 2022–23.

Mr V.A. CATANIA: Also the state government funding for each year, from 2018–19 to 2022–23.

Ms R. SAFFIOTI: Also the state government funding from 2018–19 to 2022–23.

[Supplementary Information No A40.]

Mr V.A. CATANIA: When I add up the amounts on that table, the total comes to \$4,000.517 billion. As far as I can see, there seems to be a gap of about \$520 million in that table. Can the minister explain why, from my quick calculations, there is a gap in that table?

Ms R. SAFFIOTI: Because the member is including 2018–19, and that total is for 2019–20 to 2022–23.

Mr V.A. CATANIA: I am including all of what is on that table, but there seems to be a gap of \$520 million.

Ms R. SAFFIOTI: I am saying that the across does not add up to the down. There is a 2018–19 column, but the subtotal of \$4.1 billion is only for 2019–20 to 2022–23.

Mr V.A. CATANIA: Okay.

Mrs L.M. HARVEY: With regard to the Forrestfield–Airport Link, the expected completion date in the Public Transport Authority’s annual report last year was 2019–20. Obviously that has been changed to 2021–22. Could the minister give us an update on whether any ground has been made up on that project, and also on the status of the station constructions at Airport, Belmont and Forrestfield?

Ms R. SAFFIOTI: In December last year we announced a delay for the commencement of operation of the Forrestfield–Airport Link for one year—from late 2020 to late 2021. We have basically tried to give ourselves capacity so that, should there be other occurrences or delays, they can be fitted into that timetable. That is what we did and that is the current situation. The current expected date of commencement of operation is still the end of 2021. With regard to the stations, they are proceeding very well. We recently visited Redcliffe station, which is going well, and so are the other two stations. The station developments are going well and there have not really been any major issues with that. Of course, we had issues with the cross passages, which are still being constructed, but the stations overall are doing okay.

Mr W.R. MARMION: I have a question in relation to variations due to site conditions, such as sinkholes. Can the minister give me an idea of how many variations have been put out by the contractor and the rough cost estimate so far for any such variation orders to the contract?

Ms R. SAFFIOTI: We have not changed the scope of the contract at all. Sorry; the scale of the infrastructure has not changed. Some discussions have been had, as with all contracts, between the contractor and the government about some of the issues. They mainly relate to the geotech issues, of which the member would be aware.

Mr W.R. MARMION: I am aware that the scope has not changed, but if the contractor has to do more work than they anticipated when they put their tender in, a variation order will be issued. I have issued hundreds of them in my past lives. They can be for small things that the contractor does not anticipate, and they do not usually anticipate a sinkhole. I understand that a reasonable amount of concrete has been poured into sinkholes along that route to allow further construction. So, the simple question is: can the minister tell me how many variation orders have been issued by the engineering superintendent or whoever to make up for the extra work that the contractor has to do? Variation orders are not unusual; they are fine. Everyone treats them as though they are a nasty thing, but it is just a natural part of a contract.

Ms R. SAFFIOTI: I understand that they are a part of contracting, but because we are under contract and currently trying to deliver the project, we can provide by way of supplementary information the variations that have been claimed by the contractor; just the number, not the details.

Mrs L.M. HARVEY: Further to that, is the disposal of the contaminated soil also likely to be subject to a variation order?

Ms R. SAFFIOTI: That is something that is currently being discussed, yes.

The CHAIR: Minister, could we have some clarity on the supplementary information.

Ms R. SAFFIOTI: The number of variations to the contract that have been put forward by the contractor to the Public Transport Authority.

[Supplementary Information No A41.]

The appropriation was recommended.

Division 41: Planning, Lands and Heritage — Service 1, Planning Services, \$93 766 000 —

The appropriation was recommended.

Division 42: Western Australian Planning Commission, \$100 275 000 —**The appropriation was recommended.**

[12.50 pm]

Metropolitan Redevelopment Authority—

Mr S.J. Price, Chair.

Ms R. Saffioti, Minister for Planning.

Mr S. Henriques, Acting Chief Executive Officer.

Mr M. Reutens, Executive Director, Commercial and Business Service.

Mr D. McFerran, Principal Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. Members may raise questions about matters relating to the operations and budget of the off-budget authority. Off-budget authority officers are recognised as ministerial advisers. 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 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 minister to clearly indicate what supplementary information she agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for Scarborough.

Mrs L.M. HARVEY: With respect to the Metropolitan Redevelopment Authority's involvement in the Scarborough foreshore project, I have been approached by a couple of people who have developments in that area. One of the government's first decisions was to remove the extensions at the north and south end of The Esplanade. Developers are telling me that that is causing a problem for developments, because Main Roads is not allowing access to West Coast Highway for new developments. Main Roads wanted access to be from the rear to The Esplanade. I would like an update, if I can, from the executive director on what work is being done with Main Roads to bring some commonsense to planning of the foreshore, because a number of developments are being held up by this access issue to West Coast Highway.

Ms R. SAFFIOTI: I will ask Mr Henriques to respond.

Mr S. Henriques: Certainly I am aware of one of the developments that has been referenced and, as it always is on these issues, Main Roads' consideration is that when getting in and out of sites, it has to be safety first. Through the development application in that instance, we worked with Main Roads as well as the proponent to come up with a resolution that dealt with it. That was in the specific example. We will continue to do that, development by development. Further to that, we are working quite closely with both the City of Stirling and Main Roads on the wider transport strategy for that area. It is obviously something that is high in our mind to get right.

Mrs L.M. HARVEY: I understand The Beach Shack development, which the minister will be aware of, has been caught up in this access issue. It also has a problem, because that property now abuts the sand dune area and the Department of Fire and Emergency Services is now demanding firebreaks be built. How proactive is the MRA in trying to bring together the Department of Fire and Emergency Services, the City of Stirling and Main Roads to allow this development to proceed? The money is there; they want to get started and it is a very important job creator for my community.

Mr S. Henriques: We would like to think we are being proactive, certainly as a key part of the role we play. In that instance, the developer has an approved development application, so they have everything from the MRA they need to progress at this point. I understand that issues with firebreaks are quite common in any development. We have to make sure that whatever development we approve is subject to the normal requirements, such as safe distances from vegetation and everything else like that. I think they are working through the building approvals process at the moment.

Mrs L.M. HARVEY: From having lived in the area for over 20 years, I can say that there has never been a fire in those sand dunes. Commonsense would be very much welcomed.

When is the traffic study likely to be finalised? There is another development for the White Sands Tavern site. I believe early discussions with Main Roads and the Public Transport Authority were looking at provision for a bus

lane in front of that development. I think we really need the transport planning finalised, because I cannot see that we will get a bus lane on West Coast Highway between Scarborough Beach Road and Brighton Road any time this century.

Mr S. Henriques: We are working on that at the moment. There are two levels. There is a steering committee overseeing that piece of work, because there are obviously some significant strategic implications. I sit on that with Gail McGowan from the Department of Planning, Lands and Heritage and Richard Sellers, whom you saw this morning. In addition, a working group sits below that which is kind of crunching the numbers and doing the modelling at the moment. I hazard a guess that in the next few months, and by the end of this year, we will get to a point where we get a clearer line of sight of all those bigger-ticket items so we can inform the development process from our end.

Mrs L.M. HARVEY: Thank you. With respect to the 3 Oceans site on the corner, obviously a perfect storm has seen it fall over for the proponent. Where are the discussions at on activating that site? Currently, it is a sandpit in the centre of an iconic foreshore redevelopment area. I know the MRA has been trying to work with the owners of the site to get something in place. Can the director general give me any advice on what an outcome might be in the interim for that corner site?

Ms R. SAFFIOTI: Can I just clarify something? The member did not support the project, did she?

Mrs L.M. HARVEY: I did not support some aspects of the project. It has fallen over for other reasons, and we are now interested in what is next for the site.

Ms R. SAFFIOTI: I understand the member did not want the project to go ahead and now she is worried about the empty block. I do not understand that.

Mrs L.M. HARVEY: I would like an answer about what might happen with that block now.

Ms R. SAFFIOTI: The developers are looking at providing an alternative project, and we will wait to see that.

Mrs L.M. HARVEY: Is there any time line for when that might be finalised?

Ms R. SAFFIOTI: The member supported it and then campaigned against it, and now she is saying that she is worried about the empty block. I find the hypocrisy amazing. She supported it and then campaigned against it. That is what happens when people campaign against projects—they do not get built.

Mrs L.M. HARVEY: That is the minister's view, but I have an entire community and lots of visitors to the area who want to know whether there is going to be some site activation for that corner block until the new development application is developed. My simple question is: will there be some sort of site activation—some parking, pop-ups or whatever it might be—in the interim while the new DA is being developed?

Ms R. SAFFIOTI: As I said, the developer is looking at what they will do with that block. It is private land, so it is something we will leave to the developer.

Mr W.R. MARMION: We got an email from the minister's staff saying we could ask a question on Subi East. There is not much time, so I will shrink it all into one question. Subi East includes the Princess Margaret Hospital site. The impact of the previous Western Australian Planning Commission plan has been reduced, but there are still some concerns in some isolated pockets. A lot of people, including Malcolm McKay, who wrote in the paper that I read on the weekend—not that I have spoken to him—have suggested that a number of residents could go on the Princess Margaret hospital site. If those residents are included, that might reduce some of the little nodes in Subiaco, such as Daglish at the end of Rokeby Road. Is the MRA considering putting residential developments on the Princess Margaret site and possibly changing the constraints on the current plan?

Ms R. SAFFIOTI: As I recall, it is part of the work on local planning scheme 5. This is more a planning question. The anticipated number of residents in both Subi East and PMH have been factored in to some of the consideration. As part of our discussions with Subi, we have made some estimates based on the estimated number of residents in those two areas, and that will allow the Subiaco city council and WAPC to work together to reduce the impact on some of the existing character streets and move the density more to Rokeby Road and these two key sites.

Mr W.R. MARMION: My understanding is that you had included in Subi East the Subiaco football oval, but not the Princess Margaret Hospital site.

Ms R. SAFFIOTI: I am positive we included both in our calculations on infill targets.

The CHAIR: That concludes the examination of the Metropolitan Redevelopment Authority.

Metronet Projects Under Development —

The CHAIR: For the minutes, I note that the Metronet projects under development were not examined.

Meeting suspended from 1.00 to 2.00 pm

Division 8: Commissioner for Equal Opportunity, \$4 372 000 —

Mr S.J. Price, Chair.

Mr J.R. Quigley, Attorney General.

Dr J.C. Byrne, Commissioner for Equal Opportunity.

Mr J. Lee, Principal Policy Adviser.

Miss L.A. Markussen, Ministerial Liaison Officer.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

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The member for Hillarys.

Mr P.A. KATSAMBANIS: I refer to the heading "Significant Issues Impacting the Agency" on page 106 of budget paper No 2. There is discussion about the review of the act, and the terms of reference for the review were published in March 2019. When can we anticipate that that review will be concluded and is it possible at this stage to indicate whether it is likely that any legislation will be introduced during this term of government?

Mr J.R. QUIGLEY: The Western Australian Law Reform Commission has been briefed by me to oversee the review of the Equal Opportunity Act 1984. The Equal Opportunity Commission anticipates that, although it is not conducting the review itself, it will have an active role in the process, which will require significant time of the commissioner and staff. To date, the Equal Opportunity Commission has been involved in the development of the terms of reference and in briefings to me as the Attorney General. Any significant amendment to the act will also involve considerable resources in community education and development. The Law Reform Commission is currently preparing a discussion paper, which we are hopeful will be released for public consumption by the end of this month or in early June. That will be the first stage of the review and it will cover part VI of the act, "General exceptions to this Act". These exceptions include acts done under statutory authority, charities, voluntary bodies, and the employment and enrolment practices of religious education institutions. In that regard, it will cover some of the ground covered by Hon Philip Ruddock in the federal review. As part of its involvement, the Equal Opportunity Commission will make a submission to the Law Reform Commission. I note in passing that in relation to that act, we have to await developments in the federal sphere because of the primacy of federal laws, unless they specifically save the state laws. We do not know what the federal Attorney-General, Hon Christian Porter, is doing in that regard just yet.

Mr P.A. KATSAMBANIS: Paragraph 2 under the heading "Significant Issues Impacting the Agency" states —

The Commission has been investigating the purchase of a complaint management system.

I understand that the other system is obsolete —

The purchase will be finalised before the 2019–20 financial year with roll-out in the 2019–20 Budget year.

Where is the spending change appropriation for the funds required to buy that complaint management system?

Mr J.R. QUIGLEY: As I understand it, and I will turn to Dr Byrne in a moment, this will happen concurrently with the relocation of the commission to Albert Facey House, where it will be co-located with some other commissions and agencies. This was part of the reorganisation of some of these agencies to give them a common back room to try to spread the capitalisation expenses over a number of smaller commissions. I will ask Dr Byrne to comment.

Dr J.C. Byrne: The project for the complaint management system in the previous financial year was funded in that financial year and the money has been carried over to this year.

Mr P.A. KATSAMBANIS: Can I take it from the two answers that the project has already been funded and it was going to be rolled out in this financial year; however, it is probably best that it coincide with the move and therefore it has been held back so it can all work together? When I put the two answers together, is that effectively the answer?

Dr J.C. Byrne: Yes, it has certainly been funded. Some of the expenditure may occur this year, but most of the expenditure will basically occur in conjunction with the move to Albert Facey House.

Mr J.R. QUIGLEY: That is correct.

Mr P.A. KATSAMBANIS: Will there be a cost for that move in both fitting out Albert Facey House and running out any existing leases? Where are those costs incorporated within the budget allocation for division 8?

Mr J.R. QUIGLEY: I am happy to explain that, because this question will arise when we deal with the division for the Office of the Director of Public Prosecutions, which is also relocating. I can advise that when a government agency relocates, the sorts of expenses to which the member has referred are borne by the Department of Finance, not by the agency itself.

Mr P.A. KATSAMBANIS: Excellent.

Mr J.R. QUIGLEY: It will be the same with the office of the DPP, when we eventually get to that division; the Department of Finance will be doing the relocation.

Mr P.A. KATSAMBANIS: I will not ask that question in that area.

Mr J.R. QUIGLEY: What I am trying to say is that it is the same across all these agencies.

[2.10 pm]

Mr P.A. KATSAMBANIS: I refer to the services and key efficiency indicators on page 108. Does the Attorney General have any updated figures on the number of cases lodged with the Equal Opportunity Commission for the provision of information and advice, and also any avenues of redress—any actions for unlawful discrimination—and any indication of how they compare with the past?

Mr J.R. QUIGLEY: I invite the commissioner to answer that question, please.

Dr J.C. Byrne: The number of complaints basically aligns with previous years. We generally get about 400 complaints per year, and about 1 500 inquiries that we respond to. With regard to the resolution of complaints, that has been similar to previous years, with similar numbers being referred by the commissioner to the State Administrative Tribunal. Only a handful of complaints went to the State Administrative Tribunal from the commissioner.

Mr P.A. KATSAMBANIS: Over the course of this financial year, has there been any change in the nature of the complaints received and the matters dealt with? Has there been a shift from one type of discrimination issue to another? Along with a similar number of complaints being lodged and inquiries being made, has the commissioner noticed whether they were in similar groups to previous years?

Dr J.C. Byrne: It has been similar to previous years. Employment complaints and complaints by people with an impairment dominated. Beyond that, race discrimination complaints and sexual harassment complaints were roughly about equal. One is ahead one year; the other is ahead another. It was surprising that despite the marriage equality decision, there was no increase in the number of religious discrimination complaints. It is very quiet in that area. There are very few complaints about religious discrimination. Hon Philip Ruddock noted in the religious freedom review that there were very few complaints in the religious area. They have not increased, as one might have expected with the marriage equality debate.

Mr P.A. KATSAMBANIS: Does the Attorney General have anything to add to that?

Mr J.R. QUIGLEY: No. I am right; thank you.

Mr P.A. KATSAMBANIS: Under “Asset Investment Program” on page 109, there is a new allocation for office equipment. It is only very small, obviously, because it is a small agency. Can I clarify whether that is separate from the complaint management system that we were discussing earlier?

Mr J.R. QUIGLEY: I do not know about that detail, so I will ask Dr Byrne to talk about the office equipment. Dr Byrne, is the first item of \$28 000 on page 109 separate from the complaint system?

Dr J.C. Byrne: It is for the routine replacement of office equipment. Computers, for example, need to be upgraded every few years. It is merely a routine thing. For an office of 20 people, it is about \$1 500 per person simply to maintain the equipment to a modern standard of efficiency. It is not about the complaint management system.

The appropriation was recommended.

Division 9: Commissioner for Children and Young People, \$3 171 000 —

Mr S.J. Price, Chair.

Mr J.R. Quigley, Attorney General.

Mr C. Pettit, Commissioner for Children and Young People.

Mrs P. Heath, Director, Policy and Research.

Mr J. Lee, Principal Policy Adviser.

Miss L.A. Markussen, Ministerial Liaison Officer.

[Witnesses introduced.]

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I give the call to the member for Dawesville.

Mr Z.R.F. KIRKUP: I refer to the line item "Total Appropriations", which is the overall expenses for investigations and inquiries that are undertaken each year. The Attorney General might be aware of the more recent coronial inquest recommendation for the appointment of a commissioner for Aboriginal people, and in particular the government's statement of intent released on Tuesday that notes that that role could equally be filled by the Commissioner for Children and Young People and the Ombudsman. I am keen to understand whether the Attorney General has a position on whether that role could equally be filled by those two bodies, in which case it is the commissioner who sits before us; or is that possibility of a commissioner for Aboriginal people still to be explored?

Mr J.R. QUIGLEY: I do not know what line item the member is referring to.

Mr Z.R.F. KIRKUP: It is the line "promoting the rights, voices and contributions of children and young people" under "Significant Issues Impacting the Agency" on page 115.

Mr J.R. QUIGLEY: That is for the Minister for Aboriginal Affairs, Hon Ben Wyatt, to take to cabinet. We do not have a cabinet position on that yet. I know that Mr Wyatt is keen to see a commissioner for Indigenous people and that he will no doubt, in due course, take a submission to cabinet, but that has not happened yet. I do not think it is appropriate for the Commissioner for Children and Young People to foreclose cabinet's view on that.

Mr Z.R.F. KIRKUP: I appreciate that response. If there were a situation in which perhaps, as per the statement of intent, the Commissioner for Children and Young People and the Ombudsman shared the role, would the Attorney General imagine that the impact on the forward estimates might see more money being allocated to the commissioner to undertake such a role, as outlined in the coronial inquest?

Mr J.R. QUIGLEY: It is too difficult to answer whether more funding would be required for those two areas and what would be involved in a commissioner for Indigenous people. There is no doubt that Indigenous people in Western Australia have massive challenges that are specific to them. The way they are treated, including by the justice system, is evidence that we have a long, long way to go. I can give you an example.

[2.20 pm]

Mr Z.R.F. KIRKUP: Perhaps the Attorney General can do that once we have finished asking the questions.

Mr J.R. QUIGLEY: The answer is I cannot tell the member whether a further allocation of funding to the Ombudsman and the Commissioner for Children and Young People will cover that task, because I know that the Minister for Aboriginal Affairs is keen on seeing a commissioner for Indigenous people.

Mr Z.R.F. KIRKUP: I appreciate the response, Attorney General. The concern I have is that in the forward estimates next year the commission's budget decreases. If we are going to see a situation in which cabinet might split the commissioner for Aboriginal people role into the roles of the Ombudsman and the Commissioner for Children and Young People, it would obviously require an increase in the budget, which would mean a separate appropriation. I cannot imagine that we would wait until next year's budget round before that allocation is given

to the commission. The opposition's concern to see something like this proceed, as per the coronial inquest recommendation, is understandable. I appreciate the government's response that that role might be split between the two agencies. It is obviously a concern, as the Attorney General would no doubt appreciate given his extensive history in relation to the criminal justice system. The opposition's concern is that the budget is being reduced, and, if there is a role for the commissioner to play in that respect, the opposition should expect to see the budget increase. Is that correct?

Mr J.R. QUIGLEY: If the Commissioner for Children and Young People is tasked with further jurisdictional issues, the commission will be funded for the expansion of the jurisdiction. But at the moment, I will say that the contemplated commissioner for Indigenous people will not be confined in his or her concerns to young people.

Mr Z.R.F. KIRKUP: Absolutely, and I appreciate that. It was simply that when we raised this yesterday with the Minister for Aboriginal Affairs, the suggestion was that cabinet's deliberation might still go one way or the other—not necessarily pursuing the minister's ultimate goal of a single commissioner but perhaps having a hybrid model in which the Ombudsman has a deputy and the commissioner has a deputy in response to something like that. I am just keen to make sure there is a commitment that it would be funded if that eventuality were to take place.

Mr J.R. QUIGLEY: I have no doubt that Hon Ben Wyatt, a proud son of the Yamatji nation, will make sure that an Indigenous commissioner or a split jurisdiction will be properly funded.

Mrs J.M.C. STOJKOVSKI: I refer to the significant issues impacting the agency on page 115, volume 1 of the *Budget Statements*. Paragraph 1.1 states "promoting the rights, voices and contributions of children and young people". What projects will the commission be undertaking this year to do so?

Mr J.R. QUIGLEY: I am going to invite the commissioner himself to respond to the member.

Mr C. Pettit: Thank you, Attorney General. We are currently in schools consulting approximately 4 500 young people, 900 of whom are Aboriginal children, on their whole health and wellbeing. Although we are doing it in schools, it is not about education; it is about their entire lives and all the things that are happening to them. It looks at ages eight through to 18 and we are hoping to have that completed by the end of July. We will, hopefully, have the report finished in the early part of next year. It is a significant one.

Mr Z.R.F. KIRKUP: I refer to the delivery of services on page 114 and the total appropriations for the commissioner. I note that the commission currently has quite a lot of important projects underway. Given that there is a budget reduction, which projects might not be pursued in the next financial year?

Mr J.R. QUIGLEY: Thank you. I will invite the commissioner to respond.

Mr C. Pettit: Thank you, Attorney General. At this stage, we cut our cloth to the dollars we have. We have signalled a range of projects we are going to proceed with in the next financial year, including around the impact of drugs and alcohol on children and young people. We work to the budget that we have and make sure that we prioritise that work as best we can for the benefit of all children.

Mr Z.R.F. KIRKUP: I appreciate the response, commissioner. Which specific projects might not be pursued in the next budget year, given the budget reduction? From what I understand, there are about 10 projects underway. Can the Parliament be informed which of those 10 projects might not be pursued in the next financial year because of the government's budget reduction?

Mr J.R. QUIGLEY: I will ask the commissioner to respond.

Mr C. Pettit: Thank you, Attorney General. At this stage, all of those are going to progress, because, as I have said, we have cut those to the budget cloth, so we will make sure they are done. What we struggle to do is react to any immediate issue that might come up, but we do that as best we can within the constraints we have.

Mr Z.R.F. KIRKUP: The obvious concern is that if something comes up over the coming financial year, it affects the ability for the commission to respond to those issues. Is there a list of priorities that the commission ranks those projects in? At the moment, in terms of priority, would the monitoring of children and young people's wellbeing be set aside if a matter came up and took over? Is there an understanding of, or perhaps supplementary information on, the allocations presently and in the forward estimates for each of those projects? For example, if \$200 000 was dedicated to a harmful sexual behaviours project and next year it was \$150 000, is there a list of what that might look like?

Mr J.R. QUIGLEY: I will ask the commissioner to respond.

Mr C. Pettit: If a dramatic or significant issue arises, we will not stop a project but it may stall the project in terms of its long-term approach. Instead of doing it over six months, it may take over 12 months, and that ensures we can react to those issues as we need to. We tried very hard not to dismiss any project that we already have on task, because of the significant influence that we have had around the organisations that contribute to it.

Mr Z.R.F. KIRKUP: I note that one project going on is the Aboriginal leadership and cross-cultural project. Has any work been undertaken to deliver that in the Kimberley region? I note that the most regional school it was linked to was Narrogin, I think. Has the commission looked at delivering that in the Kimberley?

Mr J.R. QUIGLEY: I will ask the commissioner to respond.

Mr C. Pettit: Not in the Kimberley specifically, although we have talked to almost all the schools in the Kimberley and explained exactly what the information we gained from that process was. We are doing two trials using that model—one is in Safety Bay and one in Jigalong. That is in concert with the people in those locations to make sure they are comfortable with that and so we can work with their children to get the benefit out of it.

Mr Z.R.F. KIRKUP: Are any of the projects that the commission has underway—I think we spoke about it last year and in subsequent conversations—being delivered in Roebourne, or are any projected to be delivered over the coming forward estimates?

Mr C. Pettit: The answer to the first part of the question is no. We have not delivered projects directly into Roebourne itself. Obviously we monitor what is happening in that part of west Pilbara as part of the west Pilbara plan, but we are in discussions with a number of people in the Roebourne vicinity about how we can support some of that work now that the government has finished its implementation towards the west Pilbara plan.

Mr P.A. KATSAMBANIS: I refer to the outcomes and key effectiveness indicators on page 116. Looking at the delivery of outcomes compared with the budgeted outcomes, and consultation in public awareness and engagement, to use a term that young people use colloquially, the commission is absolutely smashing it, which is great. That is a credit to the commission, and that also reflects down to the efficiency indicators and unit cost per child, which, obviously, is significantly reduced from the budgeted amount because such consultation is being engaged in. That is really positive. The commission has done this two years in a row. My question may be outside of the purview of both the minister and commissioner, but are those targets realistic anymore? I know there is a review. I think it is being conducted either by the Auditor General or Treasury. When will we be in a position to see some of these outcomes and efficiency targets reflecting the work that is already underway? In other words, we want to stop anyone in the future from slackening off from where the commissioner is at today.

[2.30 pm]

Mr J.R. QUIGLEY: I will have to ask the commissioner to respond.

Mr C. Pettit: I thank the member for his recognition of the work that the office has done, but I cannot take credit for all of it. This is the second year that this set of key performance indicators has been used. We negotiated with Treasury and the Auditor General about setting those targets based on historical data. But we also built into the process that at the end of the third year, which is obviously next year, we would review all the targets to make them more realistic, subject to whatever has happened over the past three years. We are reviewing them—it will be done in concert with Treasury and the Auditor General—so that they are more reflective of what is happening. The member is right; we have done a lot more than we have in the past in some instances. But our work is very variable. For example, in some years we are doing 4 500 young people. There is strong consultation this year. We probably will not do that many next year, because we will need to move into report writing. These figures will move up and down somewhat.

Mr P.A. KATSAMBANIS: Does the office set internal targets that are different from the budget targets; and, if so, is the commissioner able to enlighten us on what they may look like in any given year, especially given the commissioner's last comment that it is variable because of the stage at which the consultation is at in any particular period?

Mr J.R. QUIGLEY: I invite the commissioner to respond.

Mr C. Pettit: The simple answer is no, we do not have internal targets. However, we do report more broadly in the annual report, which is tabled. That not only encompasses this set of data, but also unpacks some of that data in a way that is quite definitive.

The appropriation was recommended.

Division 32: Parliamentary Inspector of the Corruption and Crime Commission, \$792 000 —

The appropriation was recommended.

Division 10: Office of the Information Commissioner, \$2 538 000 —

Mr S.J. Price, Chair.

Mr J.R. Quigley, Attorney General.

Ms C. Fletcher, Acting Information Commissioner.

Ms M. Fitzgerald, Executive Officer.

Mr J. Lee, Principal Policy Adviser.

Miss L.A. Markussen, Ministerial Liaison Officer.

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I give the call to the member for Dawesville.

