

Mr Mick Murray; Chairman; Mr Terry Redman; Mr John Castrilli; Mr Gary Snook; Mr John D'Orazio; Mr  
Shane Hill; Mrs Judy Hughes; Mrs Carol Martin

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**Division 61: Local Government and Regional Development, \$42 722 000 -**

Mr M.J. Cowper, Chairman.

Mr M.P. Murray, Parliamentary Secretary to the Minister for Local Government and Regional Development.

Ms C.M. Gwilliam, Director General.

Mr T. Fowler, Acting Director, Capacity Building.

Mr L. Nagy, Principal Finance Officer.

Mr Q. Harrington, Director, Governance and Statutory Support.

Mr D.R. Weaver, Acting Director, Strategies and Legislation.

Mr N. Hondros, Chief of Staff, Office of the Minister for the Kimberley, Pilbara and Gascoyne.

Mrs J. Ormsby, Senior Policy Adviser, Local Government.

**The CHAIRMAN:** This estimates committee will be recorded by a private contractor. The daily proof *Hansard* will be published in two parts: the first part will be distributed at 9.00 am tomorrow; the second part will be distributed at 9.00 am the day after. The estimates committee's consideration of the estimates will be restricted to a discussion of those items for which a vote of money is proposed in the consolidated fund. This is the prime focus of the committee.

Whilst there is scope for members to examine many matters, questions need to be clearly related to a page, item, program or amount within the volumes. For example, members are free to pursue performance indicators which are included in the budget statements while there remains a clear link between the questions and the estimates. It is the intention of the Chairman 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 parliamentary secretary may agree to provide supplementary information to the committee rather than asking that the question be put on notice for the next sitting week.

For the purpose of following-up the provision of this information, I ask the parliamentary secretary to clearly indicate to the committee which supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the parliamentary secretary's cooperation in ensuring that it is delivered to the committee by 9 June 2006, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available.

Details in relation to supplementary information have been provided to both members and advisers, and accordingly, I ask the parliamentary secretary to cooperate with those requirements. I caution members that if the minister asks that the matter be put on notice, it is up to the member to lodge a question on notice with the clerk's office. Only supplementary information which the parliamentary secretary agrees to provide will be sought by 9 June 2006. It will greatly assist the contractor recording the proceedings if when referring to the *Budget Statements* volumes or the consolidated fund estimates, members give the page number, item, program and amount in preface to their question.

**Mr D.T. REDMAN:** I refer the parliamentary secretary to page 1065 and the second dot point under "Major Initiatives For 2006-2007", which refers to the allocation of funds through the government's second regional investment fund. It talks about a couple of components of that fund. I wanted to highlight not so much what is there, but probably what is not there in those funding components. I refer the parliamentary secretary to the fact that there is no regional infrastructure fund allocation for 2006-07, because the scheme was apparently oversubscribed for 2005-06. Does this indicate that he should be putting more funds into the regional infrastructure fund?

**Mr M.P. MURRAY:** It is my understanding that we did increase the amount. The member is correct in some of his assumptions. Certainly it has been closed off because of the high number of people who have applied for that funding, and it is not unusual to close it off when there are oversubscriptions. It is just a waste of people's time not to do that. Then it goes around and we start all over again from the next funding round.

**Mr D.T. REDMAN:** Can the parliamentary secretary give us the allocations of the regional infrastructure fund for the out years, for the remaining four years, of the \$80 million regional investment fund?

**Mr M.P. MURRAY:** The allocation for 2005-06 is \$11.1 million, and for 2006-07 it is \$28.9 million.

**Mr D.T. REDMAN:** This is the regional infrastructure fund I am talking about.

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**Mr M.P. MURRAY:** The amount for infrastructure funding in 2007-08 is \$3 million, and in 2008-09 it is \$6 million.

