

Mr Murray Cowper; Mr Mark McGowan; Mr David Templeman; Mr Dan Barron-Sullivan; Mr Norm Marlborough; Chairman; Mr Mick Murray

Divisions 52 and 53: Peel Development Commission, \$1 540 000; South West Development Commission, \$5 017 000 -

Mr J.R. Quigley, Chairman.

Mr M. McGowan, Minister for Peel and the South West.

Ms M. De Lacey, Chief Executive Officer, Peel Development Commission.

Mr M. Timoney, Manager, Corporate Services, Peel Development Commission.

Mr D. Punch, Chief Executive Officer, South West Development Commission.

Ms V. Cartwright, Acting Manager, Corporate Services, South West Development Commission.

Ms J.A. Armstrong, Policy Adviser, Peel and the South West, Office of the Minister for Peel and the South West.

Mr M.J. COWPER: I refer to the fourth dot point under significant issues and trends on page 902 of the *Budget Statements*, which states -

The most significant environmental issue in the Peel region remains the maintenance of river, estuarine and coastal water quality and biodiversity.

Specifically, \$2.1 million has been allocated. Can the minister advise of the compilation of the commonwealth and state contribution to that fund?

Mr M. McGOWAN: That is called the Coastal Catchments Initiatives project, and targets nutrient reduction research for preparation of a water quality improvement plan for the Peel-Harvey system. For every dollar the state contributes, the commonwealth provides \$10.

Mr M.J. COWPER: It is my understanding that \$1.8 million is being contributed by the commonwealth and \$300 000 by the state. Would that be correct?

Mr M. McGOWAN: It would be a mathematical calculation. For every dollar the state government puts in, the commonwealth contributes \$10, bringing the total to \$2.1 million. A tenth of the commonwealth contribution would mean that the state contributes \$200 000 or thereabouts.

Mr D.A. TEMPLEMAN: I have a similar question. Can the minister outline the other initiatives for the Peel waterways that have been budgeted for over the next four years?

Mr M. McGOWAN: I was very impressed by the member for Mandurah at the recent cabinet function in Mandurah.

Mr M.J. COWPER: What did he sing?

Mr M. McGOWAN: He was very impressive. He spoke about the health of the waterways of the Peel region being the most important issue in the area. The state government is committing \$1.4 million over the next four years for a waterways centre to be located in Mandurah to provide information for the public on what can be done to improve the health of the waterways. Through the Department of Environment, \$610 000 has been provided to target riverfront restoration, estuary environment assessment and rezoning of recreational nodes around the estuary and the Murray River. The Peel Development Commission has completed the draft of a brief for delivering a feasibility study for establishing a business case for a Peel waterways institute. The Peel Regional Park has now come under the 2003 Peel region scheme to acquire land and waterways for reserves within the framework of the park. The Peel-Harvey Catchment Council has been established as part of the state's delivery of natural resource management through regional groups as established under the bilateral agreement for the Natural Heritage Trust and the National Action Plan.

Mr D.F. BARRON-SULLIVAN: I have decided to change my first question after that, because I have just heard that the government is spending more than \$2 million conserving the waterways in the Peel region which, I might point out, is partly encompassed by the minister's electorate. He has just told us that he is planning to build a \$1.4 million waterways centre in the area over four years. There is also to be a Peel institute. I am sure that the member for Collie-Wellington and I would like to know more. The fourth point from the bottom of page 918 says that the South West Development Commission will support the implementation of a Leschenault Inlet siltation action plan. How much money is going into the plan that is being supported by the development commission? Does it cover just the inlet, or the whole inlet and estuary area? Why are we the poor cousins to the Peel region?

Mr N.R. MARLBOROUGH: Because we do not like you, at a personal level. That is the first reason. Would the member like me to give the nine other reasons?

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Mr D.F. BARRON-SULLIVAN: Undoubtedly that is the minister's reason. The Minister for the South West comes, broadly speaking, from the Peel region. We would like to see some commitment made to the south west. We are fed up with having ministers come from the metropolitan area who do not know the south west at all and will not put a penny into fixing problems in the area. There is a major situation in the Leschenault estuary, and all I can pick up is one puny little line, and I bet that there is not \$3 million or \$4 million to go with it.

Mr M. McGOWAN: As a point of clarification, Mr Chairman, are we dealing with the south west at the same time as the Peel region?

The CHAIRMAN: Yes.