Mr Z.R.F. KIRKUP: I refer to page 123, "Resolution of Complaints", and note that in 2017–18, 2018–19 and onwards, there is an increase of one full-time equivalent. Is the increase of one FTE to deal with a larger number of complaints that have been processed and reviewed?

Mr J.R. QUIGLEY: Sorry, can I just have that again?

Mr Z.R.F. KIRKUP: Under the heading "Resolution of Complaints", the table lists the number of FTEs in 2017–18 as eight and in this budget the number of FTEs is now nine. Is the increase in FTE due to the volume of complaints that the commission has to deal with?

Mr J.R. QUIGLEY: I am advised that the extra person is an administration officer, not a complaints officer.

Mr Z.R.F. KIRKUP: Was there no administration officer beforehand?

Mr J.R. QUIGLEY: I will throw that to the commissioner to answer.

Ms C. Fletcher: I thank the member for the question. An administration officer left with a voluntary severance, but, in the last period, since my arrival in July last year, there has been the recruitment of an administrative assistant to assist the executive officer. No additional complaints staff have been hired during the period, but there has been the recruitment of acting staff into permanent roles.

Mr Z.R.F. KIRKUP: How many FTEs are directly dedicated to the resolution of complaints? I appreciate that there is an executive officer and an administration assistant. Does that mean that seven people are specifically dedicated to the resolution of complaints as their primary function?

Ms C. Fletcher: Member, nine people are not directly involved in the resolution of complaints, or external reviews as we call them. The nine FTEs consist of officers who are directly involved as what we term complaints officers, plus the administrative support staff who assist them, so nine FTEs assist with that function.

Mr Z.R.F. KIRKUP: What ratio does the commission use to assign FTEs dedicated to the external review process? Is a case load required as part of a job definition format—"You'll be dealing with 400 a year"—or something like that? Is there a specific figure or target? I assume that there has been a reduction in external review requests between this and the last financial year. What is the case load for those FTEs? Are they meeting their targets? Is there a backlog? Are staff overloaded? Has the commission sought extra funding but not been given that funding?

Ms C. Fletcher: There is no target per officer per se. What comes into the office is very variable. In 2017–18, 165 matters came in for external review—it goes up and down—which represents an almost 30 per cent increase from the previous 2016–17 period. It is very hard, because we are not in control of the number of matters that come to the agency. Presently a backlog of 35 to 40 matters have not been allocated. We are focusing targeted effort to deal with those matters in a particular type of way. In terms of the case load per complaints officer, we allocate according to a degree of complexity and experience. Most of our complaints officers have significant experience. Some of them have been with the agency since the agency began in 1993, so there are no particular targets per complaints officer. At the moment we are coping as best we can with the resources. In fact, in the last financial period we increased our productivity significantly, and over the last five years by about 30 per cent compared with the five years before in terms of output of dealing with matters.

[2.40 pm]

Mr P.A. KATSAMBANIS: Does the office keep figures on the average number of days or weeks, or however it is measured, that it takes for a complaint to be allocated? The commissioner indicated there was a backlog of 40 or so at the moment. Additionally, is there a target of what should be the average number of days before a matter is allocated?

Mr J.R. QUIGLEY: I will ask the acting commissioner to answer that question.

Ms C. Fletcher: There is no specific target per se in terms of time for which a matter should be allocated. We try to get to matters as quickly as we can. We have a system in which effectively we triage, if you will, matters right at the outset when they come in. Virtually the day they arrive in the office they are given a preliminary assessment as to urgency and whether any time periods need to be complied with. There is an assessment right at the outset. In terms of a time target for allocating it, we do not have a particular target per se for that. However, we are very mindful, and month to month we review how long it takes us to allocate matters. We keep figures on whether we had a certain number of matters, how many we would have under the six-month category, how many we have under the three-month category, and, beyond that, the matters that are getting older—nine months and 12 months. We are very conscious to not let matters get old. We have worked hard in recent years to bring down the number of matters that have got into that over 12-month bracket. Currently we might have two matters that sit in that over 12-month bracket, but we have brought that number down. I have some figures here: in terms of complaints finalised just over the past five years, beginning with 2013–14, it was 36.7 weeks to complete or finalise a complaint. The average time to finalise a complaint is now down to 29.9 weeks. It is a downward trend. There are a couple of blips here and there, but it is down from what it was five years ago.

Mr P.A. KATSAMBANIS: Further to that answer, that leads on to my next question.

The CHAIR: Is it a further question?

Mr P.A. KATSAMBANIS: It builds directly on the last part of the answer, so the Chair can take it either way; I am not that fussed. Page 123 of budget paper No 2 under “Services and Key Efficiency Indicators” contains efficiency indicators around cost. However, I note that there is no efficiency indicator around the time taken to assess matters. I compare and contrast that with, say, the Corruption and Crime Commission that we will talk to soon, which does set those efficiency indicators. Given that the commission keeps those figures and that they show a downward trend, is any consideration given to including those as reported efficiency indicators?

Ms C. Fletcher: That certainly has been discussed within our office, with myself and other information commissioners, for a long period. The member might be aware that the act indicates time periods for certain phases of the freedom of information process. For the external review process, which is that phase of the process that comes before the Information Commissioner, it is 30 days. The member is correct to say that there are no KPIs or indicators in relation to keeping that. Having been in the office for the last 12 months and being mindful that this is an important outcome, for both the public and other applicants, my mind has gone many times to the fact that it is not part of our KPIs. However, from reviewing evidence that has been given particularly to this committee over the years—that issue has come up in the past—I would concur with what some of my predecessors have said, in that that 30-day target is virtually always honoured in the breach.

Mr P.A. KATSAMBANIS: Can you repeat that last comment?

Ms C. Fletcher: The 30-day limit for the completion of an external review has never been able to be met. It was an unrealistic target from the very outset. I am sure the member would have some appreciation that the process involves the matter coming in, disputed documents being obtained from the relevant agency, submissions, natural justice process being given to the parties, issues firstly being identified, requests for parties to participate in the process by way of submissions to the Information Commissioner, a fact finding exercise by the commission, and then a written decision by the commissioner. It has always been considered unrealistic that an external review could be provided within a 30-day period. I understand that the Attorney General has expressed a similar view on another occasion. Whether he concurs with me again on this occasion —

Mr J.R. QUIGLEY: I do.

Ms C. Fletcher: He does. From my interactions with the Information Commissioner’s counterparts in other jurisdictions, this is a feature of just about every jurisdiction. It is very difficult to complete an external review within a 30-day or 45-day period. That is something that I think we are all up against. Based on that current statutory time limit, we would be loath to use that as our benchmark. There is room for discussion about some timeliness KPI, but that would need to be the subject of significant discussion.

Mr Z.R.F. KIRKUP: The acting commissioner mentioned a backlog of, I think, 35 to 40 matters. Is it possible by way of supplementary information to get an understanding of the backlog; namely, the applicant, the agency subject to the external review, and the subject, and as of today’s date how long it has been sitting with the Information Commission?

Mr J.R. QUIGLEY: I have a problem with that: I do not want to disclose confidential information of the applicants. The member might be a regular one himself.

Mr Z.R.F. KIRKUP: I appreciate that. Can I have then the subject of the application, the agency and the time outstanding?

Mr J.R. QUIGLEY: I would limit the answer to this—I can provide this as supplementary information and be clear: in relation to the outstanding matters, we are prepared to provide information about which agency the review was sought from.

Mr Z.R.F. KIRKUP: Absolutely, I appreciate that.

[2.50 pm]

Mr J.R. QUIGLEY: Once we start going into subject matter, we are starting to release confidential information.

I thought my answer was clear, but the acting Information Commissioner is concerned—that is, agency or department, yes. We can say how many are outstanding in relation to the Western Australia Police Force but not in relation to a specific branch within the WA Police Force. It is the same with the Department of Health.

Mr Z.R.F. KIRKUP: I appreciate that, Attorney General. For the purposes of the supplementary information request, I will use the Department of the Premier and Cabinet as an example because we are both familiar with it. Can we have a list of the agency—DPC—and the time that it has been outstanding with the Office of the Information Commissioner as of today's date?

Mr J.R. QUIGLEY: We can do that. We have a spreadsheet that sets out the departments, ministers, universities and local governments.

Mr Z.R.F. KIRKUP: In particular, the outstanding ministers would be fantastic. I appreciate that, Attorney General.

Mr J.R. QUIGLEY: The supplementary information we will give is matters outstanding per department.

Mr Z.R.F. KIRKUP: Or that spreadsheet?

Mr J.R. QUIGLEY: The supplementary information we will give is the external review participants 2018–19 external review spreadsheet.

Mr Z.R.F. KIRKUP: Does that spreadsheet indicate those that are overdue?

Mr J.R. QUIGLEY: These are completed matters.

Mr Z.R.F. KIRKUP: The premise of the question was those that are in the backlog. We can pursue that through a question on notice.

The appropriation was recommended.

Division 29: Corruption and Crime Commission, \$29 095 000 —

Mr S.J. Price, Chair.

Mr J.R. Quigley, Attorney General.

Mr R. Warnes, Chief Executive Officer.

Miss L.A. Markussen, Ministerial Liaison Officer.

Mr J. Lee, Principal Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

The Attorney General 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 Attorney General 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 Attorney General's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if the Attorney General asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

The member for Hillarys.

Mr P.A. KATSAMBANIS: I refer to page 409 of budget paper No 2 and "Spending Changes", specifically line item "Indexation for Non-Salary Expense", which has an allocation in 2022–23. What uplift percentage has been used for that indexation?

Mr J.R. QUIGLEY: We are prepared to supply supplementary information—just to be clear—on the percentage detail for 2022–23. Can the member confirm which line item it is?

Mr P.A. KATSAMBANIS: It is line item "Indexation for Non-Salary Expense" on page 409 of budget paper No 2 under "Spending Changes" and "Other". It is an allocation of \$66 000.

Mr J.R. QUIGLEY: We are happy to give by way of supplementary information the actual percentage that reflects that \$66 000.

Mr P.A. KATSAMBANIS: Yes, the percentage used for indexation.

Mr J.R. QUIGLEY: The percentage used for indexation that arrived at \$66 000 for 2022–23.

[Supplementary Information No A42.]

Mr P.A. KATSAMBANIS: I refer to page 409 and significant issues impacting the agency. Note 1 refers to the legislation that amended the Criminal Property Confiscation Act 2000 and the Corruption, Crime and Misconduct Act 2003 to pass powers to the Corruption and Crime Commission to investigate, initiate and conduct civil confiscation proceedings relating to unexplained wealth. Note 1 goes on to state —

Since the legislation was proclaimed the Commission has received referrals from various sources.

At the time the legislation was proclaimed, or subsequently, has the commission been furnished with any additional resources to pursue this very, very important new referral it has been given or has it had to use its existing resources?

[Ms M.M. Quirk took the chair.]

Mr J.R. QUIGLEY: No, there have not been any additional resources provided to the CCC because, as the member may recall, when the amending legislation was passed, the Corruption and Crime Commissioner, Hon John McKechnie, QC, advised that additional resources would not be required because the education and minor misconduct functions had been transferred from the CCC to the Public Sector Commission. Mr Warnes wants to improve on my answer, and I invite him to do so.

[3.00 pm]

Mr R. Warnes: As the Attorney General was saying, we lost some resources to the Public Sector Commission with the original change in legislation in 2015. This legislation, as the member rightfully pointed out, came into effect in 2018. The commissioner at the time determined that the amount of resources we may or may not need with this new conferral was unknown. The commissioner at the time determined that it was unknown how much resource we may or may not need with this new conferral. The commissioner advised the Attorney General that we were prepared, as an organisation, to take on the new function without additional resources, as long as we could come back in a period of time, knowing the effect of that new conferral—say, within three years of conferral—and either ask for more resources or confirm that we do not need them at that point in time.

Mr P.A. KATSAMBANIS: I have a further question on this same significant issue. I note the comment that since the legislation was proclaimed, the commission has received referrals from various sources. Is the Attorney General in a position to tell me, without breaching any confidentiality or risking any investigations, how many investigations have been commenced under this new power; how many have been concluded; and what funds have been received to date in any proceedings under these new powers?

Mr J.R. QUIGLEY: Mr Warnes is happy to provide some details in that regard.

Mr R. Warnes: If I could add some context, we have spent a fair bit of time working out our own internal process on how to receive notifications from both the public and other enforcement agencies, such as police, tax and border protection. We spent a fair bit of time educating them on the act and the new powers it enables us to carry out; there was some good work from the commission's people there. With regard to where we are at, 37 potential matters have been referred to us. Of those, 13 are awaiting appraisal—we have not yet got to them, in the team we have; one is undergoing appraisal as we speak; 11 are subject to an initial investigation—an initial assessment of the evidence that has been presented to us from the public or from the referring agencies; nine have been deemed not viable, following our appraisal; and two are currently not viable and will be subject to further review in 12 months. We say that they are not viable now because they may be extremely complex or there might be a gap in information, which means that we will just have to give them more time later on, when we can. We also have one at the moment that has progressed to a more intensive investigation, for which the powers of the commissioner are being employed in respect of what additional information we seek from others who can provide source material for us.

Mr P.A. KATSAMBANIS: Further to that answer—thank you—at the moment do we have any that have been concluded and for which we have received proceeds?

Mr R. Warnes: No.

Mr P.A. KATSAMBANIS: Okay.

Mr J.R. QUIGLEY: That was my answer then, but it was correct!

Mr P.A. KATSAMBANIS: The Attorney General was guessing there for a moment!

Mr J.R. QUIGLEY: No, we know that we have not yet, because we have one that has progressed to intensive investigation.

Mr P.A. KATSAMBANIS: I would expect that if it happened, the Attorney General would know pretty quickly. Just further to that: in relation to this particular power, if funds were to be received, where in the budget papers would they be accounted for initially? Would they be accounted for in the division 29, Corruption and Crime Commission, figures, or would they go to some other part of the budget?

Mr J.R. QUIGLEY: Mr Warnes will answer that, member.

Mr R. Warnes: They would appear in these budget papers. Perhaps as a reference point for the member, they would appear on page 410. They would appear in different parts, but we would capture it as part of the number of investigations that we undertake, as part of that indicator, and as part of the “Service Summary” table, line item 2, “Investigating Allegations of Serious Misconduct”. That line shows the dollars that are assigned to investigations.

Mr P.A. KATSAMBANIS: My question specifically was about any income received as a result of this power.

Mr J.R. QUIGLEY: No, money that gets paid in goes straight to the confiscation account.

Mr P.A. KATSAMBANIS: Which is in —

Mr J.R. QUIGLEY: The Department of Justice.

Mr P.A. KATSAMBANIS: The Department of Justice?

Mr J.R. QUIGLEY: Correct.

Mr P.A. KATSAMBANIS: Okay. Would it be separately accounted for, or part of all confiscation, including what the police do?

Mr J.R. QUIGLEY: The member will have to wait until the Department of Justice appears this afternoon.

Mr P.A. KATSAMBANIS: All right; thank you. I refer to page 411. I have a couple of questions on this. The first one relates to the table headed “Assessing all Allegations of Serious Misconduct Received” and the efficiency indicator line item “Percentage of assessments completed within 28 days”. The estimated actual for 2018–19 is somewhat lower than the budgeted figure; the budgeted figure is 80 per cent and the estimated actual is 63 per cent. Can the Attorney General provide an explanation for why that target has not been met for this year?

Mr J.R. QUIGLEY: I will leave that to Mr Warnes.

Mr R. Warnes: As the member can see from that indicator, we aspire to process any allegations we receive within 28 days. There is a team of four assessment and inquiry officers who take that responsibility. We unfortunately lost three of those four to parental leave, other job opportunities and secondments out of the organisation. The time it takes to recruit back into our organisation is a little more complex than for a normal organisation, given the vetting process. That accounts for that decline. I can assure the member that today we are back up to 80 per cent.

Mr P.A. KATSAMBANIS: Okay, great. Thank you. The average time taken —

The CHAIR: Is this a further question?

Mr P.A. KATSAMBANIS: This is a new question on the same subject—services and key efficiency indicators.

One of the efficiency indicators is the average time in days to complete an investigation into serious misconduct. The actual figure for 2017–18 was 317 days, and there has been a marked increase since then to 350 days. Can the Attorney General offer an explanation for that, please?

Mr J.R. QUIGLEY: Yes, thank you, member.

Mr R. Warnes: Thank you again for the question. The member may recall from previous budget papers that pre-date 2017–18 that the commission spent up to around 400 days dealing with investigations, so it was quite a feat to get it down to that level. We aspire to achieve our investigations within less than a year, but it is not something that we can fully control because of the complexities of some investigations. As the member may recall, some of the investigations we have done over the last 12 months have been a bit more complex; they might engage us overseas—as with the more recent report with the commissioner in Japan—or they may be more complex due to the powers that we have to apply and the records we have to get from banks and things like that. Some of our investigations can be done a bit earlier. The commissioner is very keen to take on early examinations as part of the investigation process, to get the facts out in a private hearing. That will, hopefully, chart a course for investigations that might be a bit more focused. But some do not prime themselves well for an early examination; we spend a lot of time collecting all the facts and a lot of time in private examinations with people who can help inform us, before we might go to the person of real interest to us. Although we aspire to do things within 12 months, the more complex ones could take a lot longer.

Mr P.A. KATSAMBANIS: Thank you.

The appropriation was recommended.

Meeting suspended from 3.08 to 3.20 pm

Division 17: Mines, Industry Regulation and Safety — Services 1 to 3, Commerce, \$279 716 000 —

Ms M.M. Quirk, Chair.

Mr J.R. Quigley, Minister for Commerce.

Mr D. Smith, Director General.

Ms K. Berger, Deputy Director General.

Ms L. Chopping, Acting Commissioner for Consumer Protection.

Mr R. De Giorgio, Chief Financial Officer.

Mr K. Bowron, Executive Director, Building and Energy.

Mr M. Banaszczyk, Executive Director, Corporate Services

Ms L.A. Markussen, Ministerial Liaison Officer.

Mr R. Sao, Principal Policy Adviser.

Mr J. Lee, Principal Policy Adviser.

[Witnesses introduced.]

The CHAIR: I give the call to the member for Hillarys.

Mr P.A. KATSAMBANIS: Thank you, and welcome to everyone. I will start with the significant issues impacting the agents on pages 224 and 225. The first one I want to raise is issue 13, which discusses the protection of subcontractors, particularly what has become known as the Fiocco report. I recognise at the outset that the minister at the table was not the minister when the report was commissioned, nor do I think he was the minister when the report was delivered.

Mr J.R. QUIGLEY: I am the minister responsible for its implementation.

Mr P.A. KATSAMBANIS: The minister certainly is responsible for its implementation.

Mr J.R. QUIGLEY: I copped the handpass!

Mr P.A. KATSAMBANIS: Yes, I agree with that.

The CHAIR: Minister, I do not think the member has finished his question.

Mr P.A. KATSAMBANIS: That is all right; we are currently in agreement. I think periods of agreement should be celebrated!

The report came down, there was a government response in December, then a change of minister and the former Minister for Commerce and Industrial Relations indicated that legislation would be provided by the middle of 2019. Is that time frame still going to be met? Are we going to see it before Parliament rises for winter?

Mr J.R. QUIGLEY: The answer is no, but I can comment a bit on that.

Mr P.A. KATSAMBANIS: Can you explain why?

Mr J.R. QUIGLEY: Yes. The Fiocco report, of course, contained 44 recommendations. Some of those recommendations are multi-factored in that they say things such as, “I adopt recommendations 31 to 39 of the Murray report”, which was the federal government’s report on the same subject. Then Mr Murray says, “Well, I adopt some suggestions by Mr Bruce Collins, QC,” who reported to the New South Wales government. So that is more than 44 recommendations. With the officers of the department, I have worked through all those recommendations now. After sitting down with the executive director of the Building Commission and others, we worked through those recommendations to arrive at the government’s response and the Department of Mines, Industry Regulation and Safety will prepare a cabinet submission. As the member will appreciate, it will be a lengthy cabinet submission because some issues are complex. Some members of the cabinet—as the member for Nedlands would appreciate, having sat in cabinet—may not have their heads around some of the nuanced issues of cascading trusts and the west coast versus east coast model of security of payment regime. It will be a lengthy document, and at the moment, the department is saying that it is likely that I will see it sometime in August. We were a little ambitious to say it would be out in May. The cabinet submission will probably be in proper shape by the latter half of August.

Mr P.A. KATSAMBANIS: If the cabinet submission will not be ready until the end of August, then is it unlikely any legislation will be tabled in Parliament before the end of this calendar year?

Mr J.R. QUIGLEY: There is movement on this in Parliamentary Counsel’s Office. It is trying to move things along. This is a significant piece of legislation. It will be in the hands of Parliamentary Counsel. At the election, the McGowan Labor government promised to introduce legislation, so it is very keen to push this along. As the member knows, my office has been responsible for pushing a lot of legislation through Parliamentary Counsel’s Office. We intend to prioritise this. I want it to happen soon, so we are taking interim measures. The member could ask me about them if he would like to.

[3.30 pm]

Mr P.A. KATSAMBANIS: What interim measures are being introduced and how will they impact on the building industry?

Mr J.R. QUIGLEY: We are proceeding. This is not a full answer to the Fiocco report; this is just interim. We are proceeding, right across government, with project bank accounts on all government contracts. As the member, as a lawyer, and the member to his left, as a previous Minister for Commerce, would appreciate, project bank accounts do not protect everyone down the contracting chain; they do the head contractor and the one sitting under him, and they are about the only ones who get security protection. Nonetheless, we are doing that. The second thing we are doing is transferring—cabinet has given approval for this—the supervision of subcontractor matters to the Small Business Development Corporation. Because subcontractors are small business people, the SBDC will focus on them. These are interim measures we are talking about, but they do not address all the problems identified by Fiocco, Murray, Collins and—how could I forget him; this is where all this started—Wayne Martin, AO, QC, in his report of 1998. That is incredible, because Mr Bob Collins, QC, of Sydney said in 2012 that the Wayne Martin report of 1998 should be compulsory reading for anyone approaching this subject. I have read the lot of them.

Mr P.A. KATSAMBANIS: I have a further question on the same issue.

The CHAIR: You are a sucker for punishment; that is all I can say!

Mr P.A. KATSAMBANIS: The public is really interested in this. It is a very important issue, so the more clarity we get, the better. This is not about punishment or wins or losses; this is about making sure. The minister mentioned the transfer of the monitoring function to the Small Business Development Corporation. What stage is that at? I believe it was happening during the current financial year. Has it happened or is it about to happen?

Mr J.R. QUIGLEY: It has happened.

Mr P.A. KATSAMBANIS: Do we have any clarity around when the drop-dead date, if you like, was for the transfer from commerce to the Small Business Development Corporation?

Mr J.R. QUIGLEY: I ask the director general to answer.

Mr D. Smith: The transfer of funds from the Department of Mines, Industry Regulation and Safety to the Small Business Development Corporation has happened, and that is reflected on page 224 of these budget papers. There is a line item there for the transfer of that monitoring unit to the Small Business Development Corporation. As the minister described it, some expansion of the powers of the Small Business Commissioner is also required, which I think is being progressed by the commissioner and the minister.

Mr J.R. QUIGLEY: Those increased powers have been approved by cabinet, but the legislation has not been introduced yet. This is to give the Small Business Commissioner the power to compel the production of documents and to compel answers.

Mr P.A. KATSAMBANIS: Is it, in hindsight, a little bit of a cart-before-the-horse situation, having transferred those powers to the Small Business Commissioner without the analogous powers that the Building Commissioner has had to compel the production of such documents? Secondly, does the minister foresee that this could be a risk in the interim to people who are seeking this protection?

Mr J.R. QUIGLEY: I will let the director general answer.

Mr D. Smith: Obviously, I would not want to speak for the Small Business Commissioner, but my understanding is that the transfer of funds that has occurred has allowed the Small Business Commissioner to develop both systems and processes that will allow for the continued monitoring. I am not aware that more powers were available to the Building Commissioner than are currently available to the Small Business Commissioner, but I have confirmation from my colleague that that is the case. I do not think a gap has occurred as a result of this transfer. The Small Business Commissioner feels that he requires further powers to perform the functions.

Mr P.A. KATSAMBANIS: But that is beyond the scope that we have now, is it not?

Mr D. Smith: It is the next stage, yes.

Mr P.A. KATSAMBANIS: I mean that it is beyond our scope in this estimates committee, so I cannot ask when we will see this legislation. Obviously, the minister has some background.

Mr J.R. QUIGLEY: Off the record, soon.

Mr P.A. KATSAMBANIS: Further to this theme, in one of the minister's earlier answers, he indicated that he had sat down with the department and worked out a government response. Is that a subsequent response to the response that the previous minister gave back in December, I think—I do not have the press release in front of me?

Mr J.R. QUIGLEY: No, and I do not want to foreclose what cabinet decides. I have been discussing this with the Master Builders Association and the Construction Contractors Association of Western Australia. I will give the member an example, because it is already out there; I have already discussed it with them. Because the recommendations of Mr Fiocco, once introduced, might affect the capitalisation of some builders, in that they will

not be able to hang onto subbies' payments forever to meet their other liabilities—that will be in a trust account for subbies—and that may require some recapitalisation by some builders. The member might recall that Mr Fiocco recommended that the legislation be passed and then, 18 months later, it should kick in for contracts valued at \$20 million, so that big contractors would have an 18-month lead time to think about their capital. Then, 12 or 18 months after that, it should kick in for contracts valued at \$10 million, and then, after a further 18 months, to step it.

We have been discussing this and we think that that is probably too complex. A subcontractor down the line will not necessarily know what the head contract is worth; therefore, he will not know whether he is protected by the new scheme because he will never have vision of the top contract. This is the sort of thing we have been kicking around the table. We have said that it would be better to go on the contract value rather than the project value. If the contract is for \$5 million, the subbie will know he is protected—in other words, go on contract value, not on project value. I will say to the Master Builders Association and the Construction Contractors Association that we will come back to them when our cabinet submission is finally in shape. There will be no surprises in this. We will work with industry. The industry employs over 200 000 Western Australians. We do not want any electric shocks out there. They accept it now; they can see that. We have been discussing those sorts of issues about the practical implementation of the principles of Fiocco.

[3.40 pm]

Mr P.J. RUNDLE: I am doubtful that the legislation will get through before early next year. I hope I am not right. What does the Attorney General foresee for subcontractors and so on during this period that we are in now—for the whole of 2019? Where will they go?

Mr J.R. QUIGLEY: It will be longer than that. Once the legislation passes, as I have just explained, there will still be an 18-month lag for the legislation to become operative so that construction houses can get their systems and their capital in place to meet it. We are talking about a minimum of 18 months to two years. That is why, in the interim, we are moving to project bank accounts. It is not perfect, but it is something we can do without legislation, and, administratively, do it now. We are moving to project bank accounts across all government agencies. I just had a meeting up at Dumas House, with every government agency involved, led by the deputy director general of the Department of the Premier and Cabinet, making sure they are all up to speed so that in July we can fire up these project bank accounts. As the member for Nedlands will appreciate, it will not protect subbies right down the line, but at least it protects the head contractor from defalcations from the principal and that first layer of subbies. We are doing that as an interim measure. I just repeat: we are also sending across the superintendents of these small subcontractors from the Department of Mines, Industry Regulation and Safety to the Small Business Development Corporation.

It is not perfect, but this has been kicked around since Wayne Martin's Law Reform Commission report of 1998. Every inquirer who has looked at this, from Wayne Martin and Bruce Collins, QC, who is perhaps one of the leading building silks on the east coast, to Mr Murray for the federal government, and now Fiocco, has recommended this system. We will be the first jurisdiction in Australia to implement it; they will all be watching us. I have had discussions with other jurisdictions, including New South Wales just before its recent election. The NSW minister was very, very keen to see our development. I think that others will come on board.