**Mr D.T. REDMAN:** I have a further question. Does the parliamentary secretary think that there may well be scope to bring forward some of those funds into the current years based on the fact that the economy is booming at present and it might be more opportune for local governments in particular to utilise those funds to leverage federal funds now than in the out years?

**Mr G.M. CASTRILLI:** There will be more funds if we can get an election.

**Mr D.T. REDMAN:** The member has hit right at the core.

**Mr G.M. CASTRILLI:** It is not too difficult to work that out.

**Mr D.T. REDMAN:** Did that get in *Hansard*?

**Mr M.P. MURRAY:** I think that we will continue to monitor and see how things are going. Certainly one of the problems, as we all know, is getting these jobs done. It is no good allocating funds if we cannot get the jobs done either because of labour shortage or contractor shortage.

**Mr G.M. CASTRILLI:** The third dot point on page 1059 refers to the challenge of attracting and retaining professional and skilled people. I am wondering what effects that will have, and I am thinking predominantly of the vacancies in the building surveying area. As members know, not long ago we debated the Local Government (Miscellaneous Provisions) Amendment Bill, which went through the Assembly. Part of the debate related to the qualifications of building inspectors. What effect will this have on vacancies in local government and on the efficiency of local government by way of reducing prolonged building approvals?

**Mr M.P. MURRAY:** I certainly understand the problems associated with this, but the department will continue to work closely with local governments to ensure that the best possible staff and elected members are attracted to local government - I think it is very important that we do that - and that they stay for extended periods and thereby gain the necessary experience to allow them to carry out their roles and functions for the betterment of the community. I think a lot of them use it as a stopover period and then move on to the private sector. Under the regional investment fund, moneys are available to assist with economic and social development of regional WA or to improve the access by regional communities to services. Grants of \$100 000 to \$5 million are available for capital investment in infrastructure projects, which will assist to attract the investment, which will increase jobs in the regional areas.

[7.10 pm]

**Mr G.M. CASTRILLI:** I am talking about building surveyors and approving building applications.

**Mr M.P. MURRAY:** I am sorry, okay.

**Mr G.M. CASTRILLI:** I referred to the Local Government (Miscellaneous Provisions) Amendment Bill. As we know, contractors are coming in. I have had reports that to assess and approve buildings, private contractors are charging about one per cent of the total building costs. Of course, there will be some people in local government now who have been doing that job but will no longer be allowed to do that. That will have an impact on attracting and retaining those professional people, as well as on the cost factor for people and families. I am wondering how deeply that will affect local government, not only from the staff perspective but also in terms of individuals and developers coming in to get approvals through the building surveyor.

**Mr M.P. MURRAY:** From a local government point of view, it is an area that comes under the Minister for Housing and Works. Local government, and this office, are certainly monitoring this and working to try to alleviate some of the problems. However, the main thrust of that certainly comes under another minister's portfolio.

**Mr G.M. CASTRILLI:** I understand that. However, the point I am trying to make is that irrespective of what happens, local government always cops it in the neck. Nobody sees it as the Department of Housing and Work's problem. It is always local government that cops it in the neck. In order to alleviate that problem, there has to be something in place whereby local government can say it is not local government's fault. People who are dealing with local government to get approvals, and who are facing delays in getting building approvals, are going to blame local government. They are not going to blame the Department of Housing and Works, because half of them do not even know it exists.

**Mr M.P. MURRAY:** We certainly understand the problem, but we are asking the Department of Housing and Works to be very flexible in this case and allocate some of the work across the line so that the jobs can proceed and not just be stuck in the Department of Housing and Works. It is a difficult situation, and I think everyone in

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this room understands that. We just cannot grab surveyors or building surveyors and those sorts of people out of the air. It is unfortunate that the private sector seems to be monopolising a lot of those people.

**Mr G.M. CASTRILLI:** Not yet, but it could. I do not want to delay the proceedings on this point, because I want things to get through. However, how could the Department of Housing and Works push it over the line? If the qualifications and standards are set by a national agenda under the National Competition Policy, I cannot see how the Department of Housing and Works could push it through if people are not qualified to do building approvals.

