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Mr Peter Watson; Mr Fran Logan; Mr Paul Omodei; Mr Shane Hill; Mr Brendon Grylls; Mr Jeremy Edwards; Mr Mick Murray

Division 18: Great Southern Development Commission, \$2 521 000 -

Mr A.P. O'Gorman, Chairman.

Mr F.M. Logan, Parliamentary Secretary representing the Minister for the Midwest, Wheatbelt and Great Southern.

Mr B.W. Manning, Chief Executive Officer.

Mr P.B. WATSON: I refer the parliamentary secretary to the third dot point on page 318, which states -

Assisted the South Coast Fishing Industry to identify and pursue export opportunities for the sale of salmon and herring as well as further business opportunities within Australia.

Can the parliamentary secretary tell me the way in which the development commission has assisted those industries, and if there are plans to help them even more in the future?

Mr F.M. LOGAN: As that is an operational matter, I will refer it to the chief executive officer, Mr Bruce Manning.

Mr MANNING: The commission has been assisting south coast fisherman in the marketing of salmon and herring, both of which have in recent years attracted very low prices. It has barely been worth the fishermen going to the trouble of catching the fish. We are seeking to add value to those species. We have engaged a consultant - Mr Andrew Campbell - who is well respected in the industry for his ability to find markets internationally. We have already had some success in a limited sense, in that I am aware that a container of herring went to East Africa, which is a herring market anyway, about two weeks ago. We have also had definite interest from companies from Europe and Asia in particular. The consultant has just finished stage 1 of that project and is hard at work on stage 2, which is establishing more permanent markets. That is in total about an \$80 000 consultancy.

Mr P.D. OMODEI: I refer the parliamentary secretary to the fifth dot point under "Improve Infrastructure" on page 318, which reads -

Supported the completion of a planning and scoping study associated with the redevelopment of the Katanning Livestock Saleyards.

Have they been completed, and are they for sheep and cattle, or just sheep?

Mr F.M. LOGAN: I will refer that question to Mr Manning.

[7.40 pm]

Mr MANNING: No, they have not been completed yet, and the modifications are intended for sheep.

Mr P.B. WATSON: I refer to the third last dot point on page 318, which states -

Worked with engineering and other consultant specialists to progress the Vancouver Waterways project. Potential sites have been identified for jetties in King George Sound . . .

In which areas will the new jetties be placed, because that is a very important part of the Vancouver waterways project?

Mr F.M. LOGAN: I will ask Mr Manning to explain a little more about the Vancouver waterways project, although the member for Albany should know about it.

Mr MANNING: The Vancouver waterways project is basically about exploiting, in a positive way, the natural asset of the beautiful King George Sound, which sits adjacent to Princess Royal Harbour, as the member would be aware. There are two key components of that project. The one to which the member referred is to establish smaller boat-type harbour infrastructure. This is the big year for commencing the expenditure of the major dollars. We are anticipating expenditure of about \$600 000 in this coming year. It is a good question, because the process of community consultation, which has been quite extensive, has just been completed. At the moment no formal decisions have been made, but the community is favouring the establishment of a protected sheltered area just off that rather large, flat rock off Whale World for two purposes. The first is to be able to service Whale World, which attracts 70 000 visitors a year by boat from the town, and the second is to provide facilities for boats for the dive wreck market to tie up in a sheltered harbour; that is to say, those divers who go out to HMAS *Perth*, which the member will be aware is only some five minutes boat ride from that facility. The other component of the Vancouver waterways project is the advancing of the Albany boat harbour for a total expenditure of just over \$12 million. The member's question is again apposite in that we will expend \$300 000 of that money in this coming year.

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Mr S.R. HILL: I refer to the second dot point under major initiatives for 2003-04 on page 320, which states -

Examine the railway option for the shipment of containers from the Albany port to the Fremantle port.

Will the parliamentary secretary please provide further information on that dot point?

Mr MANNING: Some four or five years ago we commissioned a major study of container options out of Albany. The commission followed up with a further study last year, which examined the feasibility of establishing container traffic out of the Albany port. The study showed that at the moment demand for containers each year is insufficient to justify trying to attract a commercial shipping operator to pick up containers. However, one of the interesting things that came out of the study was the suggestion that we could substantially lower the cost of moving containers to Perth if a rail option was carefully considered. A few things have fallen into line in proving up that option, because there are plans to do some rejigging. We understand that the impediment at the moment is getting the containers onto the north wharf. That will be taken care of, as we understand it, by some rejigging of the rail option just north of the old traffic bridge, which will facilitate much better movement into the port. When that happens, that option of moving containers from Albany by rail will become a real one. If the infrastructure were in place, the difference in cost between trucking and the rail option would be something like \$600 a container for each round trip, which is substantial. We are looking at that closely, and we are awaiting further activity of the Department for Planning and Infrastructure. We are talking regularly with the department about when that link will be re-established in that area. The member might recall that that link originally went through the Leighton marshalling yards.

