

BUDGET STATEMENTS 2002-03, RESEARCH AND DEVELOPMENT FUNDING

**1422. Hon MURRAY CRIDDLE to the Minister for Agriculture, Forestry and Fisheries:**

On page 230 of the *Budget Statements* the estimated person hours involved in research and development have dropped dramatically, while funding from sources other than the State Government have risen by \$1 million.

- (1) Does this indicate a cut in consolidated funding?
- (2) Where is that cut being made?

**Hon KIM CHANCE** replied:

- (1)-(2) I thank Hon Murray Criddle for asking a more generic question than I thought he was going to ask. I have left my copy of volume 2 of the *Budget Statements* outside.

I have complained consistently in both opposition and in government about the difficulty in comparing one year's budget papers with another year's papers. I was horrified when I read this year's budget papers, not only because I found them very difficult to read but also because unless one has a degree in accounting and understands the reasons for changes it is extremely difficult, if not impossible, to make a valid comparison between each year's budget. We have been assured over recent years - Hon Murray Criddle was assured while he was in government - that the format of the budget papers was a transitional process and eventually the format for each year would be comparable. I note that Hon Bill Stretch is amused by that because he has heard it far more often than I have.

Hon Bill Stretch: Hope springs eternal.

Hon KIM CHANCE: In the interest of transparency I have responded to the difficulty by offering supporting information for the budget, which will make it somewhat easier for members to determine the differences between the budgets of each year. Similarly, I will follow the same practice I followed last year. I have already offered selected opposition members an extensive briefing on the way the budget is constructed.

To answer Hon Murray Criddle's generic question, the net effect of this agriculture budget compared with last year's budget is a reduction of \$2.5 million, or three per cent. That puts it on par with all other non-quarantined agencies across the portfolios in Western Australia. A postscript, however, is that the \$2.5 million would have evaporated had we brought into the budget salinity funding, which we have not yet put into programs as a result of the delay in signing the intergovernmental agreement with the Commonwealth on the national action plan. Members will be aware that as soon as that money is shown in the budget program it becomes, for the purposes of the IGA, old money and cannot be matched by the Commonwealth. I am certain of my ground when I say that the net cash difference between this year's budget and last year's budget is negative in the region of \$2.5 million.

Other issues must be considered in the way services are funded and provided to agriculture in the Gallop Government's structure. These are not accounting difficulties; they are policy differences. It is the Gallop Government's policy to address not so much issues of land care but the generic issues of salinity and water quality on a whole-of-government basis. As a result, much of the money for those purposes, whether allocated or not, has been parked in other agencies' budgets. I refer members particularly to the budgets of the Water and Rivers Commission and CALM in which a substantial amount of salinity money is parked but not yet allocated. However, in the long term members will see increasingly agricultural-related money - money that we would have expected to see in the agriculture budget in the past - being delivered across other agencies. One of the other reasons for that is to ensure that the lumps of money set aside for programs are kept in a single jar so that we can match the Commonwealth's "glass jar" approach whereby commonwealth and state money is combined in a single source. There is a range of reasons. I know it is difficult.

Hon Murray Criddle: What about the CRF net difference?

The PRESIDENT: Order! I do not know that we can have a supplementary question that will prolong the answer further.

Hon KIM CHANCE: I will not take long, Mr President. The answer is a refinement. The consolidated fund base allocation is slightly higher than it was last year.