**Mr M.P. MURRAY:** The talks are going on. It is probably a tiered approach to how the simpler odd jobs, and then the much more complex jobs, are allocated, and how we can move it on. The talks between the two departments are ongoing.

**Mr G. SNOOK:** I draw the parliamentary secretary's attention to the appropriation and forward estimates on page 1059. There is a significant decrease in funding between the 2005-06 estimated actual of \$54.240 million, and the 2006-07 budget estimate of \$42.722 million, also noting the trending down in the forward estimates. What is the explanation for that significant decrease of nearly \$12 million?

**Mr M.P. MURRAY:** It reflects the drawing down of the regional investment fund money and phasing it out over the period of time. There was an allocation of \$75 million first up, and for round two there was \$80 million, and that is drawn down over the four years. One has to allow that to be drawn down. The \$80 million is not going to stand there over the four years, because it is being drawn down. At the end of that time, I am sure most of us in here would hope that whichever government is in power, it will reconsider the position and top it up again. It is a drawdown facility.

**Mr G. SNOOK:** I thank the parliamentary secretary. I will have to come back to that one.

**Mr D.T. REDMAN:** Can I ask a supplementary question?

**The CHAIRMAN:** Sorry; the member will have to go in line. He is after the member for Ballajura.

**Mr D.T. REDMAN:** It was supplementary to the member for Moore's question.

**The CHAIRMAN:** A further question, but quickly, please - short and sharp.

**Mr J.B. D'ORAZIO:** We have allowed proceedings to be very flexible on this side. We understand.

**Mr D.T. REDMAN:** My question relates to the parliamentary secretary's comments in response to the drawdown of the RIF moneys. I refer him to page 1073, which shows the out years of the RIF funds. In 2005-06 the estimated actual is \$25.2 million, and in 2006-07 it is \$35.7 million. There is then \$20 million for each of the out years. The parliamentary secretary may be able to comment. I am interested in why all those add up to greater than \$80 million for starters, and whether that relates to the drawdown that he is talking about.

**Mr M.P. MURRAY:** It reflects the two phases. The total is \$155 million all up over the two terms.

**Mr D.T. REDMAN:** Over the two RIFs? There is this drawdown of the previous RIF allocation.

**Mr M.P. MURRAY:** Yes.

**Mr J.B. D'ORAZIO:** I thought the member was going to ask a question about when the western suburbs councils were going to be amalgamated.

**Ms C.M. Gwilliam:** You can ask.

**Mr D.T. REDMAN:** Not even on the radar.

**Mr J.B. D'ORAZIO:** My question relates to the fourth dot point on page 1064 -

Completed the second round of the Regional Headworks Program which is designed to encourage, promote and support the sustainable development of regional Western Australia by assisting to offset the costs of essential services (headworks) for eligible commercial or industrial projects.

I am intrigued by this program. It is obviously a very important program. The bush has been yelling out for something like this for a long time. Can the parliamentary secretary explain to us some of the projects that were funded to encourage this regional development - 17 projects to the tune of \$1.5 million for actual infrastructure?

**Mr M.P. MURRAY:** On the regional headworks program the total funding went to \$1.5 million and a bit, but -

**Mr J.B. D'ORAZIO:** I am more interested in what sorts of projects were connected up. Is it power provision? Is it water supply? This is about encouraging regional development.

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**Mr M.P. MURRAY:** I am sure the country members here will be very happy. We will start off with the Brockman Street power extension, the Shire of Nannup; power upgrade for a dairy farm; irrigation extension for R & B Woodhouse, way down in the far south; and also the same again for a three-phase power for a dairy unit expansion for J.H. & F.R. Scott; again three-phase power to a furniture manufacturer, Appadene Forest Products; an upgraded power system to Lake Clifton Community Centre, which is the Lake Clifton Progress and Sporting Association; water service recycling centre, the Shire of Irwin; Boulder short-stay facility power and water supply, City of Kalgoorlie-Boulder; and electricity connection to fish farm at Freshwater Fish Farms Ltd. They are the major ones in there, which is quite extensive funding.