Mr S.R. HILL: If we could get under those rail bridges in the metropolitan area, would it double the stacking of the containers?

Mr F.M. LOGAN: No. To my understanding, that Fremantle loop project has been approved, and it may well be budgeted for. However, I would have to check that with the Department for Planning and Infrastructure. Under that project, as the loop comes off the railway bridge over the river, it goes around the back of the current Shell site and picks up the existing line that goes into the harbour. Previously, it went into the Leighton marshalling yards, stopped and went forward. This is called the Fremantle loop line, which will go around the industrial area of North Fremantle and straight into the harbour. Double-stacker containers already go through Fremantle anyway.

Mr P.D. OMODEI: I refer to the financial statements on page 322. Employee expenses are listed under the expenses from ordinary activities. I note that there will be an increase of one full-time equivalent and that the cost will be \$79 000. Will the parliamentary secretary indicate on what level that person will be - it is obviously a significant position - or is it an FTE plus vehicle? Will the parliamentary secretary explain that cost?

Mr MANNING: It will be an FTE plus some on-costs. We are bringing in an Aboriginal arts development officer to assist. We have an Aboriginal economic development unit, and we are bringing in an officer with expertise in marketing Aboriginal art products, the development of which we are trying to encourage in the region.

Mr P.B. WATSON: I refer the parliamentary secretary to the second dot point under regional development on page 319, which states -

Continue to support the Great Southern Regional Marketing Association with the aim to increase the region's recognition as a source of quality wine, food and tourism.

How does the commission support it, and how successful has it been to the region?

Mr MANNING: Perhaps the most recent event is the best one to start with in answering that question. Last night at the Burswood International Resort Casino the commission participated in the opening of the great southern combined wine and food festival. The member might give me an invitation later in the week! That runs for about a week and a half. I inform the member for Warren-Blackwood that some Blackwood winegrowers were there. That is a joint effort with the south west. It also involved the launch of a food and wine guide for the greater south west region. That is an example of some of the activities of the marketing association, which is essentially an output of the commission in that it generated that activity in the first instance. Associated with that - we have been particularly pleased about this - is the fact that the regional development scheme has allowed us to push \$100 000 a year into the various marketing associations in our region in an attempt to up the ante in establishing the great southern brand and also broadly market the various regional associations that constitute what might be called our regional product. They include the Great Southern Wine Producers Association, the Great Southern Regional Marketing Association itself and the Fitzgerald Biosphere Marketing Association etc.

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Mr P.B. WATSON: I have a further question on that. Tasting Australia is a regional initiative all over Australia. Is this part of the marketing strategy through this group?

Mr MANNING: The Great Southern Regional Marketing Association was one of the key players in our sending a team to Adelaide last year for the Tasting Australia meet, yes.

Mr B.J. GRYLLS: The last dot point on page 320 refers to the development commission addressing power supply shortages in rural areas of the great southern region. Will the Great Southern Development Commission work closely with the Wheatbelt Development Commission on this issue, given that the Wheatbelt Development Commission has done an in-depth survey on it? It would seem that these power supply issues go across boundaries. It would be good to see these two development commissions work closely together and come up with some good outcomes. What outcomes do the development commissions hope to achieve?

[7.50 pm]

Mr F.M. LOGAN: I thought Mr Martin answered that question with respect to the Wheatbelt Development Commission. He made it clear that he was interested in electricity supplies and the continuation of those supplies to the mid west, but he did not mention how he was going to work with the Great Southern Development Commission. I will pass over to Mr Manning to talk about the initiatives of that development commission on power supply.

Mr P.D. OMODEI: It is called a hospital handpass.

Mr MANNING: I am happy to report that it is not a hospital handpass. I am pleased to announce that today we had an informal meeting with the three commission chief executive officers or deputy CEOs on this issue. We caucus regularly on the power issues that are, as the member suggests, common across the three regions.

The best example of what we have done to address the power supply issues to the east of the region would involve the lines passing through Gnowangerup and, to a greater extent, Bremer Bay. We have been very active in pursuing Western Power to agree to upgrades along those lines, although not along the whole line yet. We think we have secured a commitment from Western Power to make significant upgrades to those lines to considerably lessen the outages being experienced along those lines at the moment. We are engaging in correspondence with Western Power to that effect as we speak.

Mr J.P.D. EDWARDS: The member for Merredin asked the question that I was also going to ask, so I will make an observation. It seems that the Mid West Development Commission is the only one at this stage that does not have that particular issue under its major initiative. However, I am sure that if I ask Mr Baesjou he would agree that we have a similar problem with power supplies in the mid west area. It must be a very big issue, as three development commissions have listed it in their initiatives.

Mr F.M. LOGAN: I believe that Mr Manning answered that when he said earlier that today the CEOs had discussed the matter of working closely together and taking up the issue with Western Power.

Mr J.P.D. EDWARDS: I was just making the point.