Mr P.J. RUNDLE: I gather there will be no retrospectivity. Can the Attorney General explain his thoughts on that? Will anything below the threshold of \$1.5 million be transferred to the SBDC?

Mr J.R. QUIGLEY: I am looking at a piece of paper about project bank accounts. Project bank accounts are for contracts of \$1.5 million or above. I am not saying the member is confused, but I think there is a bit of confusion happening here. The \$1.5 million is relative to which projects the government will require a project bank account to be run on. That will be any project of \$1.5 million or above. The Small Business Commissioner is not limited to matters like that.

Mr P.J. RUNDLE: If it is below \$1.5 million —

Mr J.R. QUIGLEY: The Small Business Commissioner can still look at it, and soon will have enhanced powers to look at it. As I said, it is an interim solution, but it is far better than what has happened in the past 20 years. We hope the opposition will support this when it comes to Parliament. This is for all small subcontractors throughout Western Australia who, once upon a time, were employed tradies. Now, they are often businesses run by one or two people.

Mr P.J. RUNDLE: At this stage I am certainly generally supportive. Obviously, I have not seen the legislation, but I am supportive of the concept. In my short couple of years in Parliament, I have heard a substantial amount of grief from some contractors in my constituency. What about contractor to contractor, when no government project is involved—is that an SBDC scenario as well?

Mr J.R. QUIGLEY: Yes, that is an SBDC scenario but it will not mandatorily involve a project bank account because that will be up to the principal. The principal on all government jobs is the government, and we are saying, "If you're going to engage in a government job of \$1.5 million or above, you will be required to run a project bank account to protect your subbie", but not the subbie's subbie, unfortunately. I will leave it there.

Mr W.R. MARMION: This is a really important topic and I would like the Attorney General to comment. In the general conditions of contract way back in 1980, when I ran contracts —

The CHAIR: Member, is there a question?

Mr W.R. MARMION: Yes, I am getting to it. I want to know whether it was covered in the Fiocco report. In the general conditions of contract—the Australian standards that Main Roads used in 1980—there was a clause that allowed the superintendent’s rep who was looking after the principal, which happened to be me on this occasion, to withhold money, basically from the subcontractor. If the subcontractor came to me and said, “I haven’t been paid for last week’s work” —

Mr J.R. QUIGLEY: By the subcontractor?

Mr W.R. MARMION: Yes.

Mr J.R. QUIGLEY: That is correct. The member is saying that he was the principal.

Mr W.R. MARMION: I was working for the principal, as the superintendent’s representative, say, for Thiess. Thiess is the main contractor. One of the subbies for Thiess was delivering gravel in his truck —

Mr J.R. QUIGLEY: He has come to the member and said, “Thiess hasn’t paid.”

Mr W.R. MARMION: Correct. Every month I worked out how much they had done and gave them their monthly payment. I would take off 10 per cent, which was held until the end of the contract, until project completion, but if a subcontractor came to me and said, “I haven’t been paid”, I would take that off. The subcontractor probably got paid within the next week. There was an in-built mechanism to look after the subbie. I admit there were not too many down there, but if there had been, it might have been pretty hard to manage. It was very easy to handle that situation on the site. Has that been looked at as a possible solution?

Mr J.R. QUIGLEY: The situation the member described is analogous to what is happening with a project bank account, because it is only going down to Thiess. The member was the principal and Thiess was the head contractor. The member was dealing with Thiess’s first-rung subcontractor. That situation is analogous to a project with a project bank account.

Mr W.R. MARMION: Correct. But the benefit was that there did not need to be any legislation because the general conditions were an Australian standard that everyone could adopt.

Mr J.R. QUIGLEY: Correct, and that is why we are able to move to project bank accounts without legislation. We are very, very keen. The nature of the building industry is such now that often the head contractor is an aggregator. He puts the price in and then aggregates all the subbies. Beneath him or her, or it, more likely there is a further rung of subbies. Sometimes it is the big houses that go under. The real issue at the heart of all this is insolvency. What happens upon insolvency to a subcontractor? When we are looking at it, it is often not the big houses that are going bust—there have been a couple—but it is the next rung down. Beyond them, it is the subcontractor’s subcontractors who suffer the pain.

[3.50 pm]

Mr C.J. TALLENTIRE: I am very keen to learn about the situation with ticket scalping legislation, and I refer to page 226 of volume 1 of the *Budget Statements* and the continuation of “Significant Issues Impacting the Agency”, paragraph 16. The ticket scalping legislation is currently before the Parliament. Could the minister inform the house about the need for this legislation?

Mr J.R. QUIGLEY: We have had this debate recently in the Assembly, and this is important legislation. I hope it is not going to be held up in the other place, because we are not that far out from football finals season; although, the prospect of a Dockers fan having to go out to buy a scalped ticket for the final is diminishing! With the football finals season coming on, we would like to see this legislation progressed through the Parliament speedily. We have some big debates happening in the latter half of the year around voluntary assisted dying and such, but that will occupy this chamber for quite a while and there should be time in the other place for the debate to be had. I am encouraging our parliamentary colleagues who sit in another chamber to deal efficiently with the ticket scalping legislation. We have not cleared this because Mr McGrath, the member for South Perth, wanted to ask a couple of questions in consideration in detail and his wife was sick so we deferred the consideration in detail stage. We are going to bring it back —

Mr P.A. KATSAMBANIS: We did not defer it; we kept at it.

Mr J.R. QUIGLEY: Yes, I know. We found our own way to defer it. We are going to get back on to that quickly, because the forthcoming football season is when it always becomes controversial. We want to see it happen.

Mr P.A. KATSAMBANIS: On the significant issue of ticket scalping, in paragraph 16, we are all on the same page. We do not want to see consumers ripped off. As we keep saying, consumers basically get ripped off in three ways: they buy a ticket that does not let them in at all; they buy a ticket at a way too inflated price; or they do both and pay a way too inflated price and still do not get in. It has been indicated through the debate and in paragraph 16 that the powers conferred on the Commissioner for Consumer Protection by the bill, which is anticipated to become

an act sometime in 2019, will require some significant resources. Is the minister or the department in a position to tell us what additional resources will be required and whether those resources will be provided from existing appropriation or will there be a need for further appropriation?

Mr J.R. QUIGLEY: That is a fair question, but I will defer to the director general as to his appropriation of resources.

Mr D. Smith: Thank you, minister. Thank you, Chair. Thank you for the question, member.

The ticket scalping legislation will have an impact on the department, and I am happy to defer to the Commissioner for Consumer Protection to explain what that will be. In terms of resourcing, the answer to the member's question is that it will be a mixture of both existing resources and new resources. The new resources will come in the first instance from the line item "Streamlined Budget Process Incentive Funding" on page 224. There is \$1 199 000 for 2019–20. This is the arrangement that Treasury has provided for agencies that did not come forth with other budget requests in the budget process to have an automatic one per cent increase in the resourcing, so we will supplement the existing resources within Consumer Protection with some of the funds from that amount for the ticket scalping. If I may, I will invite Lanie Chopping to provide an explanation about the resourcing required.

Ms L. Chopping: In the first year, we anticipate that there will be new funds allocated for community education and an awareness campaign and that the collateral developed as part of that campaign will then be used in the longer term for ongoing education as part of our normal program so that we have full community awareness. We anticipate a need for a new compliance officer or officers. We are yet to exactly establish the extent of the compliance program that will be required. The education alone may well have a deterring factor on individuals selling tickets on platforms such as Gumtree at a price above the original ticket price.

Mr P.A. KATSAMBANIS: Plus 10 per cent.

Ms L. Chopping: Yes, plus 10 per cent. At the moment, we are anticipating a minimal impact in terms of compliance officers. Our teams are very passionate about people being ripped off in relation to tickets, and so there is no shortage of people willing to undertake surveillance during football season or for an Ed Sheeran concert. We receive tipoffs and information from the public, as well as through online surveillance that we do ourselves. We also need to make forensic allocation, which is part of professional services, so we have looked at what we think will be a cost for that in the first year, but it will depend on the degree of difficulty associated with the bot detection. We are working with our partners in New South Wales to try to look at any collaborative effort that we might do in that space to minimise the ongoing costs there. I think that is sufficient information.

Mr P.A. KATSAMBANIS: That is quite helpful. There are three strands to that: education, compliance and the more forensic stuff beyond the ordinary compliance. Are there currently any figures or FTE numbers around each of those three groups the commissioner just identified, in both dollar terms and additional FTE terms?

Mr J.R. QUIGLEY: I defer to the director general.

Mr D. Smith: At this stage, we have not gone to that level of detail.

Mr P.A. KATSAMBANIS: Is the minister confident that the \$1 199 000 allocation indicated under the "Streamlined Budget Process Incentive Funding" line item would be sufficient to meet the additional resource requirements for this matter, and would the other additional resource requirements mentioned earlier be incorporated into that?

Mr J.R. QUIGLEY: I will ask the director general to respond.

Mr D. Smith: Yes.

Mr P.A. KATSAMBANIS: I have other questions, but I think I will leave those for consideration in detail on this legislation.

Mr J.R. QUIGLEY: I will not have as big a platoon around me to help me with the member's questions then!

Mr P.A. KATSAMBANIS: My new question relates to the significant issues impacting the agency. I refer to page 225, paragraphs 14 and 15. Grenfell and Lacrosse are names that have come into our consciousness for all the very wrong reasons.

Mr J.R. QUIGLEY: Or cladding.

Mr P.A. KATSAMBANIS: Yes. In relation to building cladding, it is obviously a significant issue. It is a significant issue not only in Western Australia, but also across Australia and across the world. Firstly, in paragraph 15, the commentary states —

This has required ongoing allocation of significant departmental resources to a widespread audit of building cladding in Western Australia and the development of a plan to accelerate reforms and improvements to building regulation.

Can the minister quantify what is meant by "significant departmental resources", again, in terms of both dollars and FTE allocated, and for what period of time have those resources been allocated?

[4.00 pm]

Mr J.R. QUIGLEY: When we drill down to that level, I have to ask the department to respond. I ask the director general to respond to the question about those resources.

The CHAIR: Mr Smith.

Mr D. Smith: Thank you, minister and Chair, and I thank the member for the question. Again, I may defer to the Building Commissioner in a moment to provide more detail. The resourcing has been a significant task for the department, which was undertaken, as the member described, in response to the fires in London and Melbourne. It was not an anticipated activity of the department so we have had to reprioritise our resources. We have set up a special audit team, which was announced in July 2017. The then Building Commissioner announced that an audit would be undertaken to cover 449 high-rise, high-risk buildings with cladding in Western Australia. That activity has been resourced. We have set up a special team within the Building and Energy division to undertake that audit. We have allocated resources and full-time equivalents to that task. As yet, we have not sought any additional funding for that; rather, we have met those requirements from within the existing allocation. I will take on notice the amount of resources that have been put into that task.

Mr P.A. KATSAMBANIS: Is the minister prepared to provide —

The CHAIR: I think the director general deferred to the Building Commissioner.

Mr D. Smith: Yes, who has an answer to that.

Mr K. Bowron: The anticipated expenditure is approximately \$1.8 million over that two-year period to now. That is primarily internal resources and some backfilling of people who were taken offline to undertake it, and recently to employ a panel of fire engineers to help us with the risk assessments.

Mr D. Smith: I meant to add that, on our website, we provide fortnightly reports on the conduct or progress of that audit. We expect to complete it in the next month. We have made good progress in recent times and expect to have it completed soon.

Mr P.A. KATSAMBANIS: We are all working towards the same outcome here—that is, real clarity for the public about something that could present a heightened threat of fatality or serious injury to mass numbers of people. The director general indicated that the audit is ongoing and that the department has been reporting quite regularly on the progress of the audit. Is the director general in a position to tell us how many buildings in Western Australia have to date been identified as at risk of containing this cladding—perhaps not a building-by-building assessment but an indication of what action the department takes to inform building owners and residents when such a building is identified?

Mr J.R. QUIGLEY: I could answer that question from my briefing notes but I will not. I will defer because the numbers change daily. I defer to the director general, who has the up-to-date figures.

Mr D. Smith: As I said, we provide a fortnightly report and we have an update of the figures from the last fortnightly report. As I mentioned earlier, of the 449 high-rise, high-risk buildings with cladding in Western Australia that were initially identified, we have undertaken an extensive assessment, both desktop and with an expert fire panel that the Building Commissioner referred to a moment ago, and at this stage we have identified 31 high-risk buildings and they have been referred to the relevant local government permit authority to issue a building order in response to the dangerous cladding. As I said, we have not quite finished the audit so there may be a further increase in coming weeks as the final fire engineering risk assessments are completed.

Mr P.A. KATSAMBANIS: Is the director general, through the minister, in a position to provide us with an indication of which local government authorities have received referrals for the 31 buildings and perhaps the number for each local government authority, whether today or by supplementary information?

Mr J.R. QUIGLEY: Yes, we can. It is in the fortnightly report.

Mr P.A. KATSAMBANIS: Mr Smith indicated that he has an update on the last monthly report.

Mr J.R. QUIGLEY: It is a fortnightly report, so by the time the member puts in a question on notice, another fortnightly report would have been posted!

Mr P.A. KATSAMBANIS: That is fine. I will look at that. Upon referral to the relevant local government authority, what process takes place? Does the department oversee the action taken by the local government authority? Does the department or commission directly liaise with building owners and tenants or is that left up to each local government authority?

Mr J.R. QUIGLEY: I defer to the director general.

Mr D. Smith: And, if I may, I will defer to the Building Commissioner to explain that process.

Mr K. Bowron: We work very closely with local governments and the Western Australian Local Government Association representing them. The process is that we have done the audits. The report that says whether a building is low risk, medium risk or high risk is given to the appropriate local government and the building owner. Local

governments will put a building order on all those that are medium or high risk that says to the building owner, “This is what the risk assessment has assessed. It’s up to you to do a detailed assessment and tell us what remedial actions you intend to take.”

Mr P.A. KATSAMBANIS: Does the department have a protocol with WALGA so that all local government authorities are acting in the same time frames and pursuing this in, I guess, a manner that is consistent across all local government authorities? I ask that because, as we know, the capacity in local governments varies and response times in local governments can vary, sometimes because of capacity and other times because of workload. It is not always the case that the local government with lots of capacity does things quickly; it is a combination of factors. Is there a consistent protocol between the commission and all local government authorities in dealing with this really important matter?

Mr J.R. QUIGLEY: To the Building Commissioner, Mr Bowron.

Mr K. Bowron: We have established a working force with the major local government authorities and WALGA representing. Not all local authorities will have these buildings; most of the smaller ones will not. One of the roles of WALGA is coordinating the legal advice and processes, but we do that in a cooperative manner so that we can keep reporting on and keep an eye on what is happening.

Mr P.A. KATSAMBANIS: Excellent. Thank you. I note that a cost recovery implementation statement will come out, hopefully before the end of July 2019. Have there been any changes to building regulations since the Grenfell and Melbourne incidents that directly deal with the issues that have arisen from the cladding matter or will they all be dealt with through the CRIS process?

Mr J.R. QUIGLEY: CRIS is about private certification. A regulation introduced in October 2018 restricts the use of combustible materials on the facades of high-risk buildings such as hospitals, schools, residences and the like. That regulation came in back in October last year.

[4.10 pm]

Mr P.A. KATSAMBANIS: Is there any restriction on the sale, or the offer for sale, of this product in Western Australia?

Mr J.R. QUIGLEY: I believe not. We had this out at the Building Ministers’ Forum. I believe the answer is no, there is a prohibition on its use. The New South Wales building minister at the time, Mr Matt Kean, sought to introduce a motion at the last Building Ministers’ Forum to ban its importation and sale. The commonwealth arced up against that and said that the states could not move such a motion because importation was the sole province of the commonwealth. I think there is no prohibition on its importation or sale, but the prohibition is on its usage.

Mr P.A. KATSAMBANIS: That is informative. I thank the minister for that. There are other ministerial councils; I am not sure what the acronym is for the commerce ministers’ ministerial council at the moment. Given that banning the importation of this product is the province of the commonwealth and given how important this is to all states, including our state and the people living in our state, would the minister contemplate requesting, at a further ministerial council, that the commonwealth look into this? I ask this because, yes, we restrict the use, but often the user is a user in good faith in this regard, especially if a representation has been made when the builder buys the product from the supplier. I know the minister might say that they then have other resources, but that is cold comfort to the public, especially if something as horrible as Grenfell happens. Based on that, would the minister undertake to request that the commonwealth look into this, now that a new commonwealth ministry will be formed very shortly?

Mr J.R. QUIGLEY: I am happy to do that, but that is for combustible cladding. However, the problem—it is the same issue that struck the previous government in the building of Perth Children’s Hospital—is that the builders buy materials and manufacturers in other jurisdictions put a bit of asbestos in there to guts it up a bit. We had to rip all the roof cladding out of Perth Children’s Hospital. I suppose that that is the same sort of issue, but I am happy to ask the commonwealth to consider it.

Mr P.J. RUNDLE: What liaison has the minister or his department had with the other states in relation to this? Is there a national impetus to make sure that every state is on the same page?

Mr J.R. QUIGLEY: There certainly is. I will answer at a ministerial level and leave the director general to answer at a departmental level, although I am a bit of a Johnny-come-lately to this department, having been elevated to this ministry on 15 December. I have been to only one Building Ministers’ Forum; however, how to deal with this issue was certainly front and centre at that forum. There had been a fire in Melbourne not long before the forum that concentrated the attendees’ minds. We will discuss it again in Adelaide in July at the next Building Ministers’ Forum. I will let the director general or the Building Commissioner talk about liaison with the other states at a departmental level.

Mr D. Smith: Yes, as the minister has indicated, a lot of discussion has occurred, and is occurring, between jurisdictions. The Building Ministers’ Forum, which the minister described, is supported by an officials group—forgive me, I cannot remember the acronym—that Ken Bowron, our Building Commissioner, attends. As the

minister indicated, the forum has had discussions on this issue. It has probably been its highest priority issue since those fires. In that context, the Building Ministers' Forum commissioned the work of the so-called Shergold and Weir report, "Building Confidence", which identifies a range of issues in building regulation and its application, which is informing both the Building Ministers' Forum's agenda of issues and the department as we consider how best to advise the government on areas of that process that need to be reformed.

Mr W.R. MARMION: Of the 31 buildings identified as possibly medium to high risk, are any government-owned or occupied buildings?

Mr D. Smith: The 31 that I mentioned before are only private buildings. The fortnightly reports on our website include both private and public building lists. Those 31 are only private buildings.

Mr P.A. KATSAMBANIS: Are there any on the publicly owned list?

Mr D. Smith: I do not have the most up-to-date figures on that—or perhaps I do!

Mr P.A. KATSAMBANIS: I am happy for the most recent figures.

Mr D. Smith: The most recent figures on our website identify that the number of public buildings requiring remedial action thus far is 25. Two of those had remedial action completed.

Mr P.A. KATSAMBANIS: Just to clarify, 25 public buildings require some remedial action, of which two have been completed so far?

Mr D. Smith: Yes.

Mr P.A. KATSAMBANIS: Is the director general able to provide us with a list of those buildings?

Mr D. Smith: To date, there has been a reluctance to name buildings because of the potential risk in relation to arson or otherwise.

Mr P.A. KATSAMBANIS: I understand reluctance from some perspective, but remember that this is a matter that concerns occupants of the buildings primarily. It obviously concerns owners or tenants as well. Is there at least a recommended time frame for the completion of identified remedial action, and is that reported on on a regular basis?

Mr J.R. QUIGLEY: I will ask the director general or the Building Commissioner to answer that one.

Mr D. Smith: I am a little confused as to whether the question is about private buildings or —

Mr P.A. KATSAMBANIS: It is about public buildings. Public buildings are dealt with by the local government authority; we know that.

Mr D. Smith: Yes. The agencies that are responsible for those public building assets obviously have responsibility for managing the risk and remedial action. As our report indicates, the agencies are working through those. It is progressive, based on their assessment of the risks that are involved. In two cases, full remedial action has been undertaken, but there are many cases in which interim arrangements have been put in place to ensure that there is sufficient protection, both for the assets and for those using those assets.

[4.20 pm]

The CHAIR: Minister, the second part of that question deals with the time frame.

Mr D. Smith: No time frame has been specified that I am aware of. I will ask the Building Commissioner.

Mr K. Bowron: No. As the director general mentioned, each agency is taking responsibility for its own buildings. Most of the agencies have expanded the scope to be more than what we have applied to private buildings, so they are looking at any of their buildings, and that is why sometimes the numbers seem a bit higher. We have undertaken to provide technical advice when required and to coordinate a report to the public that we update every fortnight. We list by agency the number of buildings that are being looked at, have been cleared and still need to be dealt with.

Mr P.A. KATSAMBANIS: I have a further question.

The CHAIR: The section of the form for this division is not big enough for all these questions.

Mr P.A. KATSAMBANIS: I am sorry to do that to the Chair, but, again, it is an important issue.

These public buildings could be a government office building, a hospital, a school, a fire station or a police station. We know that the worst-case scenario is that these buildings are a real, serious threat to the occupants. Why not publish such a list so the public can be fully aware of the risks in a building and, more importantly, so the people who occupy the other thousands of public buildings that are not on this list of 25 can be assured that there is no risk to their building? If we know that 25 buildings are a risk but we do not know which buildings they are, no-one knows whether any building is safe.

Mr J.R. QUIGLEY: The website indicates how many public buildings there are per agency, but not the name of the building.

Mr P.A. KATSAMBANIS: I understand that, but the risk remains. We are still searching for a needle in a haystack with some agencies, and we do not know which needle in which haystack. The public is being left in the dark on what is a really serious risk if the worst-case scenario were to happen before remedial action is taken.

Mr J.R. QUIGLEY: If the member were to look at the website, he would see, for example, Curtin University's detailed risk assessments, and I will let the director general explain that.

Mr D. Smith: I might pass that question to the Building Commissioner.

Mr K. Bowron: I think, going into some detail, that most departments and agencies have cleared their buildings. Those that have found any problems have taken immediate steps to ensure safety. That will range from advice to the Department of Fire and Emergency Services on the buildings they are concerned about to something as simple as removing any combustible materials from around the perimeter. They have all done those activities. We are left with the Department of Health, which is still looking at five buildings; the Department of Education has three; the Department of Training and Workforce Development has two to be confirmed as requiring remediation; the Department of Local Government, Sport and Cultural Industries has one; and the Department of Fire and Emergency Services has one building that needs to be looked at. We are providing that information. As those departments find them, they usually make a public announcement on that and what they are doing about it. The Department of Health did that recently with Fiona Stanley Hospital.

Mr P.A. KATSAMBANIS: Further to that, are any of the Department of Education's three buildings schools?

Mr J.R. QUIGLEY: I will refer that to the Building Commissioner.

Mr K. Bowron: For the Department of Education, there are three buildings that require investigation in detail for remedial action.

The CHAIR: The question was: are any of those three buildings schools?

Mr J.R. QUIGLEY: I will ask the Building Commissioner to respond.

Mr K. Bowron: I believe so, but I do not have the names of them on me.

Mr P.A. KATSAMBANIS: Would it be possible to get those names?

Mr J.R. QUIGLEY: I will ask the Building Commissioner to answer that, but it might have to come through the Minister for Education and Training.

Mr K. Bowron: We can provide it; otherwise, it would be through the Department of Education.

Mr P.A. KATSAMBANIS: Is the minister indicating that he can provide it as supplementary information?

The CHAIR: Member, the minister has already given evidence that they have a policy of not disclosing the building names, so it may well be out of order to persist on this line of questioning.

Mr P.A. KATSAMBANIS: I heard the word "reluctance" rather than some policy.

Mr J.R. QUIGLEY: It is really for the owner of the building in these public agencies. If a question on notice is aimed right at the Minister for Education and Training, she will elicit the information.

Mr W.R. MARMION: I think the Building Commissioner pretty much answered this question but, specifically, have any buildings had interim fire-remediation measures put in place, such as extra pumps or an increase of the pressure, before more work can be done?

Mr J.R. QUIGLEY: The director general.

Mr D. Smith: I am sorry, can we have that question again?

Mr W.R. MARMION: Have any specific fire-remediation measures been put in place on any of the buildings that have been identified as an interim response before any full-scale evaluation is done? Is the risk so high in any buildings that the building owner has put in interim measures to make sure that if there is a fire, it can be put out quickly?

Mr J.R. QUIGLEY: I will leave that to the Building Commissioner.

Mr K. Bowron: I am not aware of specific buildings, but activities that people have done, as I mentioned before, have included making sure that they restrict public access, removing any sources of ignition around the buildings, alerting the local fire brigades and, if they are places that have functions, making sure they have more egress routes than they would normally have. Those are the typical types of things building owners undertake.

Mr P.J. RUNDLE: I refer to page 224 of budget paper No 2 and the spending changes table, specifically the line item "Royalties for Regions Funding Update". Can the minister enlighten me on the situation there and what the larger figure for the 2022–23 forward estimates is all about?

[4.30 pm]

Mr J.R. QUIGLEY: Which item is this, member?

Mr P.J. RUNDLE: In the spending changes table on page 224, under “Ongoing Initiatives”, the line item three lines down is “Royalties for Regions Funding Update”. For 2022–23, there is a larger amount.

Mr J.R. QUIGLEY: I will ask the director general to comment on that.

Mr D. Smith: This adjustment spending change, which is a reduction in spending, relates to funding that we get from the Department of Primary Industries and Regional Development through royalties for regions funding from 2018–19 onwards. It is used to finance the district allowances paid to eligible employees of the Department of Mines, Industry Regulation and Safety. There was an adjustment—I do not think it was exclusive to us—across all agencies that have staff who are eligible for that regional allowance. Some come down; that is all that that reflects.

Mr P.J. RUNDLE: Thanks.

Mr W.R. MARMION: I do not know whether this relates to this agency, so it may not be a relevant question. I just noted the reference to fatal injuries.

Mr J.R. QUIGLEY: What page was that?

Mr W.R. MARMION: It is page 224.

Mr J.R. QUIGLEY: That is WorkSafe.

Mr W.R. MARMION: That is fine.

Mr P.A. KATSAMBANIS: We are still struggling with that delineation because the Attorney General has the Department of Communities but the Minister for Industrial Relations has WorkSafe.

Mr J.R. QUIGLEY: Any problems are with the other side of the department!

The appropriation was recommended.

Meeting suspended from 4.34 to 4.40 pm

Division 26: Justice — Services 1 to 7, Attorney General, \$637 413 000 —

Ms M.M. Quirk, Chair.

Mr J.R. Quigley, Attorney General.

Dr A. Tomison, Director General.

Mr R. Montilva, Acting Chief Financial Officer.

Mr A.D. Kerr, Executive Director, Corporate Services.

Mr M.H. Johnson, Acting Executive Director, Court and Tribunal Services.

Ms K. Maj, Acting Executive Director, Strategic Reform.

Mr M. Hainsworth, Director, Advisory Services.

Ms P. Bagdonavicius, Public Advocate.

Mr N.A. Egan, State Solicitor, State Solicitor’s Office.

Ms K. Kraszlan, Acting Commissioner for Victims of Crime.

Dr G.R. Hill, Director, Legal Aid WA.

Miss L.A. Markussen, Ministerial Liaison Officer.

Mr J. Lee, Principal Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

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 minister 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 minister’s cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

There are almost enough people occupying the seats to form government, minister. I give the call to the member for Hillarys.