[7.20 pm]

**Mr J.B. D'ORAZIO:** Is this an ongoing program? Will it be available in 2006-07? What are the criteria for funding? In other words, does Ballajura qualify as a regional suburb?

**Mr M.P. MURRAY:** I think the answer to the last one is a straightforward no.

**Mr J.B. D'ORAZIO:** Why did I know the answer to that question!

**Mr M.P. MURRAY:** Just watch out for those country people jumping across the table! There has been an allocation of \$2 million in the 2007-08 and 2008-09 budgets.

**Mr J.B. D'ORAZIO:** For the record, are the criteria for that funding such that one has to be a certain distance from a connection, or is there a process; and, if so, who actually approves it?

**Mr M.P. MURRAY:** I will refer that to Ms Gwilliam.

**Ms C.M. Gwilliam:** Yes, there is a very established process. It is about funding for regional businesses. It is not for residential; it is for regional businesses. It is basically about connecting headworks charges to water and power. The process is that there is an independent evaluation panel that is chaired by David Coates, a major commercial accountant, with representatives from LandCorp, and they make recommendations to the minister, and the minister then makes recommendations to the cabinet standing committee on regional policy.

**Mr J.B. D'ORAZIO:** Taking that one step further, is that amount capped? If, for example, we were getting 3 000 applications from regional Western Australia for this sort of grant, is it capped or is it available to whoever meets the criteria?

**Ms C.M. Gwilliam:** Yes. It would be unusual to receive more than \$200 000 per project, so the ceiling is \$200 000 unless it is approved through a cabinet standing committee at a higher level.

**Mr J.B. D'ORAZIO:** It is not capped at \$2 million? There could be \$10 million if we had the number of projects?

**Ms C.M. Gwilliam:** The total round is \$2 million, but it is up to the minister and the cabinet standing committee to decide whether we bring forward future funding if demand is strong. We are currently in a round. Last year we funded only roughly \$1.5 million. The expectation is that \$2 million, in general, is sufficient.

**Mr J.B. D'ORAZIO:** So that the member for Bunbury does not ask the question, I will ask it for him. For example, does a business in Bunbury qualify or is it only regional Western Australia, because Bunbury is now a metropolitan area?

**Ms C.M. Gwilliam:** The definition is very clear. It is based upon the nine regional development commissions; that is the definition of regional.

**Mr G.M. CASTRILLI:** I have a supplementary question. To clarify the point, and I think it is a good program by the way, I have an example - I do not know whether they qualify - of a case in Bunbury in which a business had existed for 50 years. It demolished its building and built new buildings within a 12-month time frame. When it went to reconnect, it was charged \$20 000 by Western Power because the grid that it was connected to before did not have enough electricity to connect it again. It had to spend \$20 000 to connect to another grid. Would that person qualify for that grant?

**Ms C.M. Gwilliam:** If it was not retrospective. As long as the person had not committed and then sought to get money from us retrospectively. On the basis of what you have said, my sense would be yes, but it is a competitive process.

**Mr D.T. REDMAN:** My question relates to the regional investment fund, and I will use the second dot point on page 1065 as the lead in. There was an allocation of \$16.5 million to the south west forest alliance package, which I believe was probably in the last round of RIF. Can the parliamentary secretary outline the status of that allocation and whether that has been signed off?

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**Mr M.P. MURRAY:** We will have to respond to that with supplementary information. We do not have that at our fingertips.

**Mr D.T. REDMAN:** Thanks, parliamentary secretary.

**The CHAIRMAN:** Can the parliamentary secretary clarify for the committee the nature of the information that he intends to provide?