Mr M. McGOWAN: As pointed out by the members on my right, the premise of the member for Leschenault's question that my electorate lies within the Peel region -

Mr D.F. BARRON-SULLIVAN: I said that the minister came from that area.

[5.10 pm]

Mr M. McGOWAN: I am sure that the member for Murray, who comes from the Peel area, would say that I do not come from the Peel region. We have a bit of a dispute about where I am from. It is probably the same as saying that Midland is broadly within the Peel region. As the member for Leschenault has said, an application is currently going forward for funding from the regional investment fund and from fisheries for work to be done on the Leschenault Estuary for the restocking of fish, such as cobbler, and the restocking of crabs, and the dredging program.

Mr D.F. BARRON-SULLIVAN: But no funding?

Mr M. McGOWAN: As the member for Leschenault well knows, this government is spending a fortune on the south west, in particular the broader area of his electorate, including a range of improvements to hospitals in the area.

Mr D.F. BARRON-SULLIVAN: My question was about the inlet and the estuary.

Mr M. McGOWAN: He said that we are ignoring the south west and we are not doing anything in his area. He has picked one specific issue, and he is wrong. We are spending a great deal on his electorate, as people in Bunbury know. As I have said, we are taking forward an application for funding for both those projects.

Mr M.P. MURRAY: The seventh dot point on page 914 refers to the skills shortage. What steps have been taken in the region to address the problem of the skills shortage due to the extraordinary growth that is happening in the south west and the major projects that are on the drawing board for the future when we will need every one of those skilled people?

Mr M. McGOWAN: That is a brilliant question, member for Collie-Wellington. Of course, the south west is booming. As I regularly head to the member's electorate and the greater Bunbury area, I realise how much the area is growing. It has the same skills shortage problems as other parts of Australia, and as the metropolitan area does. The South West Development Commission has worked with the fabrication industry, including 60 companies in the south west and the Peel area, on strategies to improve access to training, sharing of resources and alliance building to take advantage of all those major projects, including the Bluewaters project in the member's electorate. This model can be extended to other industry sectors. It is built on collaboration between industry, chambers of commerce and local government bodies. The commission has supported the development of a regional training plan, identifying skills priorities and strategies for training through the vocational training sector. It has worked with industry on strategies to arrange the timetable of projects to take advantage of available labour opportunities and work with the skilled migration unit, established by the government to promote the region for prospective migrants who have skills that cannot be sourced locally.

Mr M.J. COWPER: On page 903 of the *Budget Statements* the second dot point refers to mining, retail, manufacturing and construction continuing to be the major drivers of the economy, with tourism and agriculture being important additional contributors to regional prosperity. I draw the minister's attention to the fact that the equine industry generates \$150 million a year. I draw the minister's attention to some developments that will be occurring there in the future. Will the minister give serious consideration to redressing the issue for future budgets?

Mr M. McGOWAN: What would the member like to see?

Mr M.J. COWPER: I would like to see additional funding for the equine industry. The Peel Horse Industry Development Association tabled a paper on funding for an equine centre of excellence to which a Liberal government would have contributed.

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Mr M. McGOWAN: If the member would like to get the association to put a proposal to me, we will have a look at it. As the member will be aware, we are putting a huge amount - more than ever before - into capital works for the racing industry, in particular. Does the member's question apply to the racing industry or is it general?

Mr M.J. COWPER: I am talking about the equine industry; about those people who have horses for pleasure, the trotting industry, the racing industry, show jumping, and draughthorse and other equestrian events.

Mr M. McGOWAN: My understanding is that we have funded this group in the past through the regional development scheme to the tune of \$100 000. We are currently awaiting an application from them. I am sure they have brought that to the member's attention. If they want to put in an application or make a submission to me, we will have a look at it.

Mr M.J. COWPER: I thank the minister for that.

Mr D.A. TEMPLEMAN: The sixth dot point on page 906 refers to the success of the regional development scheme, which is a Gallop government initiative. Can the minister outline an example of the projects that have been delivered, particularly to the Peel region shires of Murray and Waroona?

Mr M. McGOWAN: There is a whole range of projects throughout the region. As the member would know, it is a great opportunity for local smaller communities to access funds for various projects. The member for Collie-Wellington has been particularly active in securing funds for local groups through this scheme. We have increased the funding to \$500 000 per year. Some of the bigger projects we have assisted with include industrial land planning in the Shire of Murray, to the tune of \$50 000; the Waroona community marketing coordinator's position, to the tune of \$25 000; the redevelopment of Preston Beach car park and recreation area, at a cost of \$15 000; a youth counselling service, at a cost of \$30 000; a business development manager, at a cost of \$25 000; and a positive ageing study, at a cost of \$27 000. Those are just a few. As the member would know, there are literally dozens of projects that we assist throughout the region.