Mr P.A. KATSAMBANIS: Before I ask my first question, can I clarify that it is the Attorney General's intention to deal with the Department of Justice and then with the Office of the Director of Public Prosecutions?

Mr J.R. QUIGLEY: Yes. The director is present in the gallery up the back with her assistant.

The CHAIR: It is a separate division, member.

Mr J.R. QUIGLEY: It is a separate division.

Mr P.A. KATSAMBANIS: That is fine. I think last year we dealt with them together but it does not matter in any respect.

I refer to court and tribunal services on page 373. Will the Attorney General confirm that there has been no provision for any additional judges or magistrates in the budget for the forthcoming financial year?

Mr J.R. QUIGLEY: That is correct.

Mr P.A. KATSAMBANIS: Can the Attorney General provide us with an indication of why, on 4 May 2019 in *The Weekend West* there was a report from Daniel Mercer, indicating it was exclusively provided to him by someone from the Department of Justice, titled "No jail for low-risk offenders" —

The CHAIR: Member, You are straying from the budget item.

Mr P.A. KATSAMBANIS: I am not, because I want to clarify why we do not have any new judges. The article states —

There has been no material increase in the courts budget for years and it is understood Attorney-General John Quigley will announce funding for new judges, crucial to efforts to lower the number of prisoners held on remand, which has rocketed from about 10 per cent of the muster a number of years ago to about 30 per cent now.

On 7 May we were briefing out that there would be no judges and then there are no judges.

The CHAIR: Member, you have had your answer.

Mr J.R. QUIGLEY: We were not briefing that out; that is speculative. There is no new money for judges. When we came to office, we increased the number of judges in the District Court by two. We made up the Supreme Court to a full complement of Supreme Court judges and transferred some of the jurisdiction of the Criminal Court down to the District Court. That work is just starting to flow through and we will monitor it closely to see what additional judicial support may or may not be needed. I will look at that at the half-yearly review. A few things are happening in the District Court. There is the transference of the jurisdiction—that is, everything but homicide going down to the District Court. Now, of course, we are just starting to see, although they have not got to trial, writs for damages from child sexual abuse being filed in the District Court registry. They are not at judicial determination yet. We will watch this very closely but there is no new money for a judge in this budget.

Mr P.A. KATSAMBANIS: Over the last two weekends, advertisements appeared in *The West Australian* for magistrates in the city and "regional location". I assume that is one regional location. Can the minister clarify that these advertisements are for replacement magistrates for those who are retiring and moving on rather than additional magistrates? Which regional location are we talking about?

Mr J.R. QUIGLEY: The person best equipped to answer that is the acting manager of court services, Mr Michael Johnson.

Mr M.H. Johnson: The two advertisements are for the replacement of two magistrates who will retire in July and September this year. The location of the regional area that the magistrate will be going to is not known at this stage. At the end of the year, the Chief Magistrate will determine who will move, or the rotations that will be required, and that will then allow for the regional location to be known. That is what all applicants who are ringing up are being told at this stage.

[4.50 pm]

Mr P.A. KATSAMBANIS: I have one more question on the services and key efficiency indicators on page 373. The list of efficiency indicators shows a breakdown of cost per case in court and tribunal services, which are also separated, where applicable, into civil and criminal. Is that cost per case a gross cost prior to any cost recovery from litigants when costs are awarded against particular parties, or is it net of any return brought forward by cost orders against various parties?

Mr J.R. QUIGLEY: They are gross numbers.

Mr P.A. KATSAMBANIS: Where in the budget papers is the recovery reflected for each court, broken down by criminal or civil jurisdiction?

Mr J.R. QUIGLEY: I will throw to Mr Montilva.

Mr R. Montilva: I refer the member to page 383 of the budget papers, which shows the recoveries. It shows by division the fees and charges that are recovered and lists the fees of the District Court, Family Court and Magistrates Court. If the member needs the actual locations, we can take that as a supplementary question.

Mr P.A. KATSAMBANIS: I acknowledge and thank you for that, but those figures are grossed up figures. That table shows the regulatory fees and fines that are charged for lodgement. My question was about income arising from cost orders. For example, even in the Magistrates Court people can be charged court costs of, say, \$60 or \$80. I would like to know where those figures are recorded in the budget papers—not the lodgement fees, but the cost-recovery orders.

Mr J.R. QUIGLEY: I will get Mr Montilva to answer that in a moment. But, first, further down the page, on the fourth and fifth last lines, is “Recoup of Legal Costs” at \$412 000 and “Recoup of Other Costs” at \$5.981 million.

Mr P.A. KATSAMBANIS: Is it possible to have that broken down by court or tribunal, even if by supplementary?

Mr J.R. QUIGLEY: I will ask Mr Montilva to answer that.

Mr R. Montilva: The fees the member is referring to are not court or departmental fees. Cost orders are not appropriated revenue. They are paid to a third party or to whomever the court awards them. They will not be in the budget. Normally, the recouping of legal costs is recovered by the State Solicitor’s Office through clients. That is reflected in the \$400 000 in the budget papers. But if costs are awarded to a third party, which is what I think the member is referring to, they do not come through the books of the Department of Justice.

Mr P.A. KATSAMBANIS: I understand that. I am not asking about costs awarded to third parties; I am asking about court costs. I will leave that issue for now. I might pursue some more information in other forums.

Mr P.J. RUNDLE: I refer to page 370 and the item “Safe communities and supported families” under the heading “Relationship to Government Goals”. I refer to the government’s proposed legislation on animal activism. I welcome that potential legislation. On 10 April, the Attorney General said that that would be forwarded through to cabinet in two to three weeks. Today the front page of the paper reveals that the Attorney General has said that that will happen in another two to three weeks. Can the Attorney General tell us why the legislation has taken so long to get to cabinet?

Mr J.R. QUIGLEY: When we were working out the exact defence and the circumstances of aggravation we needed to overcome some complexities. For example, the Commissioner of Police first postulated, and this precipitated a response from the Premier, that it could be a circumstance of aggravation if one livestreamed a trespass on agricultural land. As we worked through the elements of the offence, we realised that that prosecution would seldom be used because it would be expensive to prove whether it was livestreaming and not a video that had been pre-recorded and posted subsequently and that one would have to call Facebook or YouTube managers, perhaps outside of the jurisdiction, to prove that. It became very complex. As we worked through that, we decided that we wanted a workable law to protect farmers from incursions on their property and to stop interference with the food production chain. Therefore, we had to work around a couple of different circumstances of aggravation. I can now tell the member that the latest version of the legislation will be going to cabinet imminently. Without giving too much away, I can reveal that the circumstances of aggravation will revolve around trespassing on agricultural land for the purpose, or with the intent, of interfering with agricultural production. That is the real gravamen of the offence—interfering with the working of the farm. The police commissioner postulated that the making of a live video would be the offence after that chap made that live video. I hope that I have explained that clearly so the member understands that we did not want to make it about proving that the video was live and not posted later after being recorded previously. Similarly, we did not want to capture media photographers who may have taken pictures of a farm but who were not on the farm. There were all sorts of problems. We were mainly concerned about bringing to a halt the activities of those people who repeatedly, despite the law and despite having been arrested, say “Anywhere, anytime, we will interrupt agriculture that raises livestock.”

The member mentioned this morning’s paper. I would like to address one thing on that. It said that I had mentioned five-year restraining orders. I did not say that at a press conference yesterday. The author of the article must have looked at *Hansard* and saw an answer that I had given in this chamber to a question by the Leader of the National Party. I said at that time that I would like to have ongoing purchase on these people to restrain them in the future from going there. I said that I would contemplate five-year restraining orders. As we have looked at that and the Restraining Orders Act, it appears not to be the best vehicle; rather, it appears that it would be a community supervision order on top of any other punishment that they will get, because the restraining order might end up restraining them only from a particular farm, whereas we want them to be on a community behaviour order that prevents them from going onto not just a farm in Katanning, but one in Mullewa. We have now come to the conclusion, on the advice we have received, that, rather than a restraining order, a community supervision order that covers the field is the preferable way. The cabinet submission is nearly complete. When I say “nearly complete”, I mean it is within a day of completion. The member for Nedlands would know that it then goes into a 10-day cycle. I will get it this week, but it will not go to cabinet on Monday; it will go to cabinet on Monday week. That is my intention anyway.

[5.00 pm]

Mr P.J. RUNDLE: I am a bit concerned that a community supervision order would be a fairly feeble method rather than a restraining order, which appears to me to be a much more suitable pathway.

Mr J.R. QUIGLEY: That is what we are working on at the moment with the department and the State Solicitor's Office. I understand what the member is saying, but, at the end of the day, the restraining order is aimed at where the offence occurred. That is the advice I have been given. I do not want these coves just moving locality because they were restrained in respect of a particular property. The order that will be made will have certain mandated conditions, in the same manner as the magistrate in Bunbury recently put bail conditions upon two or three people who appeared in the Bunbury court. I think it was in relation to a Yarloop offence, but I might be wrong. The magistrate said that, as part of their bail, they were not to trespass on any agricultural land. I think there was also a curfew and they were not allowed to be out after certain hours whilst on bail. We feel that we can put all those bail-type conditions into the community order and cover a wider area than one farm. At the end of the day, all these farmers are small business men and they are trading under difficult circumstances, so we want to give all those farmers the maximum protection we can.

Mr P.J. RUNDLE: I understand what the Attorney General is saying, but I have a real concern obviously about the interruption of day-to-day farming activities, which he has addressed to some extent. I worry about the resources he might have to implement the community supervision orders for this type of activist and activism.

The CHAIR: Attorney General, that may well be outside your portfolio.

Mr J.R. QUIGLEY: I referred to them as mushy-headed individuals this morning, because they are mushy headed in the sense that they think that, because of where they have arrived for what they regard as their own personal moral code, this puts them above the law and that, in prosecution of their own moral code, they are going to shut down an industry. That is what they said the day before. What headed thinking is that? The law will get on top of these people. This has developed as a reasonably recent phenomenon. I am not criticising past governments for not bringing in this law. These activists are a reasonably recent phenomenon. We intend to support our farming community. When we bring in this legislation, which will not be too far away, we can argue the to-and-fro of it then, member.

Mr P.J. RUNDLE: I have a further question.

The CHAIR: I counsel you that if you ask an imprecise question, you will get an imprecise answer.

Mr P.J. RUNDLE: That is not a problem. Will this legislation follow the New South Wales legislation and also look at surveillance laws for drone use and social media live streaming, which the Attorney General has briefly spoken about?

Mr J.R. QUIGLEY: We have not looked at drones, because the flight of drones, at least, seems to be within the purview of the commonwealth. The recording of persons without their permission constitutes an offence under the Surveillance Devices Act. The recording of a moo-cow chewing its udder or whatever it chews —

Ms J.J. SHAW: Cud.

Mr J.R. QUIGLEY: Its cud.

Mr P.A. KATSAMBANIS: That would be a very flexible moo-cow!

Mr J.R. QUIGLEY: Do not worry; I am a bushy. I have been to Kings Park. Seriously, my Land Rover has been up there to Fraser's several times!

We do not know that the videoing of a cow would be covered by the Surveillance Devices Act, but the surreptitious filming of a farmer going about his business most certainly would be.

Mr P.A. KATSAMBANIS: We can throw epithets around and we can also laugh at these things —

The CHAIR: And we can also ask a question, member!

Mr P.A. KATSAMBANIS: We can. This is quite important.

Mr J.R. QUIGLEY: It is very important.

Mr P.A. KATSAMBANIS: The Attorney General indicated in his response to the member for Roe that he has now moved from considering restraining orders to considering community-based orders. He has also indicated that he is yet to draft a cabinet submission, so we will have to go through that process that he outlined. He will draft a submission, he will put it into the mixer —

Mr J.R. QUIGLEY: No. My latest advice is that I will be ready to sign the cabinet submission today or tomorrow morning to lodge.

Mr P.A. KATSAMBANIS: Can I finish my question? The Attorney General will sign it soon, it will go into that mixer, and it will eventually be considered by cabinet. The best-case scenario after it is considered by cabinet is

that he will get permission to draft it and then it will go to the Parliamentary Counsel's Office and then we will go on. How long will it be before we see this legislation that the Attorney General has been announcing and changing for the last couple of months?

Mr J.R. QUIGLEY: I have not been changing it because the legislation has not been drafted.

Mr P.A. KATSAMBANIS: The Attorney General has been changing his position.

Mr J.R. QUIGLEY: My contemplated position was to go down the restraining order track. Then, after discussions with the Department of Justice and the State Solicitor's Office, I was advised that I was perhaps using the wrong vehicle. That was my contemplation. As I said, we can look at problems in our community. I have acted very swiftly.

Mr P.A. KATSAMBANIS: When are we going to see the legislation? That is my question.

The CHAIR: Member!

Mr J.R. QUIGLEY: As soon as I can get it to members. I have come to this job of Attorney General and I have been dealing with reports that had been in my predecessor's office since 2012 or 2013. I said, "What's happening with all these reports?" and they said, "They're doorstops." This problem became gross in the last three months, and, within 12 weeks, we are taking forward a cabinet submission. That is pretty swift.

Mr P.A. KATSAMBANIS: When does the Attorney General think we are likely to see this legislation? This is important for the livelihood of farmers and their families. Are we going to see it in August? Are we going to see it in September? Are we going to see it in October? Are we going to see it in November?

[5.10 pm]

The CHAIR: That is five questions, member.

Mr P.A. KATSAMBANIS: That is one question.

Mr J.R. QUIGLEY: I would say within 10 days to two weeks it will be through the cabinet process—my expectation is that it will be through the cabinet process and down at the Parliamentary Counsel's Office. I am then in the hands of a number of people who are at the Parliamentary Counsel's Office to return the legislation. I cannot do better than that; unless you guys can write the legislation as good as they can.

Mr P.J. RUNDLE: Taking into account Parliamentary Counsel and all those elements, for the farmers out there who are reading the *Countryman* and the *Farm Weekly* next week, when does the Attorney General anticipate they will have something to look forward to? What is his best guess?

Mr J.R. QUIGLEY: My best guess is this year. We go through this process of budget estimates, which is what we are doing at the moment, and the member knows what happens next—we have more budget speeches to make as a result of this process and then Parliament adjourns for six weeks. A lot of legislation that should have been attended to is screaming for priority. I will give the member a couple of examples. The legislation for mentally impaired accused, who we are racking and stacking in the prisons, is screaming for priority. I hope to introduce that legislation before we get up. There is also guardianship and powers of attorney around what is happening with elder abuse. That is pressing, because the elderly are being ripped off. It is a matter of getting this into the Parliamentary Counsel's Office. I cannot say that we will push old people out of the way or we will push the mentally impaired accused back. That matter has been hanging around now for several years. The member has seen how many bills I have brought into this Parliament and he can rely on me to deal with it expeditiously.

Mr P.J. RUNDLE: I would rate farmers being able to run their farms on a day-to-day basis in the very highest of categories. I understand the Attorney General has dealt with various pieces of legislation that have flowed through the over the last 12 to 18 months —

The CHAIR: Is there a question?

Mr P.J. RUNDLE: Where does the Attorney General rate this amongst his many other pieces of legislation?

Mr J.R. QUIGLEY: It is not whether I rate it. As the member for Nedlands knows, all cabinets have a legislation subcommittee. Once a bill is approved for drafting, ministers go before the subcommittee to argue their priority. The Premier has publicly commented on the situation that farmers find themselves in. We can rely on the Premier to give it some priority. When I talk about the mentally impaired accused bill, look at Gene Gibson who was held on a murder he did not do because he was mentally impaired but he could not plead mentally impaired because of the dreadful state of the legislation. He was a guy who spent years in jail. Do I say he has lower priority? Does an Indigenous person in that situation have lower priority than a farmer whose land is being trespassed upon? Alternatively, do elderly folk who are blindly being ripped off by people using out-of-date or fraudulent powers of attorney take priority? Where do they fit? Everyone comes before the subcommittee asking for their legislation to be given "the" absolute top priority.

I will give members another example. Following the national royal commission into child sexual abuse, and the maintenance of privilege for religious people who go to confession and confess child abuse, there is a whole sector out there saying, "We want this through urgently. We need this through urgently. These Catholic priests shouldn't

be able to keep these secrets.” I am trying to explain that there are a whole lot of competing circumstances. The farmers should understand that this government treats this seriously. It is 12 weeks since this first blew up as a big issue. I am ready to sign the cabinet submission and will prosecute the case on behalf of the member’s constituents as a matter of priority.

Mrs J.M.C. STOJKOVSKI: I refer to service 7, “Legal Aid Assistance”, on page 376. I note that at line item 5, “Average cost per legal representation”, there is no significant variation between the 2018–19 actual figure and the 2018–19 budget figure. How much has Legal Aid Western Australia been granted to fund the defence team for Mr Bradley Robert Edwards and how will this funding ensure that this important case goes ahead and will be a fair trial?

Mr J.R. QUIGLEY: I am going to do two things. Firstly, I will give the forerunner to the answer, which is the reason a large amount of money needs to be allocated to Mr Edwards. Back in 1992, the High Court, in *Dietrich v The Queen*, ruled that serious criminal cases in which the accused was indigent—did not have any money; could not pay for a defence—could be permanently stayed. We certainly do not want any murder case against Mr Edwards stayed or delayed. That is why it is a very important function of the Legal Aid Commission to make sure that, on all indictable matters, appropriate levels of representation are extended. When we get to the next division, which is the DPP’s division, no doubt someone will ask how much the prosecution is costing. I will now invite the director of Legal Aid, Dr Graham Hill, to respond in more detail to the member’s question.

Dr G.R. Hill: We have established a line of supplementary funding from Treasury for this particular case. To date, we have spent \$1.1 million on the case. As to what the cost will be in the future, that depends how long it goes and how intensive it all is. At the moment, the case is scheduled to start on 22 July and run for nine months, but there are also some indications that it might be delayed. We will have to wait and see.

Mr J.R. QUIGLEY: If I can just add to that. The Director of Public Prosecutions will, in due course, be able to give the member an idea about how many folios or pages are involved and how many witnesses are involved. That will give a better appreciation of why Legal Aid needs supplementary funding to fund this case.

Mr P.A. KATSAMBANIS: I thank the director of Legal Aid for providing that answer. Legal Aid has spent \$1.1 million to date. I realise we are asking to foresee what might happen in the future, but I ask, through the minister, what has Legal Aid budgeted to spend on defence costs in this particular trial in this forthcoming 2019–20 financial year?

Mr J.R. QUIGLEY: I want to predicate the director’s answer by saying it will not be given with specificity as to what any particular counsel or solicitor is getting.

Mr P.A. KATSAMBANIS: I did not ask that.

Mr J.R. QUIGLEY: No; I am just saying. I wanted to make it clear that we are talking “globally” because we do not want to disclose confidential contracts with counsel. The director could give a global outlook.

[5.20 pm]

Dr G.R. Hill: We have not budgeted for anything, so to speak, in the sense that we will get supplementary funding from Treasury for it. Our estimate is that it could be up to \$2 million in the next year.

Mr P.A. KATSAMBANIS: I am happy to go to a new question, and, as the Attorney General indicated, we will probably pursue this issue a little bit further with the Office of the Director of Public Prosecutions if we get time. I refer to page 371 of budget paper No 2, and outcomes and key efficiency indicators. The first outcome is “An efficient, accessible court and tribunal system”. I preface it by saying that I note the State Administrative Tribunal has had a good record. But in the case of every single court that is listed there, when we compare the 2018–19 budget with the estimated actual, the time to trial has blown out significantly. In almost all cases, perhaps with the exception of the Magistrates Court, the comparison between last financial year’s actual and this current financial year’s estimated actual has also blown out. Can the Attorney General explain why our courts’ time to trial in all respects—criminal and civil Supreme Court, criminal District Court, and even the Family Court of Western Australia, was budgeted from 27 weeks —

The CHAIR: I think the Attorney General has the gist of the question.

Mr P.A. KATSAMBANIS: Why has that happened?

Mr J.R. QUIGLEY: For the first item, Supreme Court criminal, time to trial, in 2017–18 the actual was 32 weeks, and for 2018–19 the estimated actual is 36 weeks, so it is a four-week blowout.

Mr P.A. KATSAMBANIS: But it is eight weeks to budget.

Mr J.R. QUIGLEY: Everyone has aspirations of what we are budgeting for, and then things happen. One of the things that has happened in the criminal sphere that affects the Supreme Court and District Court, and, to a lesser extent, the Magistrates Court—which was not the case when I practised law—is the heavy reliance on expert evidence. Nearly every case now involves DNA in some form and then there are challenges to the DNA. The trials

now are of a more technical nature. When I started in law, the average murder trial was three or four days—the barman would be called in, the people at the bar would be called in and the bloke who witnessed the stabbing would be called in—but now the average murder trial is a couple of weeks, as they call on all sorts of experts. There is always pressure on the court as the trials become more complex. This was not the case under the previous government, but we now have six general division judges sitting in crime in the Supreme Court. There are six of them to handle that, but we anticipate some winding back in the Supreme Court as the jurisdictional shift washes through. The Chief Judge of the District Court is waiting for the tsunami.

Mr P.A. KATSAMBANIS: Yes, exactly. The pressure is just going to be pushed down.

Mr J.R. QUIGLEY: That is right.

Mr P.A. KATSAMBANIS: The pressure is just going to be pushed to another court.

Mr J.R. QUIGLEY: I know, but it was a sensible thing to do. It was a very sensible thing to do.

Mr P.A. KATSAMBANIS: I supported it. Do not forget that I supported it.

The CHAIR: Member! The member will get his answer if he keeps quiet.

Mr J.R. QUIGLEY: It was a sensible thing to do because there was too much minor crime—when I say minor crime, I mean armed robbery where someone goes into a service station and says “Give us a packet of cigarettes” and pulls out a pocketknife. That is armed robbery and the case goes off to the Supreme Court, when the District Court could well have handled that. It was the same with those drunks at Northbridge who were wandering home late at night and set fire to the wheelie bin, which melted. The bin is the property of Perth and they damaged that property by fire. Under Hon Christian Porter’s amendments, when he was in this Parliament as Attorney General, that now carries life and the case for burning a wheelie bin goes off to the Supreme Court. It had to happen, and we had to take that out. But the member is right—there is going to be more pressure on the District Court.

Mr P.A. KATSAMBANIS: Given the pressures on all the courts that the Attorney General has spoken about and given the changes in the length of criminal trials since the Attorney General first started in law—even when I first started in law, a civil trial is exactly the same; the length has blown out—is that not more of a reason why we need additional judicial resources, additional judges in both the Supreme Court and District Court, additional magistrates and more capacity in the Family Court of Western Australia? Why has the Attorney General not been able to get those resources in the budget process to assist people who are sitting around waiting for these matters to go to trial?

The CHAIR: Attorney General, there are two questions there, but you can proceed.

Mr J.R. QUIGLEY: The question about the Family Court of Western Australia would really have to be directed to Hon Christian Porter.

Mr P.A. KATSAMBANIS: How about the other courts?

Mr J.R. QUIGLEY: Hang on. I would like to get another judge in the District Court. I think the commonwealth owes us another judge there, quite frankly. In fact, I have sent it an invoice for \$1.36 million, but I have not received a reply yet. This relates to a conspiracy case involving Vietnamese workers in the northern suburbs somewhere around Wanneroo. The case was so badly handled by the Australian Federal Police and the commonwealth Director of Public Prosecutions that the whole case collapsed and the court eventually ordered that there be a permanent stay on the re-presentation of any indictment of these people, because the case was just such a mess. That cost us over \$1 million; it was just wasted. Judge Stephen Scott held it up for the best part of a year. The Chief Judge was fuming, and I found out from him that the wasted cost was \$1.36 million. If the federal government did the right thing and repaid us the \$1.36 million that it lost, we would be in a better position. Also, do not forget that we appointed two extra judges at the start of the term, and, recently, I have made up an extra judge in the Supreme Court. Mrs Jennifer Hill will become a justice of the Supreme Court when she is sworn in tomorrow week to commence on 4 June. In the meantime we have also filled vacant positions in the court, so I think we have moved pretty swiftly in relation to court resources. The District Court knows that we will be closely watching, together with the Chief Judge, the workload with the jurisdictional shift.

The CHAIR: Before we proceed on that, we have three members who want to ask some questions. I note that the time is pretty close to 5.30 pm and we have another division to do. Does the member for Hillarys have a further question?

Mr P.A. KATSAMBANIS: I have another quick question. Is this proof, as Daniel Mercer wrote a couple of weeks ago, that the Attorney General wanted additional judges and had been rolled by the Expenditure Review Committee and Treasury on this?

The CHAIR: The member is not able to answer that. Those are confidential discussions.

Mr P.A. KATSAMBANIS: The minister is capable of providing that answer.

Mr J.R. QUIGLEY: If I had my way, I would appoint maybe 10 or 20 more judges. We have to be realistic. We are in an economy in which we have to look after waiting lists and new schools. I have not been rolled. We are managing the court, and I can tell members now —

The CHAIR: The Attorney General does not need to disclose that, because it is part of the cabinet process.

Mr J.R. QUIGLEY: I was just saying that the Chief Justice was very happy with the resources we are getting down there.

[5.30 pm]

Mr W.R. MARMION: I refer to page 370, “Relationship to Government Goals”, and to the fifth desired outcome for legal aid assistance, “Equitable access to legal services and information”. Can the Attorney General outline how Legal Aid Western Australia allocates its services? For example, I refer to a family dispute in which one side of the dispute gets legal aid and the other side does not. Is there any way to make sure that the person with the least amount of money gets legal aid as opposed to one who has a job and more money?

Mr J.R. QUIGLEY: I think it best to let Dr Hill answer on the question of grants of aid.

Dr G.R. Hill: Legal aid has a means test that looks at the income and assets and the only eligible people are those who pass the means test. We work very hard using that device to target legal aid to those who are most in need. But, of course, if both parties are entitled to legal aid, 74 per cent of legal aid is carried out by the private profession in this state; indeed, 442 private lawyers in Western Australia did legal aid work in the last financial year, as well as Legal Aid’s in-house practice, so there is always the capacity to handle a potential conflict simply by using different lawyers.

Mr W.R. MARMION: I think Dr Hill may have answered the question. In a situation in which a husband qualifies for legal aid despite having a job, the wife, who has no job, can also get legal aid without there being conflict. Can both parties get legal aid in the Family Court?

Mr J.R. QUIGLEY: Dr Hill.

Dr G.R. Hill: The answer is yes. That is no barrier at all. It happens all the time.

Mr P.J. RUNDLE: I refer the Attorney General to page 376, “Services to Government”, which relates to the services and costs of the State Solicitor’s Office. I note the budget states that the cost of services of the State Solicitor’s Office is divided by the number of recorded matters. I am concerned about the number of cases involving one government arm versus another and the cost of that to the taxpayer. An example is the recent Western Australian Supreme Court case in which the Commissioner of Police challenged some liquor restrictions put in place by the director of Liquor Licensing. Which agency determines whether a case is pursued in court? Is it the State Solicitor’s Office, the Attorney General or the police, and whose budget is used?

Mr J.R. QUIGLEY: I refer to Mr Egan, the State Solicitor.

Mr N.A. Egan: It depends upon the circumstances of each particular case. There is no general hard and fast rule. Likewise, it depends on who seeks advice from the State Solicitor’s Office in the first instance because obviously if we provide advice about a matter to one particular client, we would be conflicted if we provided advice to the other on the same sorts of matters. Of course, we act on instruction to provide advice. It is others who instruct us to proceed in a particular way.

Mr P.J. RUNDLE: In a case like the one to which I referred in which the Commissioner of Police or the Minister for Police decided to have a crack at the Liquor Commission, is there much involvement from the State Solicitor’s Office? I am asking on behalf of the taxpayer because it is quite concerning when there is one arm of government versus another.