**Mr M.P. MURRAY:** The status of funding for the south west forest fund.

*[Supplementary Information No B23.]*

**Mr G.M. CASTRILLI:** I refer to the fourth dot point on page 1067 under “Major Initiatives For 2006-07”, which relates to continuing to monitor the financial health of local government to improve financial performance. Can the parliamentary secretary give me a breakdown of who in the local government department is qualified to assess and make recommendations on the financial statements and financial viabilities of individual local governments? Who is qualified to provide advice to assist or warn local governments in the future so that they will not get into financial difficulties? The fourth dot point says that the department is going to monitor and improve financial performance. Who in the local government department has the necessary qualifications to do that and give the advice?

**Mr M.P. MURRAY:** The names I have been given are Jenny Law and Peter Hayes, plus two other graduates who would be working with them; they are the people who would be doing that job.

**Mr G.M. CASTRILLI:** They look at all local government financial returns and assess each return, then they make an assessment whether that local government is in fact on the right track or could be heading into financial difficulty, and advise individual local governments of that fact?

**Mr M.P. MURRAY:** That is true. The advice I have been given is that although they might not actually come out and say that a local government is a risk, they would work with that group to make sure that it managed its way through so that there was no embarrassment at the end of the line.

**Mr G.M. CASTRILLI:** I ask that question because some local governments have been in trouble in the past, as we all know, and, of course, if this is operating effectively, we have to try to eliminate as many of those as possible. Is this an active program; do they go through every return of every one of the 144 local governments in Western Australia every year?

**Mr M.P. MURRAY:** It goes through the budget papers, the compliance return and the audit report. Those three major issues are checked right out every year.

**Mr G. SNOOK:** I draw attention to the fourth dot point on page 1059 under “Significant Issues and Trends”, which states -

There is a need to continue to support and promote the welfare, safety and health of livestock to ensure sustainable development of the State’s agricultural industries including the export of live animals.

What sort of support and promotion does the department give to an industry such as the export of live animals?

**Mr M.P. MURRAY:** I think everyone would agree that it is something we would have to be very careful about, and the support that is available is from the specialist advice group on livestock welfare issues. There is a group that is in there. The Western Australian livestock welfare reference group has been formed following a meeting initiated by the Minister for Local Government and Regional Development and attended by representatives of the livestock export and transport industries, animal welfare groups and relevant state and federal government departments. Out of that came probably a recommendation, and part of the role of local government will be a specialist advice group reporting to the Department of Local Government and Regional Development.

[7.30 pm]

**Mr G. SNOOK:** Would the parliamentary secretary not think -

**Mr M.P. MURRAY:** Before the member starts, I have a little more to put before him. There also has been some work done on “fit to load” or “fit to move” to make sure that animals are in a safe and healthy condition to be able to move them. There is documentation on those sorts of issues.

**Mr G. SNOOK:** Would it be fair to say that this was really a bit of a grey area that perhaps could better be seen to be coordinated and handled under an agricultural portfolio rather than regional development? I see it as quite interesting that it is in there. The only connection I can see is probably through local health inspectors, I guess. What is the rationale behind that?

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**Mr M.P. MURRAY:** I think members can see that there has been a group meeting and they have made a decision about the way to go with all the issues. Its independence from certain bodies is very important, I think, for the world issue. The importance of this cannot be underestimated, and again I refer to that independent work, whereby one can come back and say that it is not leaning towards one group or the other, but is totally independent of the lobby groups, of others that have been making noises. We have seen some of the issues that have been in the press in recent years. We must be very mindful of that.

**Mr S.R. HILL:** I agree entirely. Following on from that, I refer to “Enforcing the *Animal Welfare Act 2002*” page 1060, under “Major Policy Decisions”. What is that money used for? Is that for putting on extra RSPCA inspectors?