Mr D.F. BARRON-SULLIVAN: The first dot point of the major achievements for 2004-05 on page 916 refers to the commission, in partnership with key stakeholders, obtaining state government and commonwealth government commitments to fund the Peel deviation. I have two very simple questions. What start and completion dates for the Peel deviation were sought by the development commission? What was the state government commitment, which was referred to in that dot point, for the start and completion dates for the same road? I am not asking what the Minister for Planning and Infrastructure has set as start or finish dates; I am asking specifically what the South West Development Commission sought for start and completion dates and what was the urgency for the road?

Mr M. McGOWAN: As the member would be aware, one of his former colleagues, Arthur Marshall, who was the member for Dawesville, regularly raised this issue in the Parliament both when the member for Leschenault was in government and during our last term of government. Ours is the first government to have come up with the funds for this project. The last Liberal government, of which the member was a senior member, did not come up with any money for this project.

Mr D.F. BARRON-SULLIVAN: That was not my question.

Mr M. McGOWAN: There was a problem with their application to the commonwealth. We are putting forward \$170 million for this project. The Minister for Planning and Infrastructure has set out a start date. The role of the development commission is to lobby, be active and assist with the project. It did not set out any date for the start or completion of the project. That is not its role; its role is to lobby for the project.

Mr D.F. BARRON-SULLIVAN: That is the question I am asking. When did the development commission want the project to commence?

Mr M. McGOWAN: As the member would be aware, and as the Minister for Planning and Infrastructure regularly informs the member, we are starting this project as soon as possible.

Mr D.F. BARRON-SULLIVAN: I can see why the member for Hillarys walked out on the minister. He does not answer one single question.

Mr M. McGOWAN: They lobbied for the project and this government is delivering the project.

[5.20 pm]

Mr M.J. COWPER: Under major achievements for 2004-05 on page 906 there are 29 dot points. The theme of the whole two pages is studies. It refers to eight studies, five plans and eight facilitations, and only eight fundings. The fourth dot point on page 907 refers to funding of \$200 000 to refurbish the Pinjarra Court House, with the possibility of a range of services being delivered there in future. It lists it as a major achievement for

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2004-05 but, in the figures on page 913, it is recorded under estimated actual expenditure. Has the allocation been made? When will work commence on the Pinjarra Court House? Who will use it?

Mr M. McGOWAN: Do you not want us to use it?

Mr M.J. COWPER: Certainly. It is a heritage building in the heart of my electorate. It did not appear in any of the previous estimates. The amount of \$200 000 has come from nowhere. It appears to be a blatant election promise.

Mr M. McGOWAN: In his preamble, the member referred to the role of the Peel Development Commission. Its role is to undertake studies, facilitate projects and allocate funding, and it does a very good job of that. Every development commission around the state has the same role as it did during the coalition government's term. If we were to list every single project funded through the development commissions, we would need another four or five pages because there are dozens of them, a number of which are in the member's electorate.

An election commitment in the 2004-05 budget was made for an additional allocation of \$200 000 to the Peel Development Commission for refurbishment of the Pinjarra Court House. The National Trust will provide a range of services through the court house. I can provide the member with further information on the services that will be provided; I do not have them to hand. Surely the member for Murray is supportive of an upgrade to the local court house.

Mr M.J. COWPER: I am very supportive. The fact remains -

The CHAIRMAN: This is not a debate. Does the member have a question?

Mr M.J. COWPER: I ask that those documents be made available.

The CHAIRMAN: Will the minister provide those details as supplementary information?

Mr M. McGOWAN: I will ask the Peel Development Commission to contact the member and advise him of the services that will be provided at the court house. It is difficult to provide the information as supplementary information.

Mr M.J. COWPER: Has it been funded already or are the funds in this budget?

Mr M. McGOWAN: It has been funded, and the funds are with the Peel Development Commission.

Mr D.A. TEMPLEMAN: Unlike the Liberal Party, I support strongly the development commissions. What have the Peel Development Commission and the government done to increase tourism in Peel? That is a particularly important growth industry in the region. Will the minister highlight some of the initiatives in the region?