Mr J.R. QUIGLEY: I will go to the State Solicitor again.

Mr N.A. Egan: Member, we can act on behalf of only one party at a time. We cannot act on behalf of both parties. Both parties would be represented in the ordinary course, and we would act on behalf of one of them. In the particular example to which the member referred, I do not know on whose behalf we acted. As I said, we cannot act on behalf of both parties.

Mr P.J. RUNDLE: How many times have the police disregarded the advice of the State Solicitor’s Office, how much did the litigation cost the state and what has been the success rate of these cases?

The CHAIR: That is out of order, member, but the Attorney General can have a go.

Mr J.R. QUIGLEY: I would have to go to a line item to determine the cost to the state.

Mr P.J. RUNDLE: Would I be able to get supplementary information about what —

The CHAIR: The member can put it on notice if he wants to. It depends upon what the Attorney General wants to do.

Mr J.R. QUIGLEY: It depends on what the member is asking me. Even if it goes on notice, it still has to relate to a line item in the budget and a spend that we are now examining.

The CHAIR: He can ask a general question on notice, Attorney, which seems to be the appropriate way to go, but it is up to you.

Mr P.J. RUNDLE: What is the hourly rate of charge by the State Solicitor's Office to other departments, and what is the total amount?

Mr J.R. QUIGLEY: Mr Egan.

Mr N.A. Egan: I can address that in broad terms. The State Solicitor's Office treats work as core and non-core work; 80 per cent of the State Solicitor's Office work is core work and 20 per cent is non-core work. We do not charge for core work but we charge for non-core work. For matters of the nature that the member is talking about, that is core work and we do not charge the client.

Mr P.J. RUNDLE: Can the Attorney General tell me the hourly rate when the office does charge?

Mr J.R. QUIGLEY: I throw that to the State Solicitor.

Mr N.A. Egan: I do not have the figures to hand. The rates are not significant. My rate, for example, as State Solicitor is in the vicinity of—I would need to check this figure—\$310 per hour in circumstances in which I charge for a non-core matter. That would cascade down to a junior solicitor in the office who would charge somewhere in the vicinity of \$120 an hour, but, again, that is for non-core work. The majority of that work in the office is done in either commercial or certain litigation matters, not prosecution matters.

Mr P.J. RUNDLE: For a layperson like me, it seems unusual for the Commissioner of Police to override the State Solicitor's advice and have a crack at another arm of government.

The CHAIR: Member, what budget item is it?

Mr P.J. RUNDLE: It would be the average cost for legal matters, which is \$4 464.

The CHAIR: The Attorney General can make his own judgement on that one. I think it is too general for him to answer.

Mr J.R. QUIGLEY: I cannot answer whether on any particular occasion it is usual or unusual for the Commissioner of Police to accept or reject the advice of the State Solicitor. The member should ask the Minister for Police in budget estimates.

The appropriation was recommended.

[5.40 pm]

Division 28: Office of the Director of Public Prosecutions, \$43 627 000 —

Ms M.M. Quirk, Chair.

Mr J.R. Quigley, Attorney General.

Miss A.L. Forrester, SC, Director of Public Prosecutions.

Mr L.N. Beeck, Chief Financial Officer.

Miss L.A. Markussen, Ministerial Liaison Officer.

Mr J. Lee, Principal Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

The Attorney General 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 Attorney General 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 Attorney General's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for Hillarys.

Mr P.A. KATSAMBANIS: My first question relates to pages 400 and 401 of budget paper No 2; in particular, the spending changes in relation to point 2 under "Significant Issues Impacting the Agency". This relates to the well-known issue that we canvassed in the previous division around the prosecution of a gentleman—I use that term very loosely—called Bradley Robert Edwards. I initially asked for some clarity on those spending changes. The ongoing initiative "Public Prosecutions Services Expenditure" has increased by more than \$3 million from the estimated actual in the current financial year to this budget year, and then there is a further allocation of \$2.8 million for the special prosecution division. How many of those changes in each case are related to the matter from the Macro task force relating to Edwards?

Mr J.R. QUIGLEY: I know the answer, but I will defer to the director because she is probably a bit more accurate.

Miss A.L. Forrester: The amount related to the prosecution of Mr Edwards is \$2.823 million at the line “Special Prosecution Division”.

Mr P.A. KATSAMBANIS: None of the \$3.2 million increase in public prosecutions services expenditure will be related to Mr Edwards?

Mr J.R. QUIGLEY: That is correct.

Mr P.A. KATSAMBANIS: What will the money in the public prosecutions service expenditure—quite a significant increase—be applied to?

Mr J.R. QUIGLEY: This is a really good story. I direct members to the top table on page 403 of the budget papers under “Criminal Prosecutions”. Back in 2017–18, there were 229 full-time equivalents at the Office of the Director of Public Prosecutions. Under the job replacement policy of the previous government, that was due to be stripped down to 213 full-time equivalents. When we extrapolate that to the following year, 2018–19, it goes down to 211 full-time equivalents. We can see, however, that there are 50 more, 261, because this was the first year that we applied what is called a cost demand module. We had to work out what the base cost was and then work out what the population would be. That has seen the full-time equivalents for this year to be 50 more than they would have been under the arrangements of the previous government.

I turn to the out years. Those figures to which the member refers are the cost demand module expenses going forward. The office of the DPP now is not running on empty all the time. As the director looks at the out years, she and the office can forward plan. If there is a population increase, we will need more prosecutors over the years, so under the cost demand module, the spending changes dramatically. We, as the Labor government, are pleased to announce that over the out years, an additional \$21.397 million will be spent, which will provide 28 extra full-time employees. If we consider where we are at the moment, there are 261 FTE for the estimated actual—that is, full-time employees for the actual for this year—and we have to add to that over the forward years another 28, which will take us up to 290 employees. This is a completely different trajectory from what the office was on before this government came in, when the office was subject to what the previous government called its workforce replacement policy. The member would recall that well. If the office lost a prosecutor, it could employ one on only 60 per cent of the wages of the prosecutor it lost. Prosecutors were becoming disheartened. Senior prosecutors were taking judicial appointments and they could be replaced by someone on only 60 per cent of the wage, so the office was being squeezed. The figures on page 403 to which the member refers, the changes in the expenditure, are the cost demand module provisions going forward. They are big changes in the expenditure. This office is not called “Crown Law” or anything like that; it is the Office of the Director of Public Prosecutions. It is the people’s prosecutor. We are funding the public’s prosecutor to a good and adequate level that the public would expect, which was not happening before.

[5.50 pm]

Mr P.A. KATSAMBANIS: Given this extraordinary funding increase that the Attorney General referred to, and promotes very heavily, with 50 more prosecutors this year than the glide projection predicted, I seek an explanation of why we saw a report in yesterday’s newspaper about the prosecution of an alleged paedophile collapsing because of gross errors by the Office of the Director of Public Prosecutions and police. The judge in that matter —

The CHAIR: Member, this question is not dealing with a budget item.

Mr P.A. KATSAMBANIS: It is; the Attorney General is bragging about extra resources and we had this scathing issue yesterday that has offended —

The CHAIR: What is the correlation, member?

Mr P.A. KATSAMBANIS: I want an explanation of how this happened with all these extra resources.

Mr J.R. QUIGLEY: Parliament resumes the week after next week and the member can ask me then. This hearing is to examine expenditure, not a particular judicial officer’s comments on a particular case.

Mr P.A. KATSAMBANIS: It is to do with resources and that is what the story talks about.

Mr J.R. QUIGLEY: We are not hiding from this.

Mr P.A. KATSAMBANIS: You are! The government is running away from it.

Mr J.R. QUIGLEY: No, we are not. We have 10 minutes to examine the whole of this division. This question is not related to a particular item of expenditure.

Mr P.A. KATSAMBANIS: When the government says it has added so much money to this area, it is cold comfort to the victim who has missed out on this.

The CHAIR: Member for Swan Hills.

Ms J.J. SHAW: I refer to the significant issues on page 401 of budget paper No 2. I note that Operation Fledermaus is not a line item in this year's budget. Could the Attorney General advise why it is no longer a line item?

Mr J.R. QUIGLEY: That is a very good question. As the member would know, Operation Fledermaus was a line item in the two previous budgets, because there was a huge police operation in the west Pilbara. Some really good news has come out about the public prosecution of those offenders. I would like to defer to the director to tell the member that news.

Miss A.L. Forrester: The original funding for Operation Fledermaus was staged over three financial years, gradually increasing with the predicted trajectory of those matters going to trial. In the first two years of that funding, the office of the DPP dedicated the resources it was able to as a result of the funding that was provided. As a result of that, the large majority of the matters of which we were aware that were part of that operation were resolved appropriately, with many fewer trials, much less imposition on the victims, much less expert evidence and need for interpreters, and associated travel of court, prosecution and defence staff. Therefore, we did not need the additional special project funding for the third year. Front-ending that funding and dedicating a serious amount of resourcing to that particular operation paid off.

Mr P.A. KATSAMBANIS: I refer to page 402 of budget paper No 2 and the "Outcomes and Key Effectiveness Indicators" table. The heading is —

Outcome: That the people of Western Australia are provided with a fair and just criminal prosecution service:

The first line item reads —

Early advice to court on charges—indictment filed within three months of committal

The target for this financial year is 85 per cent, yet the estimated actual is 70 per cent. Particularly given the additional resources that the Attorney General keeps talking about, why has this target not been met and why is it so low?

Mr J.R. QUIGLEY: I defer to the director.

Miss A.L. Forrester: First of all, the Office of the Director of Public Prosecutions, as a result of the workforce renewal project, lost a lot of very senior talent, and they are not easily replaced and cannot be replaced at the same level. Instead, we have hired a lot of juniors, which is one of the reasons why the FTEs are so much higher. We have hired a lot more juniors to replace senior staff.

As trials have become more complex, it has become more difficult for the Western Australia Police Force to comply with its disclosure obligations in a timely fashion, and that has meant delays in presenting an indictment in the 42 days post committal that is required. That is what that figure covers—that we have presented the indictment within 42 days. An indictment is still presented; it just may not be presented within 42 days. That 70 per cent means that it was not presented within 42 days; it could have been presented within 43 or 44 or 45 days. Indictments are still largely presented prior to the trial listing hearing at which the person first appears in the superior court.

Mr P.A. KATSAMBANIS: The first note states, "indictment filed within three months of committal", not 42 days, but the office might have a different internal measure. I will move on because we do not have a lot of time. Another matter listed there that concerns me —

The CHAIR: Is it a further question?

Mr P.A. KATSAMBANIS: It is a further question on "Outcomes and Key Effectiveness Indicators". I refer to the line item —

Application for a declaration of confiscations filed within four months of the drug trafficker declaration

This is very, very important because we need to get to those assets. The Attorney General has talked about breaking the business model of the "Mr Bigs" and so forth, and he has bipartisan support on that. The budgeted actual for filing within four months is 60 per cent. That is critical because these people can move their assets around and despite significant clawback provisions, they can move them into jurisdictions where we cannot access them. The target is 60 per cent, but the estimated actual is five per cent. How does the Attorney General explain that gross failure to pursue these "Mr Bigs" of drug trafficking within the allocated time frame?

The CHAIR: Member, I will get the Attorney General to answer the question based on the figures.

Mr J.R. QUIGLEY: I defer to the director.

Miss A.L. Forrester: The assets are frozen at the time of charge, so people cannot deal with those assets; they cannot be moved and nothing can happen. The target of the application for confiscation is to file that application within four months post declaration of drug trafficker. Unfortunately, a great deal of effort is required by the proceeds of crime division of the WA Police Force to provide us with the necessary information in order to file the application for confiscation. Unfortunately, I am told that most of the time the reason the applications are delayed is that we do not have the information necessary to file the application at four months, but they are filed and the assets are protected; they are frozen and cannot be dealt with in any way pending that application.

Mr P.A. KATSAMBANIS: As I understand it, some of the assets are known at the time of conviction, but a process continues afterwards to identify other assets. That process concerns me because delays allow the assets unknown to the prosecution and authorities to be moved outside the jurisdiction. That is why I raise the question. What steps are being taken to reduce the number of filings that take place outside the four months? Again, I note that five per cent was also the figure achieved in 2017–18.

Mr J.R. QUIGLEY: I defer to the director.

Miss A.L. Forrester: Any delay is actually of assistance in identifying assets. Simply making an application does not mean that it will capture unknown assets. We have to know what the assets are when we file the application. If there is a delay, it is quite often because they are trying to identify or get better information about the available assets to take. I note there are also national confiscation laws to deal with some of the issues to which the member is referring. We are working with proceeds of crime all the time to improve the rate of applications.

Mrs J.M.C. STOJKOVSKI: I refer to the asset investment program on page 404 of budget paper No 2, and specifically the line item “Total Cost of Asset Investment Program”. Can the Attorney General explain why that figure is so high and what it is going towards?

Mr J.R. QUIGLEY: This is the other good news story out of the budget for the Office of the Director of Public Prosecutions. The government has made the decision to commit to upgrading IT within the office of the DPP. We know that the office of the DPP is now dealing with a large number of photographs and video recordings et cetera. There has to be a proper database for those. The office is looking at a police database that it can use in that regard. Also, there are thousands and thousands of pages of evidence in each particular case, like in the Edwards case, and we need new databases to manage all that electronically.

The appropriation was recommended.

Meeting suspended from 6.00 to 7.00 pm

Busselton Water Corporation —

Mr R.S. Love, Chair.

Mr D.J. Kelly, Minister for Water.

Mr C. Elliott, Managing Director.

Ms N. Arrowsmith, Chief of Staff, Minister for Water.

Mrs A. Cowdell, Senior Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. Members may raise questions about matters relating to the operations and budget of the off-budget authority. Off-budget authority officers are recognised as ministerial advisers. 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 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 minister 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 minister’s cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for Vasse.

Ms L. METTAM: I refer to the asset investment program on page 673 of budget paper No 2, which includes \$2.9 million allocated in 2019–20. Does the asset investment program referred to on this page include any capacity to extend growth into providing a potable water service to Dunsborough, and rural drainage to Busselton in the future?

Mr D.J. KELLY: No. As the member will remember, this proposal has been extensively looked at in the past. It was a commitment made by the then Premier during the election campaign in 2017. When we came into government, we looked at it. The proposal was not supported by the Department of Treasury, the then Department of Water, or by the Water Corporation. It was going to cost the government a significant amount without any clear indication of a benefit to Busselton Water customers. It is currently not on the agenda.

Ms L. METTAM: In relation to some of those Dunsborough water customers that I assume the minister is referring to, Dunsborough Primary School’s water bill this year will be over \$100 000. Last year, the school’s water bill hit \$84 000, and schools in the other catchment were —

Mr D.J. KELLY: They are not Busselton Water customers, so it is not appropriate for me to be answering that question during this session.

Ms L. METTAM: When the minister first announced that the transfer would not proceed, he estimated the transfer would cost the state between \$3 million and \$12 million over the first three years. Can the minister provide a breakdown of how he calculated those figures?

Mr D.J. KELLY: I have not got those figures with me, but that was the advice I received. As I say, this was some time ago. That was the advice that was given to me at the time.

Ms L. METTAM: Is it possible to provide that information by way of supplementary information?

Mr D.J. KELLY: They are not costs that would be attributable to Busselton Water. They would be costs incurred by the government elsewhere, so I do not think it is appropriate to deal with that in these proceedings. In any event, I think the member has already asked me questions on notice about that, and she should go back and have a look at the answers.

Ms L. METTAM: No breakdown was provided of how the minister came up with the figures. No answer was provided.

Mr D.J. KELLY: In any event, they are not costs that would be incurred by Busselton Water, so they do not properly fall under this division.

Ms L. METTAM: What is the projected volume and cost of the bulk water traded from Busselton Water to the Water Corporation for Dunsborough water supply each year, to meet the Dunsborough community's growing needs?

Mr D.J. KELLY: What section of the budget is the member looking at?

Ms L. METTAM: It does not have to relate to a section. This is a government trading enterprise.

Mr D.J. KELLY: I cannot give the member that figure precisely. I suggest she put a question on notice if she wants that sort of detail.

Ms L. METTAM: Can the minister provide it as supplementary information, as other ministers have?

Mr D.J. KELLY: It is just as easy for the member to do it as a question on notice.

Mr W.R. MARMION: That takes a lot longer, and we cannot come back to the Parliament to respond to the estimates if we do not obtain supplementary information.

The CHAIR: That is not a construction on the functions of the question system. The minister has indicated that he is not willing to provide the information. Are there any further questions?

Ms J.J. SHAW: I have a question on the particular reference that the member has made to this particular part of the budget.

The CHAIR: So you have a further question?

Ms J.J. SHAW: I refer to budget paper No 2, page 673, "Asset Investment Program", which, as I understand it, is the member's original question line.

The CHAIR: If it is not following directly from the member for Vasse, I prefer that you wait, because I have you down on the call for a fresh question.

Ms J.J. SHAW: That is fine; it is just that it is actually on the budget line item that the minister is pursuing here. Chair, I put myself in your capable hands.

The CHAIR: I understand that, but I think it might be getting into a new area. I think every question on Busselton Water will relate to the asset investment program. The member for North West Central has the next call.

Mr V.A. CATANIA: I refer to the completed works table on page 673, specifically the line items "Busselton Margaret River Region Airport"; "Pump Station – 2018–19 Program"; and "Special Project – Airport Upgrade". Can the minister explain what the upgrade was for? Is it for a potential new terminal for the airport? The government is holding back \$10 million for building a terminal. I think more than \$60 million has already been spent on the upgrades to the airport. Has the Busselton water supply —

Mr D.J. KELLY: Is there a question there? What is the question, member?

Mr V.A. CATANIA: I will get there, minister.

Mr D.J. KELLY: I am just asking what the question is; that is all right.

The CHAIR: Carry on with your question, member.

Mr V.A. CATANIA: Can the minister elaborate on what the upgrade to the pump station, and the special project—airport upgrade are for? Are they for a potential terminal in the future?

[7.10 pm]

Mr D.J. KELLY: I will refer that to Chris.

Mr C. Elliott: Thank you for the opportunity. The two items referred to are the pump station and the airport upgrade project. The City of Busselton approached Busselton Water with a view to extending our water infrastructure out to the vicinity of the airport. It is for the airport upgrade as well as commercial developments surrounding that node. Our water infrastructure was several kilometres away from that location. The works consisted of a pipeline, a pump station and a disinfection unit. It brought our infrastructure to the site of the airport. It was in the order of \$2 million of infrastructure over two years.

Mr V.A. CATANIA: A sum of \$2 million has been spent on the upgrade to the airport, which still needs another \$10 million to build a terminal. Is that \$2 million wasted because the government has not invested \$10 million into a new terminal?

Mr D.J. KELLY: No.

Mr V.A. CATANIA: Does the minister have an idea of when the \$2 million pumping station and airport upgrade will be used for a terminal in the future? Does the minister have an idea of when that will occur?

Mr D.J. KELLY: As the member just heard, it was for extensions to the terminal for the upgrade to the airport and the surrounding commercial area. It was not just for the airport. I am not the minister for aviation or the Minister for Regional Development or the like, so if the member has questions about future plans for the airport, he should take them to the relevant minister.

Ms J.J. SHAW: I refer to page 673 of budget paper No 2 and the asset investment program. Is the minister able to explain how the corporation's asset investment plan will enable the corporation to continue to support a strong regional economy?

Mr D.J. KELLY: Busselton Water is a fabulous local business and it contributes greatly to the local economy. I might refer that to Mr Elliott to give us some detail.

Mr C. Elliott: Busselton is a very important regional centre. Our role is managing the clean water supply to the community. The biggest challenge is the sustained high growth of the area—Busselton and its neighbours, such as Dunsborough. The population swells to more than double in peak times, so we need a very resilient system to maintain service levels to the community. We are a small corporation; our asset base is about \$80 million. We need about a \$3 million capital program annually to sustain our assets. Budget paper No 2, page 673, introduces our asset investment program. It is \$13 million over the forward estimates period of four years. It is made up of six programs, but I will mention briefly the biggest of those six programs, which is the water treatment plant program. We need to maintain and develop our bore field, which accesses high quality water from the deep Yarragadee aquifer. We treat the water to remove iron and manganese. We deliver the water through pumps, tanks and pipelines. That constitutes about half of our ongoing capital program. The program also sustains many other things we do for the community. We have community programs and a very high commitment to sustainability and energy efficiency. Busselton is very flat, so it is a very unusual water supply, with no hills and no tanks on stands. Everything is on the ground, so every drop of water delivered is pumped. High energy efficiency is important, so we have solar investments on our buildings. In short, the annual average \$3 million capital investment program is needed to sustain the high quality of service we will provide Busselton and Dunsborough into the future.

Mr V.A. CATANIA: The managing director mentioned that Busselton Water gets its water from the Yarragadee. Is a sufficient amount of water coming from the Yarragadee? Over the last couple of years, has Busselton Water asked for any further water from the Yarragadee to meet its needs?

Mr D.J. KELLY: Busselton Water gets its water by licence through the department. The current licence is sufficient to meet Busselton Water's current demand. Obviously, that might change in the future. If that happens, there might be amendments to the licence. Currently, the licence meets its demand. One of the ongoing challenges Busselton Water faces is the impact of climate change. As the member heard, it is groundwater that sustains Busselton Water. The member may be aware of saltwater intrusion. It is something that the corporation has to constantly manage. Basically, when groundwater is pumped, the groundwater level drops. Because of the declining groundwater levels in the south west because of climate change, saltwater can come in and spoil the water source. That is a constant issue that Busselton Water has to keep an eye on. On our side of the chamber we understand that the impacts of climate change are real and that if we do not do something about them locally, nationally and internationally, businesses and services such as Busselton Water will continue to be challenged in the future. That is an ongoing issue.

Mr V.A. CATANIA: I have a further question.

The CHAIR: Member, this is a long way from the original question. I caution you that I might wind it up after this.

Mr V.A. CATANIA: The minister mentioned that Busselton Water gets its water from the Yarragadee. Does the minister support the corporation taking water from the Yarragadee?

Mr D.J. KELLY: The question of where the corporation gets its water is one for the department.

Mr V.A. CATANIA: You are the minister.

Mr D.J. KELLY: This session is for Busselton Water. I am the Minister for Fisheries.

Mr V.A. CATANIA: Does the minister support it; yes or no?

The CHAIR: Member, let the minister answer, please.

Mr D.J. KELLY: We take sustainability very seriously. The corporation's current take from that water source is the same as it was under the government that the member was previously a member of. I think the Leader of the Nationals WA used to be the Minister for Water, so if the member has any questions about the sustainability of the take, maybe that is something he can ask her.

Mr V.A. CATANIA: The question was: do you support it?

Mr D.J. KELLY: I currently support the licence because the assessment is that it is sustainable. That is the whole point of water management: is it sustainable? Our water supplies in WA are under immense challenges. It is not just the Yarragadee. Because of the impacts of climate change, it is a challenge up and down the state. Some people think that climate change does not exist. Some people stick their fingers in their ears and pretend that it is not a problem. On this side of the chamber we take it very seriously. I know that Busselton Water takes it extremely seriously, because it knows the impact of decreases in groundwater and the impact of saltwater intrusion.

Mr W.R. MARMION: I understand and I agree that the high cost of pumping water because of the low-lying terrain is a major cost to the Busselton Water corporation. I thank the managing director for pointing that out. Can the minister tell me the current unit rate per kilolitre for Busselton Water, and what it is charging its customers? I am chasing those two figures.

Mr D.J. KELLY: The electricity charge?

Mr W.R. MARMION: The water rate. I said kilolitres. How much is it charging?

Mr C. Elliott: Our current water tariffs start out at \$1.07. This is the current year. The figures have been updated into next year. Our unit rate is \$1.07 for up to 150 kilolitres, then it jumps to \$1.49. Busselton Water has a large number of tiers—more than other corporations. We have six tiers. It ranges up to \$3.22 above 1 000 kilolitres.

[7.20 pm]

Mr W.R. MARMION: Roughly, how much does it currently cost to produce? I know that it obviously changes from year to year.

Mr D.J. KELLY: Sorry; produce what—the water?

Mr W.R. MARMION: Yes, per kilolitre.

Mr D.J. KELLY: The current tariffs are 100 per cent cost reflective. That answers the member's question.

Ms L. METTAM: I note the minister's comments about the importance of sustainability and the challenges of climate change. Again, I also refer to the government's decision not to proceed with the proposal for Busselton Water to take over the Dunsborough–Yallingup water supply. What is the minister's justification to proceed with the Water Corporation's delivery for the Dunsborough water supply, given its poor quality—derived water from low-yielding bores requiring expensive levels of treatment, as an alternative to a proposal that would have provided a more efficient model for the delivery of water supply as well as non-potable water for public open spaces and some of the sporting fields?

Mr D.J. KELLY: There are a lot of questions in there. I have already outlined why the government did not support that proposal. As I said, it was not supported by Treasury, the Department of Water or the Water Corporation. Overall, it would have been a significant cost to the state.

Ms L. METTAM: The minister has never broken down those costs.

Mr D.J. KELLY: As the member should understand, one of the components of that project was the Water Corporation being asked to gift millions of dollars' worth of assets to Busselton Water for no cost. Central budget would have had to compensate the Water Corporation for that. That was just one of the elements. When we looked at the whole-of-government approach to that proposal, it did not stack up. Interestingly, as the member is well aware, the Premier made the announcement that this was going to happen. The press report I saw said something like it had been through cabinet and it was going to happen.

Ms A. SANDERSON: That was the former Premier.

Mr D.J. KELLY: Sorry; the former Premier, as rightly pointed out by the member for Morley, announced it during the election campaign. The former Minister for Water never made any public statements about it, which would seem to me to indicate something. When we came to government, it was not supported by Treasury, the

Department of Water and the Water Corporation. There would have been a significant overall cost to the state without any clear benefit to the customers of Busselton Water. I am not sure that I can be any clearer about why we did not proceed. If it was such a good idea, why did the previous government not do it?

Ms L. METTAM: Is the minister including the loss to the operational subsidy that the Water Corporation would no longer be receiving as a result of not providing the cost? Is that built into the cost?

Mr D.J. KELLY: I do not have the full business case here. I am telling the member what the advice from Treasury was at the time. There would be an overall net cost to government to implement that project. People get really frustrated when governments just look in silos and they do something and realise that something else will be affected. I know that the opposition is fixated on this issue, and it has been now for the best part of two years. It did not say much about it during the time it was in government but now that it is in opposition, it is fixated on this issue. As a good government, we have to look at all the elements and what is in the best interests of the state. The overwhelming advice I got was that that project was not in the best interests of the state.

Ms L. METTAM: I understand that the previous financial model was developed by the Western Australian Treasury Corporation and adjusted as required by Treasury. When the government made this decision to back away or not support the growth model, it made a commitment to address the needs of the public open space in the Dunsborough community. It seems it has just handballed it to the local government. Is that the current status?

Mr D.J. KELLY: It is not really an issue for Busselton Water, but I am happy to answer the question. The government made a commitment to look at non-potable water in a range of areas in the south west that were under pressure. I think six or seven priority sites were looked at. Dunsborough was on top of the list. That work was done by the department in cooperation with the local government. It has come up with a preferred option. The local government is currently looking at whether it wishes to pursue that option. That is my understanding.

To suggest that it has just been abandoned is complete nonsense. If the opposition is telling people that, it is misleading people, the way it has done with this whole other issue. The department has worked really hard, cooperatively with the state government. I understand that Dunsborough was the first on the list for studies for alternative water sources. We are still working on it.