**Mr M.P. MURRAY:** The budget includes \$421 000 in 2006-07 and \$431 000 in 2007-08 to enable the appointment of six general inspectors under the act. These inspectors will increase the capacity of the Department of Local Government and Regional Development to monitor animal welfare in the state, particularly in regard to the livestock export industry, as we have discussed. The maintenance of good animal welfare practices is essential for the export industry to ensure its sustainability. The funding is provided for two years, and during that period the department will examine the effectiveness of the program; and that is new money.

**Mr S.R. HILL:** Will they be extra rangers or will they be working with the RSPCA?

**Mr M.P. MURRAY:** They will be departmental people and certainly they will be watching very closely to ensure that good, healthy animals go on to ships etc, to make sure that we do not have some of the backlashes we have had previously.

**Mrs J. HUGHES:** Under “Significant Issues and Trends”, the second dot point on page 1060 refers to trying to encourage a greater number of diversity of candidates, and cites that as a priority. On page 1067 under, “Major Initiatives For 2006-07”, the eleventh and twelfth dot points talk about the creation of the new disciplinary frameworks and the management of complaints and so forth. How is local government going to manage the balance between prospective councillors, who often give a huge amount of time for very little remuneration, with the influx of monitoring them and legislating against them quite heavily? Will some marketing be done on that? It just seems that we want more people, but we are making it harder for people to actually take the responsibility and the onus that being a councillor creates.

**Mr M.P. MURRAY:** While I have an interest in this one, I will defer it. It was the first bill that I put to the house, and having been 12 years in local government myself, it is something I support. But for the minor detail, I will hand over to the director general.

**Ms C.M. Gwilliam:** Thank you. The question is in two parts: support for new candidates and the issue of the official conduct bill, and the new arrangements for disciplining elected members. In relation to standing for council, the department works closely with the local government authorities to ensure that information is available for would-be candidates to consider when they are deciding whether to nominate for council. We work with local government authorities to actually run presentation sessions with them.

We have material, such as DVDs, readily available for candidates. Once the candidate is elected, we work with the council and the administration to ensure that they are aware of their roles and responsibilities. We have recently had staff working at York in relation to the recent election there. We had six new councillors, none with local government experience, so we worked with administration to make sure there was a very good induction process for them to understand their roles. The new president attended a session we held on the Friday for new mayors and presidents, so that he understood the responsibilities of being the presiding member. He could speak to other experienced mayors and presidents on the role.

In relation to the official conduct bill, which is currently in the Legislative Council, we will be ensuring that there is an information roll-out of that new legislation to all elected members and administration in local governments. There has already been close work with the different associations on that legislation so there is good knowledge. We will be resourcing the standards panel, and, clearly, SAT, which will deal with the issues of suspension and dismissal, will be resourced to deal with that.

**Mrs J. HUGHES:** I understand the process that the department is trying to set up. My point is that there seems to be negative stereotyping of people who are elected members of local government councils. With this push to continually legislate for people’s behaviour and conduct, how does the department consider that it can positively influence people to enter into local government, because it is becoming much more onerous, as far as responsibility is concerned, for people to take on that type of responsibility and make the time available?

**Ms C.M. Gwilliam:** I think the approach we are taking, with the support of government, is really one of ongoing education, both in primary schools and high schools, in terms of their knowledge and appreciation of local government, and with the elected members. The issue of the tribunal came into play because local governments

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felt that the reputation of all elected members was being tarnished by the behaviour of a few. It is preferable to intervene early, rather than get to the stage of suspension and dismissal which, unfortunately, really does bring discredit to all local governments. With this early intervention model, we would be able to deal quickly with issues of poor behaviour, code of conduct violations, and ultimately dismissal. Therefore, the festering sores would not occur.

**Mrs J. HUGHES:** In the latest round of elections in the Joondalup area, the turnout was poor and people were very apathetic about wishing even to vote for representatives on council, even though there had been a huge amount of push for fresh faces to come onto council. Therefore, it becomes not just a problem for the elected members, but also there is total lack of respect and input from the community for representation at that local level. Will the department be doing something from the community base, or will it just be working within the department?