Mr M.P. MURRAY: On page 318 under "Improve infrastructure", dot point seven concerns the soils testing centre at Kojonup. What is the funding shortfall and at what stage is the soils testing centre project?

Mr F.M. LOGAN: As it is an operational matter, Mr Manning will answer the question.

Mr MANNING: The project is at a relatively early stage. A feasibility study and a business plan have been completed. From memory, the total cost of the centre is about \$2 million. My understanding is that it has commitments so far of about \$0.25 million but it is early days because the feasibility study was completed only some three or four months ago. The group is looking at its options for sourcing greater amounts of funding. I think it is intending to put an application into the regional infrastructure funding program for some of that money. A local benefactor has also committed to contributing - as we understand it - about \$0.25 million. The group has asked for another \$40 000 or \$50 000 from the regional access program or the commonwealth area consultative committees program.

Mr P.D. OMODEI: Page 315 in the *Budget Statements* has the output and appropriation summary and the total consolidated fund appropriations, which should probably be called "The re-elect the member for Albany program"! This year's budget is \$2.5 million, which rises to \$5.9 in 2004-05 and \$10 million in 2005-06. I presume that relates to the university. What is that about?

Mr F.M. LOGAN: Mr Manning is busting to answer that, so I will let him go first.

Mr MANNING: The member is right; I anticipated that question earlier. Substantial capital works are coming on stream over the next two or three years and include \$630 000 for the Vancouver waterways project plus

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\$300 000 next year for the first of the boat harbour money. The following year will include \$4 million for the boat harbour and the out year allocation for that is \$8 million. However, the Government is also supporting the University of Western Australia campus in Albany next year to the tune of \$200 000, which is also included in that figure. The details of the capital works program are outlined further on in the *Budget Statements* if the member wants to look at that in detail.

Mr P.B. WATSON: At page 320 of the *Budget Statements*, dot point five is a major initiative to -

Continue to support the development of youth services through the Great Southern Youth Coordinating Committee.

How is that funded and how does it work?

Mr MANNING: The existing funding for that youth committee has come from the Commonwealth through the ACC. The committee has met regularly over the past couple of years of my presence in the chair as CEO. The next most significant initiative or pressing activity of that committee will be to lobby in an attempt to secure more presence from the relevant department of a youth officer in the region. We understand that some regional youth officers will be located in the regions and we are intent upon securing one of those for the great southern.

Mr P.B. WATSON: I ask a supplementary question. How far will they cover their regions and what will their jobs be?

Mr MANNING: We are waiting for some guidance and we have written the necessary correspondence to initiate that discussion. We anticipate that the appointment will be for the great southern but that the person, if secured, will be located in Albany.

Mr S.R. HILL: I refer to page 319 and major initiatives for 2003-04. The third dot point from the bottom states

Facilitate Indigenous landcare enterprise and "bush product" development in the Great Southern Region.

Will the parliamentary secretary expand on that?

Mr F.M. LOGAN: Mr Manning will elaborate.

Mr MANNING: In regard to the first element of that dot point, we are members on the management committee of the local natural resource management group, which covers the area from Esperance to Walpole. We maintain a presence and are strong supporters of SCRIPT - the South Coast Regional Initiative Planning Team. Therefore, we were part of the team that secured a commitment for the employment of an indigenous land care officer, Mr Kelly Flugge, who is based at the Department of Agriculture in Albany. The second part of that question relates to a consultancy we commissioned to identify what might be the most likely bush products in that region that could be easily commercialised and marketed. As a result, we short-listed four projects and a particular tree species called bush she-oak has emerged as the best option.

Mr P.B. WATSON: At page 320, dot point six states -

Fund the UWA under its capital works program to assist the University development in the region.

A lot of money has gone into the development of the old Penny Post building to develop the university's centre in the town. Are there any other plans through the Great Southern Development Commission to increase the presence of the university in the town?

[8.00 pm]

Mr MANNING: We are doing a number of things to support the presence of the University of Western Australia. As the member may or may not realise, it is the first time the University of Western Australia, which is our oldest and perhaps most prestigious university, has dipped its toe in the waters of regionalism. We are very proud of the establishment of that centre. We now need to maintain the momentum to retain it. We are undertaking a number of strategies to achieve that. The first is that the Government is supporting the university with infrastructure funding over five years. We are moving towards the end of the funding now. An amount of \$200 000 is available this year and \$250 000 next year to complete the funding. The second strategy is the establishment of a centre for natural resource management under the umbrella of UWA. The director of the centre is a professor. The centre has five staff. It is a joint venture with the Department of Agriculture, the City of Albany, the Commonwealth and a number of other players. It is a \$1.2 million initiative. Given the natural assets of the great southern, we believe that a focus for the centre will ensure its longevity. Our strategy is to focus on the development of the infrastructure and a good base. We must ensure we retain a research focus for the university rather than just teach a smorgasbord of courses.

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The appropriation was recommended.