Mr W.R. MARMION: My question relates to page 673, specifically “Treatment Plants” under the heading “New Works”, an area that I am very interested in. I am aware of the water treatment plant in Busselton; I have been there a number of times. It says that the \$6.2 million upgrades are for a number of water treatment plants. What water treatment plants does Busselton Water Corporation look after?

Mr C. Elliott: We have three water treatment plants, all in the built-up area of Busselton. One is close to Port Geographe, one is in the town centre and one is in Queen Elizabeth Avenue. They are called treatment plants 1, 2 and 3. The first one was built about 100 years ago. We have bore fields surrounding each of those plants.

Mr W.R. MARMION: Specifically, what do the upgrades relate to? Are they related to the quality of water, volume or pumps? Can the minister explain what is happening at each of the three sites, please?

Mr C. Elliott: The water source is the Yarragadee aquifer, predominantly. We need to remove iron and manganese. It is a fairly routine treatment process. It involves sand, or gravity, filtration. There are typically four or five treatment units at each plant. Those treatment units need replacing every 30 years. The biggest project on our list in the current year is treatment plant 1. We have replaced four filters. Next year we will be replacing filters at plant 2. Other bigger projects include bore relining, putting new equipment down in the bores, tank relining, tank roofs and distribution mains. That is the predominant make-up of the \$6 million treatment plant program.

Mr W.R. MARMION: Basically, sand filtration is the mechanism and most of the \$6.2 million relates to replacing the sand filters in the three treatment plants. Is that the answer?

Mr C. Elliott: Yes.

Mr W.R. MARMION: Just to follow on from that, when I was Minister for Water, a lot of the locals in that area were opposed to fluoridation, and even chlorination, of the water. Has that issue dropped off? Are any upgrades required or is there pushback on those issues?

[7.30 pm]

Mr D.J. KELLY: My understanding is that it is not an issue that the community is currently concerned about.

Mr C. Elliott: If I can briefly answer, we have worked very hard now for six years with the community to get the understanding about the disinfection process. We have come a long, long way. Our customer surveys indicate that the community has a better understanding and they have got on board. There is still a residual element in the community that arcs up whenever there is a chance to raise the issue of chlorine, but our biggest success has been the exemplary water quality performance since we have chlorinated. It has been literally perfect, with a 100 per cent compliance, 365 days a year, for six years, and that is the best it can be.

The CHAIR: That completes the examination of the Busselton Water Corporation.

Division 3: Premier and Cabinet — Service 5, Innovation and ICT, \$10 276 000 —

Mr R.S. Love, Chair.

Mr D.J. Kelly, Minister for Innovation and ICT.

Mr D. Foster, Director General.

Mr M. Bradshaw, Deputy Director General, Infrastructure and Major Projects.

Mr G. Meyers, Director, Corporate Services.

Mr G.J. Italiano, Government Chief Information Officer.

Ms N. Arrowsmith, Chief of Staff, Minister for Innovation and ICT.

Mrs T. Bensley, Senior Policy Adviser.

Mr T. Grey-Smith, Senior Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

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 minister 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 minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for Nedlands.

Mr W.R. MARMION: I refer to service 5, "Government Policy Management—ICT" on page 68 of the *Budget Statements*. On that page there is a table that lists the number of full-time equivalent employees, and there is a large jump from one year to the next of 30 to 55. Can the minister please explain the increase?

Mr D.J. KELLY: That is largely attributable to the additional resources committed by this government to the Office of Digital Government. The member will be aware that previously there was the Office of the Government Chief Information Officer, which was only temporarily funded. We gave that office a reboot, if you like. We gave it a new mandate and it became the Office of Digital Government in this budget and we gave it another 12 months' funding. In this budget we have committed \$37.4 million over four years, so that is ongoing funding for the Office of Digital Government. It now has a mandate, for example, to have a sector-wide purview of cybersecurity. From an operational sense, individual departments will still be responsible for their own cybersecurity, but the Office of Digital Government will be there to provide them with advice and encouragement on a whole range of areas. For example, we have asked it to do a project on password hardening. One of the weaknesses in the public sector that the Auditor General has identified is poor passwords. That is one of the projects we have embarked upon through that new office. We have signed a memorandum with Edith Cowan University Joondalup, which I am sure members are aware is a world leader in cybersecurity. We are really taking that issue much more seriously than it has, in my view, previously been taken. For the first time, the Office of Digital Government has a unit in the Department of the Premier and Cabinet with a responsibility or remit to range across the public sector on that issue. That is just one example. I do not know whether the director general wants to add any more about those additional FTEs.

Mr D. Foster: That really sums up what the increase is attributable to. It is also partly an artefact of running the numbers down while the office was being restructured and redesigned, and there were a number of people in all sorts of interesting contractual arrangements who are now no longer there. These will be permanent FTEs attached to that office.

Mr D.J. KELLY: That was one of the issues with having only temporary funding for that office. We had some really good people there who needed to know what their futures were. Some of them moved on because of the temporary nature of the office. Now the office has ongoing funding, we can really build a team of professionals around digital transformation.

Mr W.R. MARMION: I thank the minister for that. That is the area I wanted to home in on. The minister has answered a lot of my next question and I appreciate that. Can the minister tell me how many of the 55 are

specialised in cybersecurity? Are there additional people who have expertise in that area? I would like to know the number of people that have had to be put on. Also, these people are highly skilled and can command large salaries in the private sector; I know some of them and they get paid a lot.

Mr D.J. KELLY: Do not tell everyone!

Mr W.R. MARMION: Has the department had to put in special arrangements to secure these important people to the security of the Western Australian government?

Mr D.J. KELLY: I am advised the full complement will be up to 15 FTEs. It is challenging to attract people in this area, because they are so widely sought after, but we have not put in place any special arrangements. They were employed under the public service agreements like anyone else, so there is nothing special about that. A lot of people actually want to work for the state government; it is prestigious in its own right for someone to say they are doing some groundbreaking work on cybersecurity. I went to the Department of Water and Environmental Regulation the other day. It is one of the agencies that is taking advantage of the increased emphasis on cybersecurity; it is doing some impressive work there. At this point, it may be difficult at times to attract people, but we are certainly going to give it our best shot.

[7.40 pm]

Mr W.R. MARMION: Regarding cybersecurity, I think last year the minister mentioned in Parliament that there were 1.85 million cyberattacks on the internal network. Is there an update? Has that figure gone up, and how are the main methods that we are putting in place to address the cyberattacking going? Also, have there been any successful cyberattacks?

Mr D.J. KELLY: I think we answered a question on notice not that long ago. I think it was a public sector-wide question and we gave the opposition a breakdown quite recently —

Mr W.R. MARMION: I am sorry, I did not ask that question, so I do not know the answer.

Mr D.J. KELLY: It certainly came from the member's party. I cannot give the member an agency-by-agency breakdown of the number of cybersecurity attacks. As the member knows, a lot of them are automated and random; they are not specifically attacking the Western Australian government, they are just viruses looking for a home, if you like.

Mr V.A. CATANIA: Surely you would have a number off the top of your head if you are in fact the minister.

Mr D.J. KELLY: Yes, that is right, the "member for North West Claremont" says I should have —

Mr V.A. CATANIA: Don't be a fool, answer the question.

Mr D.J. KELLY: I beg your pardon?

The CHAIR: Member, you will withdraw that remark.

Mr V.A. CATANIA: I withdraw.

Mr D.J. KELLY: It is ridiculous, there are thousands of attacks every month.

Mr V.A. CATANIA: Ask your IT person behind you, he is nodding his head. He can answer the question

Mr D.J. KELLY: I am the minister.

Mr V.A. CATANIA: But you do not know the answer to the question.

The CHAIR: Member!

Mr D.J. KELLY: Just sit down and calm yourself. I know this is an area of keen interest to you. I almost forgot the question that the member asked.

Mr W.R. MARMION: There were 1.85 million cyberattacks between March 2017 and September 2018. Can the minister give me an update of the figure?

Mr D.J. KELLY: I cannot. I am not aware that there has been any significant increase.

Mr V.A. CATANIA: Are you interested in your portfolio?

Mr W.R. MARMION: Can the minister provide it by supplementary information?

Ms J.J. SHAW: Who is asking the questions around here? Which one of you?

Mr W.R. MARMION: Not you.

Mr V.A. CATANIA: Not the minister.

The CHAIR: Member for North West Central, I call you to order for the first time.

Mr W.R. MARMION: Can I get that information? I am not asking specifically for the number of cyberattacks on every single department, just a rough idea, within the million, of what has happened over the last 12 months so that we can get a trend line. There is a reason one might ask this question, because it indicates how many staff the department might have to put on to address the problem and what sort of methodologies it might have used to address it. That is where I am coming from.

Mr D.J. KELLY: One of the key issues in cybersecurity is personal behaviour. One of the things that the Auditor General identified across the public sector was weak passwords.

Mr W.R. MARMION: Yes, we all know that; mine is weak, too.

Mr D.J. KELLY: That is right, member. One of the priorities that we have tasked the Office of Digital Government with is password hardening. We have developed a new kit for agencies to deal with excluding weak passwords from the network. A lot of people think cybersecurity issues are all about high-tech stuff. A lot of it comes down to personal behaviour, and passwords is one of them. People also stick USBs into their computers, because they find them or are given them, and they then infect the network. A lot of the vulnerability is from personal behaviour. If we want to make the biggest bang for our buck, we need to deal with those issues first, not spend a lot of money on kit. They are some of the projects that the office is now running as the first priority. It is an easy improvement for a low cost.

Mr W.R. MARMION: While we are addressing cybersecurity, are the 15 ICT staff in the minister's office advising departments—which we want to make sure are secure—that are procuring hardware and software services, particularly by contract?

Mr D.J. KELLY: They are able to provide advice, but individual departments are still responsible for procurement. This office has not taken over the procurement role for everybody else.

Mr W.R. MARMION: The minister has already said that.

Mr D.J. KELLY: I am just saying to the member that the office can provide advice.

Mr W.R. MARMION: The minister has already said that as well. My question is: has it provided advice?

Mr D.J. KELLY: Yes, it does on request by departments.

Mr W.R. MARMION: Has it?

Mr D.J. KELLY: I just said it does.

Mr W.R. MARMION: It does, okay.

Mr D.J. KELLY: Yes, that is right. As I said, it has not taken over the role of departments but it is there to be a source of advice on these issues.

Mr W.R. MARMION: Just to repeat, it does provide advice to departments when it goes to procurement to procure services in the ICT area?

Mr D.J. KELLY: It can do; yes, that is right. It does not universally, because —

Mr W.R. MARMION: It can do or it does?

Mr D.J. KELLY: It can do, and it has done.

Mr W.R. MARMION: I know it can do; obviously it has the ability to.

Mr D.J. KELLY: It is not a universal requirement.

Mr V.A. CATANIA: Can the minister tell me the costs associated with cybersecurity and not having a central point, being his department, that controls the procurement of all the other departments? Is there a cost saving by having all departments come under the minister's ICT department to ensure that everyone is on the same pathway and has the right software to limit the number of attacks? I would also imagine that there would be a huge cost saving to government to bring all IT under one area rather than having each department go off separately to procure their own IT. Does the minister have a figure for how much that would save government?

Mr D.J. KELLY: The member would be aware of the history of this issue. Under the previous government, there was no central advice on these issues; it was all done by individual departments and the Department of Finance. During the previous government, it pretended that there were going to be savings from IT procurement.

Mr V.A. CATANIA: Is the minister talking about the Office of Shared Services?

Mr D.J. KELLY: No, I am talking about —

Mr V.A. CATANIA: Okay, well how about you answer the question. The question was —

Mr D.J. KELLY: Member, do you want me to answer the question? I do not have to. I will not if you keep interrupting me.

Mr V.A. CATANIA: You're a bully.

Mr D.J. KELLY: Does the member remember the history of this? The previous government estimated that there would be savings in the procurement of ICT services and it used those savings to fund the former Office of the Government Chief Information Officer. That is what the previous government did. We have given that agency permanent funding, because some of those savings were not real, to be honest. The member will also remember that the previous government started the GovNext-ICT program, which was all about trying to provide some central tools and arrangements for agencies to procure ICT. That program is still in place; it was started under the previous government, and we are refining it.

Mr V.A. CATANIA: I am not talking about the previous government, I am talking about the government that has been in for two years. I am asking a question about the cost associated with every government department operating their own ICT. If ICT procurement for every government agency was brought under one agency, being the department that the so-called minister heads up, would it not be a cost saving to government, rather than having every department do their own procurement? How much would the savings be? I know there is a figure.

[7.50 pm]

Mr D.J. KELLY: Do you? How do you know that?

Mr V.A. CATANIA: If the minister does not know that, that is a worry.

Mr D.J. KELLY: If the member is suggesting that a unit within the Department of the Premier and Cabinet does all the procurement for the departments of health and education and takes that role off those agencies, some level of concern would probably be raised by other departments. That is why his government did not go down that path and no other government has. The previous government started the GovNext-ICT program, which brought in some major vendors and encouraged agencies to be part of that when they procure their information and communications technology hardware and software and the like. I would be very interested if anyone thought there was merit in bringing all ICT procurement under DPC. I would be very interested to hear what the argument for that would be.

Mr V.A. CATANIA: Can the minister tell me what the cost of government ICT is generally?

Mr D.J. KELLY: Can the member refer to a line item in the budget? I have tolerated the wide-ranging questions, but is the member referring to a line item in order for me to answer that question?

Mr V.A. CATANIA: I refer to the asset investment program.

Mr D.J. KELLY: Which item in the asset investment program?

Mr V.A. CATANIA: The minister can have a look himself. It is on page 69.

Mr D.J. KELLY: Which page is it on?

Mr V.A. CATANIA: Does the minister have an understanding of how much ICT costs the state government?

Mr D.J. KELLY: I am asking what the line item is.

The CHAIR: Can the member point to where that falls in this particular division?

Mr V.A. CATANIA: I refer to page 68, "Explanation of Significant Movements" and specifically the first note, which states —

The increase in the Total Cost of Service for the 2019-20 Budget Target represents the Government's increased commitment towards the digital transformation of the Western Australian public sector.

How much does ICT for government agencies cost the state of Western Australia?

Mr D.J. KELLY: I cannot see how that question is relevant to that line item of the budget.

Mr V.A. CATANIA: I take it that the minister does not know the answer.

Mr D.J. KELLY: No, I am saying that it is not a question.

Mr V.A. CATANIA: The minister is saying that he does not know the answer.

Mr D.J. KELLY: No, I am not. I am saying —

Mr V.A. CATANIA: Then answer the question!

Mr D.J. KELLY: — that there are rules, member for north west Claremont, about what you can ask and what you cannot ask.

The CHAIR: Order, members! You both need to settle down a little bit. The minister needs to refer to the member by his proper title, thank you.

Mr D.J. KELLY: I will take that on board.

The CHAIR: I am sure it was a slip of the tongue.

Ms A. SANDERSON: My question relates to page 63 and the line item "Service Western Australia (ServiceWA) Pilot". Can the minister outline how ServiceWA will provide access to Western Australian government services?

Mr D.J. KELLY: ServiceWA is a very exciting initiative that the Premier announced on 10 May. It is essentially a one-stop shop for people who want to access services in WA. A pilot program will be run in Bunbury. We want people to be able to access services in the most convenient way possible. Instead of people having to go from department to department to access services, we are going to run the ServiceWA pilot program. People will have face-to-face or online options. Instead of people having to visit multiple departments to obtain, for example, their fishing licence or their driver's licence, they will be able to go to one place to access all those services. More services will be available online through ServiceWA. If people are interested, New South Wales has really embraced that option. The Liberal government in New South Wales has been very helpful in providing us with advice. A number of senior people from the department and I have been over to New South Wales. They were very surprised over there that the previous Liberal government here was very slow on this initiative, but they have been absolutely fantastic. The pilot is being led out of DPC, so I will ask the director general to provide more detail on that very exciting initiative.

Mr D. Foster: The proposal is for a pilot, but if that is successful, there is the opportunity to scale it up and extend it around the state. New South Wales has some 100 outlets. They are very popular and highly regarded by the public. In our pilot, we will be looking at about 85 different services to start off with. Every day we are being approached by government departments that are keen to join and sign up and be part of it. We will obviously evaluate the success, and then the Expenditure Review Committee will make further decisions about the next steps. The important thing to note is that it is in line with the service priority review recommendations about collaboration and delivering better services to the community. Agencies have really embraced that concept and are very keen to make a success of it.

The appropriation was recommended.

Division 15: Jobs, Tourism, Science and Innovation — Service 1, Science, \$109 324 000 —

Mr R.S. Love, Chair.

Mr D.J. Kelly, Minister for Science.

Ms R. Brown, Director General.

Ms F. Roche, Deputy Director General, Science and Innovation.

Mr S. Melville, Director, Corporate Services.

Ms N. Arrowsmith, Chief of Staff, Minister for Science.

Mr T. Grey-Smith, Senior Policy Adviser.

Mrs T. Bensley, Senior Policy Adviser.

[Witnesses introduced.]

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I give the call to the member for Swan Hills.

[8.00 pm]

Ms J.J. SHAW: Minister, I refer to page 189 of budget paper No 2, volume 1, under the section "New Initiatives", and the third line item. Could the minister explain how a future energy exports cooperative research centre will benefit the state?

Mr D.J. KELLY: Since we have been in government, one of our emphases has been to get more cooperative research centres in the state. We have been successful with the cybersecurity research centre at Joondalup, but a new energy CRC will build on the natural advantages that we have here in Western Australia. As the member may be aware, we are one of the world's biggest producers of lithium, and we reportedly have all the elements of a battery. It is not easy to convert those natural resources into industries. As members know, we are quite good at digging things up. What we want to do is ensure that here in Western Australia we move as far as we can down

the value chain as possible. That CRC will ensure that the money is available in the state to do research around various elements which might bring that together. That is another example of the success that we have had in making use of the CRC process to give industry and local jobs a great boost here in WA.

Ms J.J. SHAW: The research centre is aimed at energy exports. What is the minister anticipating the export items will be and where does he think the markets will be for those?

Mr D.J. KELLY: Again, there are options. Obviously, the whole lithium battery potential is there, but also hydrogen. We have put together the Hydrogen Council, as members may be aware. Hon Alannah MacTiernan is very keen to see whether we can be part of the hydrogen economy as well. Japan and Korea are very set and are looking to use hydrogen in a significant way as an energy driver in those economies. We will see where it goes, but as a government, we want to make sure that we are not left wondering what the possibilities are for Western Australia.

Ms J.J. SHAW: Where is it proposed that the CRC will be located?

Mr D.J. KELLY: It will be hosted by the University of Western Australia, but there will be a facility in the Pilbara.

Ms J.J. SHAW: Fantastic. Thank you.

Mr V.A. CATANIA: Minister, I refer to page 200, “Details of Controlled Grants and Subsidies”, and the science and agribusiness connect program. What is the status of the \$1.5 million Premier’s agriculture and food fellowship program, which is funded through the science and agribusiness connect grants?

Mr D.J. KELLY: I think we have recently announced some grants under that program. I will ask Fiona Roche to give some details of that.

Ms F. Roche: Thank you, Chair. I thank the member for the question. The science and agribusiness connect program has been going now for two to three years. It is a program designed to develop WA’s excellence in agricultural science. We have attracted international Premier’s Fellow Professor Simon Cook to Western Australia, and recently Curtin University announced the establishment of an office of digital agriculture, which is associated with his work and the work of the food agility CRC, of which WA has a significant node. Part of the program also includes grants to tertiary students and supporting entrepreneurs and the like. We have rounds of programs that the Minister for Science and the Minister for Regional Development announced, and there were some recent ones. I do not have the details of those, but I would be more than happy to provide them if the member wants details on exactly what grants we make.

Mr V.A. CATANIA: Yes, I would like to take that as a supplementary, if that is okay.

Mr D.J. KELLY: I am happy to provide that.

Mr V.A. CATANIA: Can the minister indicate the status of the \$1.5 million Premier’s agriculture and food fellowship program; a breakdown of where that is going?

Mr D.J. KELLY: Can the member be a bit clearer? He said “the status of”, but it is still going.

Mr V.A. CATANIA: The reason I say “the status” is because it has no funding after the 2019–20 year, so I do not know where it is going to be funded from.

Mr D.J. KELLY: That is not further information. There is a budget allocation for it.

Mr V.A. CATANIA: Can the minister detail where the \$1.5 million is going?

Mr D.J. KELLY: What grants have been made?

Mr V.A. CATANIA: Yes.

Mr D.J. KELLY: I am sure we are happy to provide that for this financial year. We will provide information on what grants have been made in this financial year under that program.

Mr V.A. CATANIA: Also for 2019–20?

Mr D.J. KELLY: We have not made those grants yet, so we cannot tell the member what they are going to be.

The CHAIR: What was the program name?

Mr D.J. KELLY: It is the science and agribusiness connect program. We will provide the member with the grants that have been made under that program in this financial year.

[Supplementary Information No A43.]

Mr V.A. CATANIA: Minister, what is the status of the \$880 000 tertiary program connecting Western Australian university students with regional experiences?

Mr D.J. KELLY: Sorry, which page is the member referring to?

Mr V.A. CATANIA: It is a further question to my original question, page 200, under the science and agribusiness connect program.

Mr D.J. KELLY: Sorry, what is the question? I do not understand the question.

Mr V.A. CATANIA: What is the status of the \$880 000 tertiary program connecting WA university students with regional experiences, which is funded through the science and agribusiness connect program?

Mr D.J. KELLY: I will defer to Fiona Roche.

Ms F. Roche: Again, we have rounds where tertiary students apply for those grants, and we connect the work that they are doing at their tertiary institution to various regional areas and make sure that they have the opportunity to travel to those regional areas. Again, the ones that have been announced publicly in which there have been award recipients, we would be more than happy to provide those details as supplementary information.

Mr D.J. KELLY: We are happy to provide details of the recipients of those grants that have been made in this financial year.

[Supplementary Information No A44.]

Mr V.A. CATANIA: I refer again to page 200, under the science and agribusiness connect program, following on from the last two questions. What is the status of the \$360 000 agriculture and aquaculture entrepreneurship program, which provides scholarships of up to \$30 000 for those sectors and was funded through the science and agribusiness connect program?

Ms F. Roche: Again, we run grant rounds. Particularly under that program, there have been recipients of funding that have been announced on occasion by both ministers. That is very much in the public arena, and I would be more than happy to share with the member those grant recipient names and details as supplementary information.

Mr D.J. KELLY: Again, we can provide the recipients of grants under that program that have been made in this financial year.

The CHAIR: Could you restate the programs for Hansard?

Mr V.A. CATANIA: It is the agriculture and aquaculture entrepreneurship program.

Mr D.J. KELLY: I do not have the name of it here in front of me.

Ms F. Roche: That is the correct name. Thank you.

[Supplementary Information No A45.]

[8.10 pm]

Mr V.A. CATANIA: Minister, the science and agribusiness connect program has an allocation of \$710 000 for the 2019–20 budget estimate. The programs that I have just listed total \$2.74 million. Where is the \$2 million coming from, or has that been cut from the program? It has no funding after 2019–20.

Mr D.J. KELLY: Like anything else, those decisions are made on a year-by-year basis, so, no, there have been no cuts.

Mr V.A. CATANIA: There is no funding.

Mr D.J. KELLY: Is that a question? I have just answered that question.

Mr V.A. CATANIA: Can the minister explain it to me? The budget has \$945 000 in 2018–19 and \$710 000 in 2019–20, but from 2020–21 to 2022–23 there is nothing. I have just spoken about those programs and asked for the status of the \$1.5 million for the Premier's agriculture and food fellowship program; \$888 000 for the tertiary program connecting WA university students with regional experiences; and \$360 000 for the agriculture and aquaculture entrepreneurship program. The total cost of those projects is \$2.74 million, but the budget has only \$710 000. I am wondering what has been cut and left off, because there is obviously a gap of \$2 million.

Mr D.J. KELLY: I will ask the director general to provide an update on those.

Ms R. Brown: Effectively, the four-year program distributed a series of grants. Grant recipients applied for those and the funding was distributed to deliver against those programs or research projects —

Mr V.A. CATANIA: So it has been cut.

Ms J.J. SHAW: No! Let her finish answering the question.

The CHAIR: Members! All members, let the director general answer the question. Do not interrupt her.

Ms R. Brown: The grants are allocated to the recipients on the basis of a time period. To the extent that there is no continuation of funding, those grant programs have been completed and the recipients are aware of that. There is no effective cut in service delivery. It is that those grant programs have —

Mr V.A. CATANIA: Have finished completely.

Mr D.J. KELLY: Decisions will be made about funding in future budgets, the same way they always are. If it were such a great program when the member was in government, the former government would have given it ongoing funding. It gave it limited funding and a decision will be made —

Mr V.A. CATANIA: Really? Does the minister practice that in the mirror? He must practice that in the mirror.

The CHAIR: Member for North West Central!

Mr D.J. KELLY: As I said, I do not have to answer the member's questions. If he lets me answer them, I will. If he interrupts, I will not. It is as simple as that.

Mrs J.M.C. STOJKOVSKI: I refer to paragraph 22 on page 192 of budget paper No 2, volume 1. Can the minister explain how the national collaborative research infrastructure strategy will benefit the research community here in Western Australia?

Mr D.J. KELLY: Yes. That is a really good news story for science in Western Australia. We have committed \$10 million to that commonwealth program in this budget. Given the mess left to us by members opposite, \$10 million for science is not easy to find, but we have found it. The important thing about that \$10 million is that it enables us to access \$19 million of federal funding. When we put together \$8.8 million in funding from tertiary institutions, we get a really solid improvement and a funding program that will enable institutions to purchase scientific equipment here in WA. Now, I think about eight or nine projects will be funded under that program. This funding usually becomes available once every 10 years. I think it might have been seven or eight years since the commonwealth last made this type of money available. It is \$19 million from the commonwealth, provided that the state kicks in \$10 million. I will ask Fiona Roche to give us some more information on what type of scientific equipment will be purchased under that program.

Ms F. Roche: The only point I would add to the minister's comments about the funding is that on top of the \$10.5 million of state funding and \$19.8 million of commonwealth funding, we have leveraged an additional \$8.8 million of funding from WA research institutions. This will see a \$39 million boost in state-of-the-art equipment in WA for use by the research sector, industry and government. We have worked really closely with the university sector and research institutions to work out where the correct allocation of funding in priority areas should be. We will see some equipment for advanced fabrication of sensors, including for defence applications; ecosystem observation infrastructure to help protect and manage WA's unique terrestrial ecosystem; and the latest tools for genetic protein and metabolite research, with health, agriculture and environment applications. This funding has been really well received by our science sector and we are delighted to achieve this outcome.

The CHAIR: The opposition would like to move on. Do you really want to ask a question?

Ms A. SANDERSON: Yes.

Ms L. METTAM: That is ridiculous.

The CHAIR: The member is entitled to ask a question.

Ms A. SANDERSON: It is my prerogative to ask a question.

Ms J.J. SHAW: This is a fascinating topic.

The CHAIR: She wants to ask a question. Member for Morley.

Ms A. SANDERSON: All right. I will move on.

The CHAIR: We are allowed to move on.

The appropriation was recommended.

Division 16: Primary Industries and Regional Development — Services 6 and 7, Fisheries, \$138 536 000 —

Mr R.S. Love, Chair.

Mr D.J. Kelly, Minister for Water representing the Minister for Regional Development.

Mr R. Addis, Director General.

Ms H. Brayford, Deputy Director General, Sustainability and Biosecurity.

Mr B. Mezzatesta, Executive Director, Operations and Compliance.