Mr M. McGOWAN: I thank the member for the question. As Minister for Tourism, I am very interested in the development of the Peel region for tourism purposes. I was down there the other day opening an improvement at the Cooper's Mill at Culeenup Island, for which I think the state government provided \$56 000, and to which the local council contributed \$30 000 or so. It was a very interesting project that I am sure many tourists will enjoy. Since its first term, the state government has contributed \$2.5 million to reconstruct the Peel region tourist railway. It is the biggest tourism infrastructure project in the Shires of Murray and Boddington. Members understand the significance of that railway. In the last round of the regional investment funding, the government invested \$1.2 million towards the redevelopment of Fairbridge Farm. That is reaping benefits for tourism in the region. We allocated \$150 000 towards the Jarrahdale Heritage Park, \$1.25 million towards the Forest Heritage Centre in Dwellingup, \$100 000 towards the Hamel town site, \$200 000 towards redevelopment of the Waroona town centre, \$50 000 towards promotion of the Harbours Highway, and \$3.2 million towards the Mandurah central business district redevelopment.

Mr D.A. TEMPLEMAN: When are the Hamel town site and the Waroona town centre expected to be completed? Has any attempt been made to seek funding from the federal government for the Mandurah CBD revitalisation project?

Mr M. McGOWAN: We expect the work at the Hamel town site and Waroona to be completed in the next financial year; that is, in the coming year.

Mr D.A. TEMPLEMAN: Is that the \$100 000?

Mr M. McGOWAN: The amount of \$100 000 is funding for Hamel and \$200 000 is funding for Waroona. Discussions are ongoing about the contribution from the federal government to the Mandurah CBD development. We are hopeful that the federal government will be supportive.

Mr D.A. TEMPLEMAN: How much money is being sought from the federal government for that?

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Mr M. McGOWAN: We are looking for about \$3.2 million from the commonwealth.

The CHAIRMAN: The member for Collie has the next question, followed by the members for Mandurah and Leschenault.

Mr M.P. MURRAY: The South West Development Commission capital works program has an allocation of \$500 000 for the Lake Kepwari project, which is very exciting. It is good to see that the company is working with the government. What benefit will this provide for Collie and the south west?

Mr M. McGOWAN: Did the member for Collie ever work there?

Mr M.P. MURRAY: I dug that hole and someone else had to fill it in.

Mr M. McGOWAN: That Lake Kepwari project is a very exciting project. I have not been there but I intend to visit the site. It is a 104-hectare rehabilitated mine site, which I think has been filled from an allocation from the Collie River. As the member knows, the state government has committed, I think, \$1.6 million to the Centre for Sustainable Mine Lakes as well as \$500 000 to facilitate planning for the future use of the lakes. It will be terrific for the member for Collie's electorate as a place to go water skiing and fishing and to enjoy barbecues. It will be a great holiday venue and will remove the angst about the risks of water skiing at Lake Wellington that exist due to the tree stumps under the water line to which the member referred.

Mr D.F. BARRON-SULLIVAN: Pages 916 to 919 refer to promotion of the industrial park at Kemerton. How much capital funding is provided in this year's budget for infrastructure at Kemerton?

Mr M. McGOWAN: As the member is well aware, the South West Development Commission is a small agency and its capital grants are not big. The Department for Planning and Infrastructure is the appropriate agency to answer that question.

[5.30 pm]

Mr M.J. COWPER: I refer to the seventh dot point at page 903 which states that the 2004 industrial land study assessed that demand for industrial land in the region would outstrip available land by 2009. What is provided for under that particular dot point? What is planned in respect to industrial land and at what stage is the Nanbeelup study?

Mr M. McGOWAN: The member's question relates to two areas - Nanbeelup and the Pinjarra industrial area, also known as the Commonage area. The Commonage site at Pinjarra is 107 hectares. LandCorp is continuing with the subdivision application, part of which will be the requirement to undertake a spring flora survey with estimated completion in late 2005. The Shire of Murray has lodged an expression of interest in the 2005 regional initiatives fund for the shortfall between the cost of development and the expected return from likely sales. There is exploration of a possible joint venture with a private landholder and negotiations are ongoing regarding a 7.38 hectare block of land zoned industrial. If it progresses properly and funds are available through RIF, we are hopeful that the land will be released in early to mid-2006.

The CHAIRMAN: It being 5.30 pm, the agreed time, I will put the question.

The appropriations were recommended.