Mr R. Fletcher, Executive Director, Fisheries and Agriculture Resource Management.

Ms M. Taylor, Chief Financial Officer.

Ms N. Arrowsmith, Chief of Staff, Minister for Water.

Mr L. Clarke, Principal Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

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 minister 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 minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I welcome the advisers here tonight and I remind them that they speak through the minister.

I give the call to the member for Vasse.

[8.20 pm]

Ms L. METTAM: I refer to the line item “Shark Hazard Mitigation—SMART Drumline Trial” on page 206 of budget paper No 2. Given the minister's comments in the past, and given that the SMART drum line trial is intended to replicate the New South Wales trial, can the minister guarantee the community that that has actually happened, and that the department has taken every possible measure to replicate the New South Wales trial, which has been successful?

Mr D.J. KELLY: We undertook to conduct a trial of Shark-Management-Alert-in-Real-Time drum line technology in Western Australia. We identified locations around Gracetown as suitable for the trial. Since February, 10 drum lines have been in the water. As much as possible, we are adopting the methodology and technology that is used in New South Wales. The member would be aware that, for example, we are sourcing the drum line technology from the same company that is used in New South Wales. That technology is procured from outside Australia, and the member had a go at us for not using a local company. The member was probably not aware that that technology was not available in Australia. Mirroring, as much as possible, what was done in New South Wales required us to procure that equipment from Europe. We are as much as possible mirroring what goes on in New South Wales. Another example would be that in New South Wales there is a requirement for the contractor to attend a shark within 30 minutes of it being caught, so that is the benchmark requirement for the contractor in our trial. The safety requirements that are in place in New South Wales, including the operator not setting the drum lines if the weather is unsafe, have been adopted here. Again, I think the member criticised us for that.

In a range of areas, we have adopted the practices of New South Wales. One of the reasons for doing that is so that we can compare our results with the results that are achieved in New South Wales. One of the difficulties that the member will be aware of is that New South Wales has not been willing to share its data with us. It is willing to share publicly available information, such as how many sharks have been caught, but it has not been willing to provide us with a complete set of data, in particular about where those sharks go after they have been released. Knowing the member's question, she could not help but put in a comment that the trial has been successful in New South Wales. No scientific, peer-reviewed assessment has been made of what was done in New South Wales to determine whether it actually reduces shark attacks. That is surely the point. The purpose is not just to catch and tag sharks; it is to make our beaches safer. That is why, in Western Australia, we have asked the Chief Scientist to review the trial and give us some advice on whether that key benchmark—whether it makes our beaches safer—has been met.

Ms L. METTAM: Does the \$1.62 million in 2019–20 include any funding for VR4 receivers for Yallingup main break, Margaret River and Bunker Bay? If not, how would we know that a shark that has been tagged, such as that 4.6-metre shark that was tagged recently, would be at any of those locations?

Mr D.J. KELLY: I have really been quite surprised at the member's criticism that we do not have enough VR4 receivers in the south west. Apart from the VR4 receiver at Smiths Beach, no other VR4 receivers were placed in that whole region.

Ms L. METTAM: If you are tagging sharks at Gracetown—a 4.6-metre shark —

Mr D.J. KELLY: Just listen—you asked the question.

No VR4 receivers were placed at Yallingup or Margaret River in the eight and a half years of the previous government. One of the obvious holes the previous government left in the shark monitoring network was the lack of VR4 receivers in that area. We have funded and located three VR4 receivers in that area. When we came to government I was told that it was a bit rough down there, and that we may not be able to locate them. The department worked hard at it and located a number of sites where the VR4s could be placed. We consulted with the community on where the priority locations for those VR4 receivers were, and that is where they have been placed. The member is being a bit disingenuous, considering that in eight and a half years the previous government did not put any receivers in the Margaret River–Yallingup region. We have come to government and we have put in place three, after consulting with the community and asking where it wanted them. All the member has done is picked another couple of places on the map and said, “What about here?”

Ms L. METTAM: What is the point in tagging a 4.6-metre shark at Gracetown when we do not know when that shark goes to Yallingup or Bunker Bay? We would be none the wiser. What is the point of investing in a tagging program that no-one is aware of at the most populous surf beaches?

Mr D.J. KELLY: The member could ask herself that.

Ms L. METTAM: This is the government's trial.

The CHAIR: Member, you need to ask a question and wait for the response. I think you have asked a question; now let the minister make his response.

Mr D.J. KELLY: Thank you, Chair. The previous government conducted a tagging program for eight and a half years and never placed a VR4 receiver anywhere near Margaret River, Gracetown or Yallingup. The member could ask herself the question: why did the previous government not place any VR4 receivers in that area? The member represented the local electorate for part of that time.

Dr M.D. NAHAN: The Labor Party is in government now.

Mr D.J. KELLY: The Leader of the Opposition has just reminded the chamber that we won the last election, because in so many areas members opposite were hopeless, the Leader of the Opposition in particular.

Dr M.D. NAHAN: What is the minister doing—that is the issue. Be accountable.

Mr D.J. KELLY: This is not question time. Members do not get any latitude here. If the member wants to ask a question, he should ask a question.

Dr M.D. NAHAN: Answer the question.

The CHAIR: Leader of the Opposition, let the minister complete his answer, and you will have an opportunity to ask a question then.

Mr D.J. KELLY: We have placed three VR4 receivers in that area. We placed them where the community wanted them. We asked people what the priority locations were for VR4 receivers, and we have located them. I find the member's criticism of the government in this area completely disingenuous.

Mr V.A. CATANIA: Does the minister have any plans to put further receivers along the coastline there?

Mr D.J. KELLY: We will consider that. As we have said, we will consult with the community, which is what we did with the VR4 receivers we placed around Gracetown. We have not ruled it out, but at this point in time a decision has not been made for an additional one, but we do not rule it out.

Mr V.A. CATANIA: How many potential locations are there for these receivers, and how much is one of the receivers worth?

[8.30 pm]

Mr D.J. KELLY: The number of potential spots is limitless. We could have one every 500 metres between Esperance and Exmouth if we wanted. The receivers are worth about 20 grand each. They cost about \$30 000 to install, depending on the location. It is not insignificant, so we want to make sure that they provide bang for our buck.

Mr V.A. CATANIA: Has the minister been provided with advice of any black holes down south where these \$30 000 receivers could be put? As the member said, a 4.6-metre great white has been tagged. Obviously, we would want to be able to track it and set the alarms off. Has the minister been issued with advice of potential black holes where these \$30 000 receivers could be put?

Mr D.J. KELLY: Yes. The advice we got was that there was a hole around Gracetown. We went to the community, identified some locations, and that is where we have put them. As I said, the number of potential locations is limitless. That is presumably why the previous government did not put any in Gracetown. It did not think that area was important enough, but we did.

Mr V.A. CATANIA: Has the minister spoken to any other communities along that part of the coastline to see whether they would like to have a receiver, or is it only communities that approach the minister? If a community were to approach the minister to say that they would like a receiver, would he consider it?

Mr D.J. KELLY: The other community that was very keen on having a VR4 receiver was Esperance, which was another area that the previous government completely ignored, despite the activity in Esperance. We now have two VR4 receivers in Esperance. This government has responded to community concerns in the Gracetown and Esperance areas. I do not understand why, given the shark activity there had been around Gracetown and Esperance, the previous government ignored those communities, but we responded to it and they now have receivers in those areas, which have been very well received.

Mr V.A. CATANIA: Is the minister saying that he will respond to a community requesting to have these receivers put in along the coastline? That is what the minister has said his government does—it responds to the community's needs and wants. It responded to Gracetown and Esperance, so the government will respond in a favourable way to any other community that says it wants that \$30 000 receiver; is that what the minister is saying?

Mr D.J. KELLY: Is that a question?

Mr V.A. CATANIA: Absolutely.

Mr D.J. KELLY: If the member is suggesting that it is a process of “anyone who wants one will have one”, that is not the case. An assessment has to be done to find out whether it is practical for the area and whether it is the best value for money to make our beaches safer.

Dr M.D. NAHAN: I refer to agricultural and fisheries natural resource management on page 213. I would like to focus on the crayfish industry. Will the minister commit to no further attempts to nationalise the —

A member interjected.

Mr V.A. CATANIA: Point of order. We have a member not sitting in her chair and yelling out.

The CHAIR: Let the Leader of the Opposition ask his question without interruption.

Mr D.J. KELLY: What line item is the member talking about?

Dr M.D. NAHAN: I refer to the total cost of service under “Agricultural and Fisheries Natural Resource Management” on page 213, volume 1 of budget paper No 2. Will the minister commit to no further attempts to nationalise portions of the crayfish industry in the future?

Mr D.J. KELLY: If the member is talking about the plan that we negotiated with the Western Rock Lobster Council at the end of last year, I do not accept that that was a nationalisation of the industry. As I am sure the member is well aware, the resource is owned by the community. I do not accept the Leader of the Opposition’s characterisation of that plan as an attempt to nationalise the industry. On the assumption that that is what the member is talking about, we negotiated that plan with the Western Rock Lobster Council. The council endorsed that plan. The Leader of the Opposition will remember that it included quite a substantial industry development package. The figure that comes to mind is \$30 million. The plan was put to the industry’s members, and they did not like the plan. The government withdrew that plan. We have indicated that it is off the table. It is not a plan that we will pursue.

The member would also be aware that when the Premier met with the industry in February and indicated that the plan would not be implemented, we reached agreement with the industry that 315 tonnes of crayfish would be available for domestic supply. It was our intention to use that domestic supply so that people could have access to lobster at Christmas, so there could be a lobster festival and other tourism-related arrangements. We left that meeting with the industry’s agreement on that. By the end of March we were to negotiate how that domestic lobster would be used. That deadline was moved to the end of April. The government had a number of discussions with the industry about how that could best be done. The industry put a proposal to us about how it wanted it to work. The department sat down and negotiated a document that was agreed to in principle. It then went to the members. They had what they call a coastal tour, which did not support the proposed method of delivering the domestic lobster that the council had agreed to with the department. The council told us that the members did not like it, so we needed to come up with a new version. The department again sat down and produced what was called a compact. It was agreed with the Western Rock Lobster Council, which again put it to its members. I think a fraction over 50 per cent of the members endorsed it and somewhat less than 50 per cent did not. On that basis, the council advised us a couple of days ago that it would not go ahead with the compact, which would have delivered the domestic lobster. The department and the government have twice reached agreement with the council on a method to deliver domestic lobster. The council has twice taken it to its members. Because of a lack of support from its members, the council has told us that it will not implement domestic supply in that way. It is regrettable, but on that basis that will now not go ahead.

Dr M.D. NAHAN: In December, when the government had that initial agreement for the large nationalisation, was there not a cover letter that the council provided that made it quite clear it did not support the government’s attempt to acquire 17.3 per cent or whatever of the industry? There was no actual agreement to the overall deal. The government argued it, but the council did not agree; is that not correct?

[8.40 pm]

Mr D.J. KELLY: If the member looks at what happened, the total package was negotiated with the council over a period of about a month. It appointed a negotiating team. We had a group from the department negotiating it. A total package was put to the board of the Western Rock Lobster Council. The board voted on that package and the board supported it. Although there were elements of it that it was not happy with, it was very happy with a range of elements, one of which was the \$30 million industry development package, which is the most development money that has gone into that industry ever. It is true that it did not like some elements of it—that is not unusual—but, overall, the board supported the package. It was on that basis that it went out to its members for consultation.

The government always said that it has to consult with the members. We put the proposal out for public comment, as the member will remember. I think we even extended the public comment period. When the Western Rock Lobster Council got the views of its members back and we likewise got support from the Australian Hotels Association and the tourism sector, they were very supportive of there being more local lobster. At the end of that consultation period, the government decided not to proceed with the package.

Dr M.D. NAHAN: I think the minister has done this but can he just confirm—yes or no—that the negotiation with the industry for 315 tonnes of local crayfish has collapsed?

Mr D.J. KELLY: I would not use that terminology. There has to be a mechanism to deliver local lobster to a festival or for tourism. The department sat down with the industry and came up with two mechanisms. Both of them were put on the table by the Western Rock Lobster Council. Both times, the department came up with a package that we were prepared to agree with. Both times, the industry then put it out to its members. Both times, the support from the membership was not sufficient for the Western Rock Lobster Council to endorse the package. The most recent attempt was a couple of days ago. Terry Lissiman, the Chair of the Western Rock Lobster Council, wrote to us saying that the latest mechanism was not supported and that it would not go ahead with it.

The member would understand that it would probably take two years to organise, for example, an international lobster festival. The government was willing to spend hundreds of dollars, if not several million, organising it and promoting it. Local governments from the City of Geraldton to the City of Fremantle and almost every council in between was very keen. A festival cannot be organised or promoted if there is no guarantee that the lobster can be supplied.

We have sat down with the industry over three months, taken on board the mechanisms that it has put forward on how to deliver this lobster for people at Christmas, to a festival and to tourism operators, and both times the government has said, “Yes, we are happy to give that proposal a go”, and twice the industry has taken it out to its members and members have not supported the council’s own mechanism. In those circumstances, it is very difficult for the government to proceed. On that basis, we advised the council that we would not proceed with domestic lobster because it simply could not come up with a mechanism to deliver it.

Dr M.D. NAHAN: Can the minister confirm that the Premier’s task force that was set up, I believe in February, to address the enhancement of local crayfish in the domestic market and other factors, including Indigenous fishing rights, was disbanded this afternoon before it even met?

Mr D.J. KELLY: What the member is saying is not quite correct. That task force was not set up to deal with domestic supply. The Premier met with the council in February. Two elements to the agreement were reached and that was reflected in the press releases. It related to 315 tonnes of domestic lobster for things like a festival and lobster at Christmas. The mechanism to deliver that was to be agreed by the end of March. Subsequently, an industry task force was convened to look at a raft of issues such as improved return to the state and Indigenous economic development opportunities. The industry wanted to talk about its access rights. Those issues were to be dealt with by the task force. The size of the domestic lobster catch was seen to be agreed to and not contentious, certainly from the government’s view. We needed to work out how that would be done and get on with it. The member’s question predicated that the task force was to deal with that domestic lobster. That is absolutely not the case. The government’s view is that if we could not agree or come up with a mechanism to deal with domestic lobster, the rest of the process would also fall away.

Dr M.D. NAHAN: The government claimed to have two processes underway from February. One dealt with enhancing the domestic sale, which the industry long supported. I understand that it put forward a range of ways to achieve that. It is not simple but it can be achieved. The task force was also supposed to address other major changes. The minister enumerated those. Why was the task force disbanded before addressing serious issues: returns to the state, Indigenous involvement and rights, and security of access? Why has the government held fundamental issues that the task force would deal with to ransom over the issue of an additional 315 tonnes of local crays into the domestic market?

Mr D.J. KELLY: The member talked about two processes, the first being domestic supply. He said that the industry has long supported that. There has been considerable resistance in some sections of the industry to increase domestic supply. The member can shrug his shoulders. We thought we had an agreement and a commitment from the industry based on the meeting we had with the Premier in February. It was very clear—the member can look at the media statements—that there were only basic technical issues and no issues of great philosophical difference with that domestic supply. That would be sorted out by the end of March, so we could get on with it. As I said, a festival would take up to two years to organise. If we wanted to have lobster available for Christmas 2019, we should just get on and do it.

Those other issues that were discussed as part of the bigger package that the government talked about would be put onto a task force agenda. It was not expected to reach any conclusion, I think, until September 2019. With that timetable, if we mixed domestic lobster into that issue, we would not be in a position to provide enhanced lobster at Christmas time. Tourism operators were anxious to get access to it straightaway. Tourism operators want access to domestic lobster now. I met with the Mid West Chamber of Commerce and Industry in Geraldton couple of weeks ago. It is incredibly supportive of greater local supply of lobster. That is the key issue. Twice we have asked the industry how it wants this policy to be delivered. It has put a proposal on the table. We have talked about it with the department and come up with a document. We said we were happy with the proposal. The council took the document to its members, first with the coastal tour. The council came back to us and said its members did not like the document and it did not support it. We asked what the council members wanted and negotiated a second document, which was called “the compact”. It would have delivered domestic lobster. The council put it out

through an online survey of its members. The results came back with 50.4 per cent of members in favour and 49.6 per cent of members against it. On that basis, the council said that there was not strong enough support for it. Terry Lissiman, the chair of the council, wrote to us saying it would not sign the compact. We have been willing to work with industry on its own proposals to deliver it. We have done it twice and both times the council has walked away from those instruments. It has not worked and so the government has come to the conclusion that it is not possible with the industry's current attitude to domestic supply to progress those issues.

[8.50 pm]

Dr M.D. NAHAN: Is it not true that the issues are not with the domestic supply? The minister wants the council to focus on that, but the real issue is the task force, which the Premier agreed to set up, but which has never met, and the minister is dragging the chain on the issues the task force is to address. Those are the fundamental issues for the industry, given the minister's attempt in December to nationalise 17.3 per cent of the industry.

Mr D.J. KELLY: This is not an opportunity for a speech. What is the question?

The CHAIR: Member!

Dr M.D. NAHAN: Has the task force ever met?

Mr D.J. KELLY: The first meeting was scheduled for Friday and that will not go ahead.

Dr M.D. NAHAN: Which Friday—tomorrow? The minister has cancelled the task force before it has ever met.

Mr D.J. KELLY: It has not met.

Dr M.D. NAHAN: It has not met.

Mr D.J. KELLY: I say to the Leader of the Opposition that we employed an independent chair and the first —

Dr M.D. NAHAN: That does not matter. Has it met?

Mr D.J. KELLY: I do not have to answer the member's question. He can interrupt away.

The CHAIR: Minister, carry on with your answer. Leader of the Opposition, let him answer, please.

Mr D.J. KELLY: As part of the agreement we reached in February, the first step was to have an independent person appointed to chair the committee. As the first preparation for the task force, the independent chair went around and consulted with all stakeholders to see how the task force could best be progressed, but it was very clear in the agreement we had with the industry in February that there would be a two-stage process. The Leader of the Opposition said the domestic supply is not important, but he listens to the tourism —

Dr M.D. NAHAN: I did not say that; do not verbal me. I said it was important.

Mr D.J. KELLY: Chair!

Dr M.D. NAHAN: Do not tell untruths.

The CHAIR: Minister and Leader of the Opposition, could you confine yourselves to discussing the point. Carry on with your point.

Mr D.J. KELLY: The Leader of the Opposition made the point that domestic lobster was not the issue.

Dr M.D. NAHAN: Readily agreeable.

Mr D.J. KELLY: I suggest to the member that he talks to the hospitality industry, the charter boat industry, the City of Geraldton, the midwest CCI, the City of Fremantle and the local government association that represents all those councils between Perth and Geraldton. The immediate jobs benefit of what we were proposing all rested around having more local lobster available in the market so that this premium seafood, which we make a considerable amount of money from exporting, could be available here in Western Australia so tourism operators could use it and restaurateurs could have it on their menus. It could really be a visual part of tourism here in WA. I completely disagree with the Leader of the Opposition that domestic supply was not an important issue. For all those organisations it was the issue.

Dr M.D. NAHAN: I need to respond to that. What the minister has said is false. It is an important issue. In fact, the minister is holding them to ransom from his failure —

Mr D.J. KELLY: This is not an opportunity for a speech.

Dr M.D. NAHAN: It is a very important industry, I agree with the minister. The enhancement of local supply has the potential to add jobs and expand related industries.

The CHAIR: Leader of the Opposition!

Dr M.D. NAHAN: But the minister has held that to ransom by his failure to implement the position of the task force.

Mr D.J. KELLY: I have a point of order.

The CHAIR: Leader of the Opposition, you will need to ask a question.

Dr M.D. NAHAN: Why did the Premier's task force not meet and address the issues it was supposed to and that were agreed to back in February?

Mr D.J. KELLY: As I said to the member, there was a two-stage process that the industry well understood.

Dr M.D. NAHAN: No, why did the task force not meet?

The CHAIR: This has been asked about three times. I give the minister one more go to answer and then we will move on.

Mr D.J. KELLY: There was a two-stage process that the industry well understood. This is why the member is in opposition.

Dr M.D. NAHAN: You will be with the 17 per cent nationalisation of an industry, mate!

The CHAIR: Okay!

Mr D.J. KELLY: The agreement with industry was that we would implement domestic lobster here in WA. That was the seemingly uncontroversial matter that everybody could agree on. That is what local councils and the hospitality industry wanted. We twice went to the industry with its own proposal to deliver that —

Dr M.D. NAHAN: False.

Mr D.J. KELLY: — and twice the industry went out to its own members and it was not supported. It is not possible for the government to run a lobster festival if we do not have the support of the industry.

Dr M.D. NAHAN: The government does not have the support because it is screwing them over.

Mr D.J. KELLY: We cannot supply domestic lobster at Christmas if we do not have the support of the industry, and at this point in time we do not.

Dr M.D. NAHAN: Because the task force did not meet.

The CHAIR: Leader of the Opposition! The member for North West Central has a further question at this point.

Mr V.A. CATANIA: Given that the state government has been unsuccessful in its aim to deliver an international rock lobster festival or procure additional domestic supply through consultation with industry, will the state government enact these changes without industry support?

Mr D.J. KELLY: Which line item is the member referring to?

Mr V.A. CATANIA: It is a further question.

Mr D.J. KELLY: What is the question?

Mr V.A. CATANIA: Will the minister enact whatever ability he has as a minister and government to enact his wishes to have an international rock lobster festival and increased domestic supply to the community? Will he use his powers as a minister to do that without industry support?

Mr D.J. KELLY: No, it is not practical to have an international lobster festival without the support of the industry, so we will not be progressing that matter without industry support. We made that clear. That is the case.

Mr V.A. CATANIA: What about a domestic increase in the lobster quota? Will the minister use his powers to make that happen?

Mr D.J. KELLY: We have indicated that that will not happen. As I say, we negotiated with industry in good faith to deliver that. Twice the industry proposed a mechanism to deliver it, which we accepted. Twice the rock lobster council took it to its members and it was not supported, so we will not be implementing an increase to the domestic supply because it is not supported by the industry.

Mr V.A. CATANIA: Does that mean there is no support for a lobster institute?

Mr D.J. KELLY: A lobster institute was part of the package that was negotiated with the rock lobster council in November, and that was the package that was not supported by the industry. The Premier said in February that we are not proceeding with that package.

Mr V.A. CATANIA: Will the minister be raising any fees and charges associated with the rock lobster industry as a way of retribution for not getting his way?

[9.00 pm]

Mr D.J. KELLY: I am not sure what the member has in mind —

Mr V.A. CATANIA: I am asking the minister what he has in mind.

Mr D.J. KELLY: As I said, I do not have to answer the member's questions. I am quite happy to, but do not interrupt me.

Mr V.A. CATANIA: Do not bully me either.

Mr D.J. KELLY: There is no decision or plan to increase any of the fees. Fees go up through the ordinary budgetary process, but there is no plan to do anything out of the ordinary.

Mr V.A. CATANIA: Is the minister intending to issue additional western rock lobster licences?

Mr D.J. KELLY: We would need to change the management plan in order to do that, so the answer is no.

Dr M.D. NAHAN: Can the minister confirm that the Aquatic Resources Management Act 2016 was meant to come into effect on 1 January 2019? Is it now in effect? If not, when is it intended to come into effect and what is the reason for the delay?

Mr D.J. KELLY: There are a number of reasons. The first industry to transition is planned to be the pearling industry. In preparation for that to take place, the department identified a problem with the legislation. As the Leader of the Opposition may be aware, there are a number of zones or entitlements in the pearling industry. The legal advice that we have received is that the new legislation, as it is currently drafted, would not allow us to implement a zone system. That would impact the pearling industry and it would potentially impact other fisheries. We are looking at what amendments to the legislation are necessary in order to remedy a defect in the legislation brought by the previous government. I understand it was the intention to allow for zones in that legislation, but the advice we have is that that is not possible. Remedying that defect is the very real reason that the legislation has not yet been implemented.

Dr M.D. NAHAN: Under the amendments that the minister will bring into the house to the Aquatic Resources Management Act, does the minister intend to give the minister the authority to allocate or sell additional quotas in the western rock lobster industry to individuals or body corporates that currently do not own units of entitlement in the fishery?

Mr D.J. KELLY: We do not intend to make any changes to the legislation, which was passed by the previous government, other than what I have indicated to the Leader of the Opposition. At this point, it is to remedy an error that, the advice is, would have serious ramifications for a number of industries. The issues that the Leader of the Opposition just raised will be in the new legislation, as they are in the legislation that the previous government passed.

Dr M.D. NAHAN: Under the existing legislation, does the minister have the power to allocate or sell additional quotas in the western rock lobster fishery to individuals or body corporates that do not currently own units of entitlement?

Mr D.J. KELLY: As I said, it is the legislation as the previous government passed it. I am sure the Leader of the Opposition is not asking for a legal opinion from me on that legislation, but it is the legislation that the Leader of the Opposition passed in government. It is not our intention to change it.

Dr M.D. NAHAN: When the minister was in so-called negotiations in November and December last year, the minister threatened the council that he would use his emergency powers to allocate additional quotas to people in body corporates other than those who currently own entitlements in the fishery. Does the minister still intend to do that or is he still considering that?

Mr D.J. KELLY: I never made that threat.

Dr M.D. NAHAN: It is on the public record that you made that claim.

Mr D.J. KELLY: I cannot comment on that.

Dr M.D. NAHAN: The minister never made that claim?

Mr D.J. KELLY: No, I never did. The government has been very clear that it is not planning to issue units or entitlements to anyone else, other than the existing holders. We are absolutely crystal clear on that.

Can I just inquire—the agreement that we reached was that this division would end at 8.30 pm. That was the agreement that was reached.

Mr V.A. CATANIA: With who?

Mr D.J. KELLY: Who is chairing this? The member for north west Claremont or what?

The CHAIR: I am chairing it, but there are a number of divisions here. There is no allocation of time to any of the divisions, but I do know that there were discussions about timing and I am sure that the opposition will get to their questions as quickly as possible.

Mr D.J. KELLY: The discussions that we had were with the chief of staff of the —

The CHAIR: The management committee has set out the divisions and the divisions have been allocated for a block from 7.00 pm to 10.00 pm. That is what the Parliament decided it would do. Any other arrangements that are made between members on the floor at the time cannot be enforced.

Mr D.J. KELLY: I am just telling you that it was an arrangement made with the Leader of the Opposition's office.

Ms J.J. SHAW: Just for clarification, this morning in Estimates Committee B, the Chair there made a determination to stick to the agreed timing. It was discussed at quite some length. Can we have clarification please, or advice, perhaps, from the clerk?

Mr V.A. CATANIA: Point of order!

The CHAIR: I can advise you that the estimates management committee has proposed this schedule to Parliament and it has been accepted as the timetable by Parliament. Anything else that might be arranged is of a casual nature, and it is not bound by the standing orders. I do not believe that I need to seek anyone's advice further on that.

Mr D.J. KELLY: You cannot rely on anything the Leader of the Opposition says.

Mr V.A. CATANIA: Point of order! They are wasting time, Chair.

The CHAIR: We had a question, I thought, that was going to be asked by the member for Morley. I will ask the member for Morley to ask her question. If government members wish to ask questions or pass on their questions, that may save some time, but it is the member for Morley's call.

Ms A. SANDERSON: I will ask my question, thank you, Chair. I refer to page 206 and the line item "Surf Life Saving Western Australia Aerial and Beach Patrols and Response". Can the minister explain how this initiative is delivering the wider shark mitigation strategy?

Mr D.J. KELLY: I thank the member for the question. The funding that the government provides to Surf Life Saving WA is a very important part of the shark mitigation strategy that we have in place. One of the issues that we had to deal with when we came to government was that the funding to Surf Life Saving WA was going to run out. I am very pleased, notwithstanding the tight fiscal situation, that in this budget we have committed an additional \$8 million to Surf Life Saving WA to continue its work. This will enable it to continue its aerial patrols in both the metropolitan area and the south west, services that are well received. It will also enable it to use drones to supplement its efforts. Drones are proving to be very useful. Surf Life Saving WA has managed to train a number of its volunteers so that they are competent to use those drones. We are committed to an ongoing relationship with Surf Life Saving WA. We are prepared to support the adoption of new technology, similar to our attitude, for example, with Surfing WA. We have struck a partnership with Surfing WA and provided it with funding. I think Surfing WA would say, and I have heard it say, that there is more happening in the shark mitigation space now than ever before. We have committed to new technology and are working with community groups such as Surf Life Saving WA and Surfing WA to complement the government's other measures.

[9.10 pm]

Ms L. METTAM: I refer to page 206 of budget paper No 2 and the SMART drum lines trial. I note the minister's reference to Surf Life Saving WA and I ask: why are tiger sharks in particular, but also bull sharks, not recognised as potentially dangerous in WA, as they are in New South Wales, and tagged for public safety and research purposes? These sharks are highlighted on Surf Life Saving alerts. We know that beaches are shut when there is a three-metre long tiger shark in the area. Why are we not taking the same opportunity to have these species tagged and monitored?

Mr D.J. KELLY: The member should be aware that all the fatal shark attacks in Western Australia, certainly in the last 20 years, have been attributed to great white sharks.

Ms L. METTAM: That is not conclusive.

Mr D.J. KELLY: The member asks the questions and I answer them.

Ms L. METTAM: Are we not replicating New South Wales? I thought that was the idea.

Mr D.J. KELLY: If she keeps interrupting me —

The CHAIR: Member for Vasse! Let the minister answer the question. You can have a follow-up if you like.

Mr D.J. KELLY: All the experts—the member might consider herself to be an expert—attribute all the fatal shark attacks in the last 20 years in Western Australia to great white sharks. That is different from the east coast of Australia, where a number of fatalities have been attributed to bull sharks and tiger sharks. That is not the case in Western Australia. The thing that most focuses my mind is what will make our beaches safer. Tagging tiger sharks is not going to do that, because no fatal shark attack in Western Australia this century has been attributed to a tiger shark. For us to determine whether the SMART drum lines trial is successful, we have focused it on great white sharks. The experts at the department also tell me that there is no scientific necessity to tag tiger sharks to track their behaviour and the like because the behaviour of tiger sharks in Western Australia is well understood. There is no reason to tag tiger sharks for scientific tracking purposes and there is no apparent reason to tag them because they have not been responsible for any fatalities in Western Australia. However, we still do record them on the Sharksmart website. We basically close beaches for any large sharks—for example, hammerhead sharks, which even in New South Wales are not considered to be a target shark. If we spot a large hammerhead close to a beach in WA, we close the beach under those circumstances as well. Tiger sharks are not a target species for the drum lines trial in WA because they have not been attributed to any fatal shark attacks in WA in recent times.

Mr V.A. CATANIA: I refer to page 221 and the table headed "Details of Administrated Transactions", and specifically the line item on recreational licence fees. Given that the minister and his government have considerably increased recreational licence fees since coming into government, does he have any intention of increasing them further to utilise the money at his will?

Mr D.J. KELLY: When we came to government, recreational fishing licences had not been increased since they were introduced. As the member should know, the value of a licence diminishes over time if it is not adjusted. We adjusted the fishing licence fee by \$5, which essentially equated to a consumer price index adjustment from the time it was introduced. We then increased it a second time, also by \$5, and we undertook to make that the last increase in this term of government. Again, that increase equated to CPI. As the member would well know, 25 per cent of the income from fishing licence fees goes into the recreational fishing initiatives fund. That fund provides such things as the new artificial reef that we are going to have in the metropolitan area. They are the types of things that Recfishwest says will improve the recreational fishing experience in WA. If the fees remain static and that income does not increase, we cannot do that into the future. We made an election commitment to put 25 per cent of the fees collected into that fund. When the member was in government and the now Leader of the Opposition got us into all that financial trouble, his government released a budget that saw some of that money from recreational fishing licences go not into the recreational fishing initiative, but into that government's budget black hole. We committed to maintain 25 per cent of fishing licence fees going into the fund, and that is what we have done. The member can look at the string of projects that we are going to roll out to improve the fishing experience here in WA because of that commitment to recreational fishing. We are not going to raid that fund—like the previous government was going to—to sort out the budget mess that the previous government created.

Mr V.A. CATANIA: I am glad the minister touched on the 25 per cent of fees going back into the recreational fishing space through the development of things such as artificial reefs. Taking into account the recreational fishing licence fees and the contribution from particularly the Gascoyne and the Pilbara, when is the minister going to approve an artificial reef for Carnarvon and the Gascoyne that the previous government did some work on? It has been with the minister and his department for some time now.

Mr D.J. KELLY: The member should know—even though sometimes he asks questions that indicate he does not know—that under the recreational fishing initiatives fund, Recfishwest calls for expressions of interest for projects. People put forward project ideas and Recfishwest decides which ones it wants to support.

Mr V.A. CATANIA: To be signed off by you.

Mr D.J. KELLY: Recfishwest then brings those to the government.

Mr V.A. CATANIA: To be signed off by you.

Mr D.J. KELLY: As I said, if the member wants me to answer his questions, he should not interrupt. If he keeps interrupting me, I will not answer his question.

Mr V.A. CATANIA: Do not bully me. Stop bullying me.

The CHAIR: Member!

Ms J.J. SHAW: Maybe the member needs some time out. He is getting pretty tired.

Mr D.J. KELLY: It is a pretty simple process. Recfishwest then presents projects to the government and we work through them. If the member's government never approved an artificial reef for his region, it probably shows what a lousy local member he was when his own government was in place and he could not get that project up. It probably shows how poorly he represents the constituents in his area, which is consistent —

Mr V.A. CATANIA: You are right. I must be like you with your rock lobster policy!

Ms J.J. SHAW interjected.

The CHAIR: Members! Member for Swan Hills, thank you.

Mr D.J. KELLY: That is consistent with what I hear about the member in a range of areas. If there is a proposal for an artificial reef in the member's area, it should be put through the normal process. If it is a good proposal, it should be progressed, but if the member has not managed to achieve that, he probably should ask why. He had eight and a half years to do it!

[9.20 pm]

Mr V.A. CATANIA: My understanding is that Recfishwest has proposed it to the minister and his department for him to sign off on. It may be that the minister does not know what he has on his desk, because clearly it is sitting perhaps in front of the head of fisheries, or on his desk. The question is: why is the minister holding it up?

Mr D.J. KELLY: No-one is holding anything up. There is a current round of projects being considered. They have not yet reached my office.

Mr V.A. CATANIA: You say that with a smirk, or is that just your general face?

Mr D.J. KELLY: I cannot help myself. The things I hear about you from your constituents are priceless.

Mr V.A. CATANIA: What I hear about you through your Labor Party is priceless.

The CHAIR: Member for North West Central, I will call you again if you keep interrupting. Minister, you mentioned that you wanted to get through this. Quick answers, quick questions, and we might get ahead.

Mr D.J. KELLY: If that project is within the current round of applications, it will be considered in due course, but it has not yet come to my office for approval.

Dr D.J. HONEY: Chair, with the agreement of the other members and in discussion with my colleagues, in order to save time, and to save officers from being here, I think we are happy to move forward with the ChemCentre appropriation as it is.

Mr D.J. KELLY: Point of order. We have to deal with this appropriation first before we move on to anything else.

The CHAIR: I am just listening to a proposal which goes along the lines of what you were talking about.

Dr D.J. HONEY: Yes. I understand that my colleague from the National Party has one question on the Forest Products Commission. Perhaps we could do that next, after we have completed this division, which I believe we are going to complete now.

The CHAIR: If members wish to move to vote on this particular division, then I understand that division 30 will be voted without any questions being asked.

Dr D.J. HONEY: That is correct.

Ms J.J. SHAW: I have a question on division 30.

The CHAIR: I am trying to clarify what is proposed; then we will move to division 39.

Dr D.J. HONEY: That is correct.

The CHAIR: Is everybody on the committee agreeable to that, minister and other members?

Mr D.J. KELLY: The proposal is to move on from this division now and move straight through division 30?

The CHAIR: To put division 30 without any examination?

Mr D.J. KELLY: Yes, and then move on to the Department of Water and Environmental Regulation. I am happy with that.

Dr D.J. HONEY: With your agreement, Mr Chair and minister, we move on to division 39.

The appropriation was recommended.

Division 30: Chemistry Centre (WA), \$7 794 000 —

The appropriation was recommended.

Division 39: Water and Environmental Regulation, Services 1 to 3, Water, \$94 511 000 —

Mr R.S. Love, Chair.

Mr D.J. Kelly, Minister for Water.

Mr M. Rowe, Director General.

Mr W. Millen, Chief Finance Officer.

Ms S. McEvoy, Executive Director, Strategic Policy.

Dr N. Goyal, Executive Director, Science and Planning.

Mr P. Brown, Executive Director, Regional Delivery.

Mr G. Gilbert, Executive Director, Corporate Services.

Ms N. Arrowsmith, Chief of Staff, Minister for Water.

Mrs P. Pedelty, Senior Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. 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. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

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 minister 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 minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for Cottesloe.

Dr D.J. HONEY: Minister, I refer to page 571, budget paper No 2, volume 2, point 10. At a public meeting on 5 May the Minister for Agriculture and Food, along with the failed federal Labor candidate for Pearce, promised \$700 000 of state funds for an investigation into improving water supplies for the north Wanneroo agricultural precinct. When I was looking through the budget—this is an open question—I could not see that money listed anywhere. Can the minister tell me where that money is listed within the budget?

Mr D.J. KELLY: I am very pleased that the member asked me that question. The provision of water for that area of Wanneroo has a long history. The member will recall or should know that the previous government advised growers in that area that they would face a 25 per cent cut in their water allocation. A 25 per cent cut for those growers was a very big deal. If we go back and look at *Hansard*; that was what they were told. When we came into government, the Department of Water and Environmental Regulation was still working hard on this issue, and we encouraged it to do so. Now, because of the hard work done by the department, it looks as though a 10 per cent cut is all that is required. If the member's government had been re-elected, by now those growers would be facing a 25 per cent cut. Because of the work that we have done, all that is potentially happening is a 10 per cent reduction.

The question is: are there any other potential water sources to supplement the growers in that area? I will say two things. Federal Labor committed I think \$700 000, or \$750 000, or \$500 000—the member knows more about it than I do. That was a commitment from federal Labor to explore the use of recycled water for those growers. That was a federal Labor commitment. We all know the election result, so that commitment from the federal opposition falls away, unless, of course, the new Liberal government will actually provide some financial assistance. The member would be well aware that the federal Liberal–National government has squandered millions of dollars on the east coast supporting or propping up growers in the Murray–Darling Basin. It has given hundreds of millions of dollars. Barnaby Joyce gave away money for water as fast as he could. Very little money has come to WA. Before the election, we wrote to the federal Minister for Agriculture and Water Resources and said, “You give all this money to people on the east coast.” This is all necessitated by climate change. If the groundwater is not there because of a decline in groundwater, we have to do something and adjust the allocations. We have asked for financial assistance and the Minister for Agriculture and Water Resources, David Littleproud, wrote back and gave us no joy that there would be any money from the federal Liberal–National government to support those growers. The member knows the election result. I suggest that if he is concerned about those growers, he asks that WA gets at least some assistance in the same way that his federal counterparts have been throwing away money to growers on the east coast. I do not understand why the previous Liberal–National government in the state never asked for money to deal with this issue.

[9.30 pm]

Dr D.J. HONEY: This is a pretty direct question. The minister's colleague the Minister for Agriculture and Food, alongside the failed Labor candidate for Pearce, indicated that the minister and his government had already committed \$700 000 to a study for additional water supplies. The failed Labor candidate for Pearce was committing another \$500 000 —

Ms J.J. SHAW: Is that really necessary? How petty and pathetic.

The CHAIR: Member for Swan Hills, I call you.

Mr D.J. KELLY: How did “Big” Nick go?

Mr V.A. CATANIA: How did “Big” Bill go?

Dr D.J. HONEY: The failed Labor candidate for Pearce promised —

Mr D.J. KELLY: “Big” Nick—big dud.

Dr D.J. HONEY: It is a pretty straightforward question that the minister has not answered.

Mr D.J. KELLY: Sorry, member for Cottesloe.

Dr D.J. HONEY: The Labor candidate promised another \$500 000. The Minister for Agriculture and Food said the government had already committed \$700 000. This is not a trick question. I could not find it in the budget and I am trying to find it in the budget because it is an important issue for the people in that area.

Mr D.J. KELLY: Member for Cottesloe, I suspect that the Minister for Agriculture and Food was referring to money that might be available through the Department of Primary Industries and Regional Development budget. I am not the minister and this is not the place to give those details, but I will give the member the heads-up that that might be where the money might be available from, if those comments were made. I was not at the meeting, and, incidentally, the Liberal member for Pearce, Christian Porter, did not bother to show up at that meeting. If the member has questions about what the state Minister for Agriculture and Food said at that meeting, he really needs to address that to her in other parts of the estimates hearings.

Dr D.J. HONEY: Thank you. I will check the Department of Agriculture and Food budget. Minister, what other work is the department doing to identify alternative water sources for the north Wanneroo vegetable growers?

Mr D.J. KELLY: Again, I am really pleased the member has asked that question because he has been making some quite ill-informed comments about the possibilities in that area. I have seen his tweets saying that we are

essentially releasing high-quality recycled water into the ocean and that we should be using that directly for growers or pumping it into aquifers for later use by growers. Both those statements show a lack of understanding. At a number of wastewater treatment plants we discharge into the ocean, but that is treated wastewater. That water is not of a quality that we could make it available in that form to growers. It simply would not meet health standards. We could not pump it straight into the aquifers to be taken out by growers, as the member has suggested. That would be pollution because, again, it is not of a quality that could be used by a grower and we drink the groundwater. We would be pumping wastewater into the aquifers and polluting our groundwater.

To get that water to a usable quality, we have to treat it again. The member should be aware that the groundwater replenishment program at Craigie involves filtration and reverse osmosis to get it to drinking water quality. It is then pumped into the aquifer. We have spent more than \$100 million on getting that water to a quality that we can pump it into the aquifer without polluting the groundwater. I think the member said in the local paper that we are wasting all this high-quality water and he has tweeted about it. It is completely —

Dr D.J. HONEY: Point of order. Can I get clarification? I have asked a very simple question of the minister and I am getting an enormous amount of hyperbole, which is taking up valuable time.

The CHAIR: Members, there is no point of order. Minister, please keep your answers as short as possible.

Mr D.J. KELLY: Sure. The member asked me what work we have done on alternative water sources.

Dr D.J. HONEY: What is the government doing?

Mr D.J. KELLY: I can tell the member that we have looked at the two options he has suggested—taking recycled wastewater and giving it straight to growers, and pumping that water into aquifers for growers to use at a later date—and both would be grossly irresponsible. They could not possibly happen. We could not get a licence to do that. It would be pollution on a grand scale. We are looking at what it would cost to treat wastewater from, say, Alkimos to get it to a standard at which that it could be used by growers. That work is preliminary. It would come at a cost. It would be at a significantly higher cost than what many of the growers would expect to pay. That project using recycled and treated water from Alkimos, for example, would be viable if the federal government were to kick in the funding for it, the same way that it has done elsewhere—for example, in the Murray–Darling Basin. There are alternatives, but they all come at a cost.

[Interruption from the gallery.]

Mr D.J. KELLY: With the greatest respect, the member should give up on those grossly irresponsible proposals and work with his federal and Nationals colleagues to get us some of that water money that they spend in the Murray–Darling Basin and get it spent here in WA.

Dr D.J. HONEY: I suggest that the minister consults his department and experts in the area to understand it. If there is gross pollution from treated wastewater going into the ground, is the minister aware that secondary treated wastewater is being put into the ground just next to the Kwinana wastewater treatment plant and from the Gordon Road wastewater treatment plant in Mandurah? Is the minister saying that that is causing gross pollution of the groundwater in the Kwinana and Mandurah areas?

Mr D.J. KELLY: No. What the member was suggesting in Wanneroo —

Dr D.J. HONEY: They are straightforward questions.

Mr D.J. KELLY: No, I am not. Those projects all operate under licence, under strict —

Dr D.J. HONEY: It is secondary treated wastewater.

Mr D.J. KELLY: I saw in the member's tweet that he is suggesting that in Wanneroo we pump that treated wastewater into the aquifer and allow growers to pump it out.

Dr D.J. HONEY: It is exactly what is happening at Gordon Road and Kwinana.

Mr D.J. KELLY: He wants us to then allow them to pump it out. We use those aquifers for drinking water. I ask that the member do a bit more research before he starts making grandiose claims that there is all this water out there that can simply be diverted. The member has only been in the Parliament for two years.

[9.40 pm]

Ms L. METTAM: Three years.

Mr D.J. KELLY: It feels like two years. If the solution was that simple, the previous government had eight and a half years to implement it, and it never did.

Mr V.A. CATANIA: I refer to the details of controlled grants and subsidies table on page 581 of budget paper No 2. Given the proven popularity of the uptake of the former farm water rebate and pastoral water grant scheme, will the minister use some of the expense savings to reinstate these programs?

Mr D.J. KELLY: I cannot find it; it is not on the grants table. Which line item is it? I have page 581.

Mr V.A. CATANIA: I am looking at the details of controlled grants and subsidies. I am saying that the government has removed the farm water rebate and pastoral water grants scheme from that table, and I am asking whether the minister will reinstate it.

Mr D.J. KELLY: I will give the member the latitude. There were two elements of what we did for farmers. There was a program under which we gave them up to \$750 for farms to do an audit to identify what the farmers could do to make their farms more water resilient. That program has probably been in place for 20 years. It paid \$500 for the first visit, and \$250 for the second visit, to get an audit done. Then, an additional grant could be applied for to get that work done. We put these things in place to encourage people to be water wise on their farms, if you like—to get the message out. It is a subsidy that was provided by the government to get the message out to farmers that they need to make their farms water resilient. With most of those programs, whether they be subsidies for solar panels or the like, once the message is well and truly out there the subsidy is no longer necessary. The government took the view that that program has been there for a very long time. Farmers are well aware that it is their business to secure the water on their property, so the question is whether there is a need for the government to continue to subsidise private businesses, providing a business input that is well understood. We took the view that after 20 years that message had well and truly got out there.

We still wanted to encourage people to do it, so we actually increased the subsidy for the audit from a maximum of \$750 to \$1 000. If farmers wanted to find out the best practice to make their farm drought resilient they could get an audit, and they would receive more than they did before, up to \$1 000. I asked today how many of those audits had been taken up in the last 12 months. We used to do about 200 a year, but so far there have been just five this financial year. I am a bit surprised that we are still offering farmers \$1 000 to get the water audit done on their property, and the take-up has been extraordinarily low. I suspect that the message is out there, and farmers know that they need to be taking responsibility for water resilience on their own farms, as any business would. The government made a decision that after 20 years the need to continually subsidise this no longer existed. It was no longer necessary to provide a subsidy to get the message out; it was well and truly out there.

Ms L. METTAM: I refer to service 1, “Water Information and Advice”, on page 574 of budget paper No 2. The first paragraph reads, in part —

... the provision of data and information on the quantity, quality, location of and demand for water across the State. The information also underpins policy advice for consideration by Government and supports other government agencies and stakeholders in their planning for future economic growth and urban and rural development.

Can the minister confirm that it is the role of the Department of Water and Environmental Regulation to coordinate the identification of sites in Western Australia that might be contaminated by firefighting foam?

Mr D.J. KELLY: Contaminated sites come under the environment portfolio, under the contaminated sites legislation. It is not an issue for this part of estimates.

Ms L. METTAM: So it does not come under the minister’s portfolio?

Mr D.J. KELLY: It is not my portfolio responsibility; it is a matter for the Minister for Environment.

Ms L. METTAM: In estimates this evening, the Minister for Emergency Services indicated that issues such as that came under the Minister for Water’s portfolio. Is that not the case?

Mr D.J. KELLY: I do not know what the Minister for Emergency Services said.

The appropriation was recommended.

Water Corporation —

Mr R.S. Love, Chair.

Mr D.J. Kelly, Minister for Water.

Mr P. Donovan, Chief Executive Officer.

Mr R. Hughes, Chief Financial Officer.

Mr M. Leathersich, General Manager, Operations Group.

Mr E. Hambleton, General Manager, Assets Planning Group.

Ms N. Arrowsmith, Chief of Staff, Minister for Water.

Mrs A. Cowdell, Senior Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. Members may raise questions about matters relating to the operations and budget of the off-budget

authority. Off-budget authority officers are recognised as ministerial advisers. 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 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 minister 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 minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I call the member for North West Central.

Mr V.A. CATANIA: I refer to the heading "Expenditure in the Regions" on page 670 of budget paper No 2. I understand the country water pricing subsidy is now being paid for out of royalties for regions. Can the minister tell me the amount of royalties for regions funding going into the country water pricing subsidy?

Mr D.J. KELLY: I am not the minister for royalties for regions, but I will give the member a hint. He can find the information in appendix 8, which is a list of royalties for regions projects. I suspect he will find it in there.

[9.50 pm]

Mr V.A. CATANIA: Can the minister not tell me exactly how much royalties for regions money is going into the country water pricing subsidy at the moment?

Mr D.J. KELLY: Not off the top of my head. I will give the member a hint. A list of them is in the budget.

Mr V.A. CATANIA: I would just like to know the number.

Mr D.J. KELLY: I am not the minister for royalties for regions. A list of them is in budget paper No 3. The member will find it there.

Mr V.A. CATANIA: Given that the minister does not know how much royalties for regions money has been put into the country water pricing subsidy, can he tell me what the government has done with the money that was in the country water pricing subsidy prior to his party coming to government? What has the government done with the money it has taken out of that subsidy and replaced with royalties for regions funding? Where has that money gone?

Mr D.J. KELLY: Again, that is not my responsibility. Under this portfolio area —

Mr V.A. CATANIA: The Water Corporation.

Mr D.J. KELLY: Does the member understand what it is? In the country we subsidise people's water so that everybody pays, at least in the lower tiers, the same —

Mr V.A. CATANIA: I understand that. I am trying to work out whether money has gone.

Mr D.J. KELLY: The member should let me answer the question. It is so people pay the same amount for water, regardless of whether they live in regional areas or in Perth. Previously, that subsidy was paid from consolidated revenue; it is now paid from royalties for regions. With the mess that you guys left us, we want to make sure that the country water pricing subsidy is maintained. This was a way of giving it secure funding into the future.

Dr D.J. HONEY: The 2016 Economic Regulation Authority report into cost reflectivity for water charges indicated that there would be full cost reflectivity by 2017–18 based on the forecast price increases. That included the balance of the regional water subsidy. Is the income from Water Corp in 2019–20 above cost reflectivity; and, if so, by how much?

Mr D.J. KELLY: On the basis of the increases we have received in this budget, cost reflectivity for the Water Corporation at this time with the 2.5 per cent increase is 99 per cent.

Dr D.J. HONEY: Just to be clear, is the minister saying that the total amount of money that the government is putting into this, including the fees and charges that are returned, is only 99 per cent of the total cost of that service?

Mr D.J. KELLY: Cost reflectivity is 99 per cent for the Water Corporation on the basis of the increases in the current budget.

Dr D.J. HONEY: I will not waste time going through the numbers tortuously here, but if we look at 2019–20, I think it is \$960 million or thereabouts that is being paid by Water Corporation to government. The subsidy for the country water users is around only \$400 million. As the member for North West Central pointed out, that is progressively being subsidised in large part by royalties regions money. I am intrigued about how that can be at only 99 per cent cost reflectivity.

Mr D.J. KELLY: The net accrual to government under this budget is less than that in the last budget that the member's party handed down in government. The net accrual to government is less under this budget than in the last budget of the previous state government. The member needs to keep that in mind.

Dr D.J. HONEY: That was four budgets ago.

Mr D.J. KELLY: It was the budget that government took to the election. If the member's party had won and we had got to this point, it would have been budgeting for a greater net return to government.

Dr D.J. HONEY: Four budgets ago is meaningless.

Mr D.J. KELLY: The member may only have been here for a year, but everything has its history. The amount of dividends and other payments that are coming out of the Water Corporation—the net accrual to government is less than members opposite envisaged had they won the election.

Dr D.J. HONEY: I still cannot understand why we are not well above cost reflectivity. Perhaps the minister's accounting staff can help. There is an illusory charge in there of supposed taxation, which the state government never pays. There are also rates and charges, which the state government does not pay to itself. In fact, the government does have the net \$500 million cash. Based on that measure, when will we achieve cost reflectivity based on the forecast 2.5 per cent increase in price?

Mr D.J. KELLY: Predicting the future is always very difficult. I would be reluctant to give the member a figure because it depends on costs. The budget is predicated on there being 2.5 per cent increases across the forward estimates, which the member would be aware are the lowest increases in water since 2005–06. The budget assumes 2.5 per cent increases across the forward estimates. I could tell the member that in two or three years' time we would reach cost reflectivity, but that would be a prediction because it all depends on what the costs are. If the economy picks up and wages and costs go up, we might not reach cost reflectivity. The member is asking me to speculate about when we will. All I can say is that the advice I have received is that we are currently at 99 per cent.

Dr D.J. HONEY: I appreciate that there may be uncertainties, but the budget has published figures for inflation, wages and the like. I appreciate there will be other variables. The world could end tomorrow! Based on those variables, when do we estimate we will be at cost reflectivity. The water charges are increasing at about double actual inflation at 2.5 per cent.

Mr D.J. KELLY: The budget does not speculate on when we will reach cost reflectivity and I am not prepared to do that either.

Dr D.J. HONEY: It is the minister's department, so he should know.

The Water Corp has a project to double the groundwater replenishment from recycled water into the Gngangara mound from 14 gegalitres to 28 gegalitres. When will that project be completed?

Mr D.J. KELLY: At the end of this calendar year.

Dr D.J. HONEY: For the last three years, the level in the Gngangara mound has been increasing and, in fact, not decreasing. How much water does Water Corp estimate needs to be recharged to stabilise the water level in the aquifer if we were to return to the drier years before the last three years? Does Water Corp have an estimate of that?

Mr D.J. KELLY: There are a couple of bits in that question.

Dr D.J. HONEY: The water level of the Gngangara mound has been increasing in the last three years. There will be a doubling of the recharge from 14 gegalitres to 28 gegalitres, which is quite a substantial increase. I am trying to ascertain how much Water Corp estimates we need to recharge into the Gngangara mound to stabilise levels. It goes to the questions that we were asking before about the impending cut for the water users in north Wanneroo.

Mr D.J. KELLY: The water levels in the Gngangara mound have gone up slightly over the last two years because we have had some rain over the last two summers, but the long-term trend is still down. It would be foolish to assume that because we have had some rain in the last two winters groundwater levels in the Gngangara mound are not an issue.

The CHAIR: That completes the examination of the Water Corporation.

Forest Products Commission —

The CHAIR: For the minutes, I note that the Forest Products Commission was not examined.

APPROPRIATION (RECURRENT 2019–20) BILL 2019 APPROPRIATION (CAPITAL 2019–20) BILL 2019

The CHAIR: The question is —

That the clauses, schedules and titles of the bills be agreed to.

Question put and passed.

Committee adjourned at 10.00 pm