**Mr M.P. MURRAY:** I will refer the question.

**Ms C.M. Gwilliam:** Yes, we will work with the administration at the City of Joondalup to ensure that we are able to profile the good experiences with the elected members, but I think the reality is that the impression people have is a result of the behaviour. We would be working with the CEO at the City of Joondalup to make sure that ahead of the councillors' ordinary business meeting they have gone through a robust induction process such that when they are out and about in the community, they are regarded highly. What we can do with that council is to profile that experience.

[7.40 pm]

**Mr J.B. D'ORAZIO:** Parliamentary secretary, turning to page 1064 again, we have allocated \$2.4 million to 12 indigenous communities for regional development. That is \$200 000 each. Can the parliamentary secretary tell me what these projects are, how successful they are, where they are, and if it is something that we are going to be further expanding on, because \$200 000 for each one of these seems a lot of money. Also, is it continuing?

**Mr M.P. MURRAY:** I will firstly read out the examples, and I probably need a hand from the member for Kimberley with some of these pronunciations. The first one is \$186 000 for construction of an art studio and accommodation facility in the Spinifex Lands, and it is the - I would not even try.

**Mrs C.A. MARTIN:** Ilkurlka Aboriginal Corporation.

**Mr M.P. MURRAY:** And \$135 000 for construction of a workshop for a spinifex paper-making enterprise at the -

**Mrs C.A. MARTIN:** Papulankutja Artists Aboriginal Corporation - that is what it looks like.

**Mr M.P. MURRAY:** I am sure we will have to table these.

**Mr J.B. D'ORAZIO:** Table them. I want to know how successful it is, is there some follow-up, what are the outcomes, and are we continuing to fund it?

**Ms C.M. Gwilliam:** It is very successful.

**Mrs C.A. MARTIN:** Is that all the \$200 000 ones?

**Mr M.P. MURRAY:** The total of that is \$2 387 663. Some of them went to shires, such as Kellerberrin, Derby, West Kimberley and Warmun, as well as others, those sort of issues. There is another \$3 million. The round closed on 8 May, and 59 people have applied. The follow-ups that are done, through the department, make sure that they work and they are value for money.

**Mr J.B. D'ORAZIO:** Do we know how many people we have actually employed through that program?

**The CHAIRMAN:** Further question.

**Mr J.B. D'ORAZIO:** So it is successful and we will continue to do it. Great.

**Mr M.P. MURRAY:** It will be supplementary.

**Mr D.T. REDMAN:** My question relates to the dot point on page 1065 referring to funding and assistance under the community leadership initiative. It is something I am very passionate about in the regions in particular, and the director general is certainly very aware of this as well. With reference to the community leadership initiative, could the parliamentary secretary please advise how much funding is allocated to the initiative in 2006-07, what initiatives will be undertaken in 2006-07 and where those will be allocated?

**Mr M.P. MURRAY:** The funding is continuing and the allocation of funding is \$250 000 under the community leadership initiative.

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**Mr D.T. REDMAN:** For 2006-07?

**Mr M.P. MURRAY:** Yes. There will be the Rural Leadership Program, Leadership WA and the Indigenous Leadership Development Program; quite a spread in that as well.

**Mr D.T. REDMAN:** It might be something that is being provided already. It is okay.

**Mr G.M. CASTRILLI:** On page 1066 under "Key Efficiency Indicators", the last item there is "Average cost per dealing with an application for boundary change". In 2004-05, it was \$6 481; in 2005-06, the budget was \$12 882, and the actual was \$10 734. This year, 2006-07, the total is \$5 606, and the explanation is that the number of applications for boundary change in 2006-07 is estimated to be higher than in 2005-06, and that is why it was basically halved. I am trying to work out the rationale. How do we get to that? What it is telling me is that if there were 100 in 2005-06, that cost \$10 000 each, and if there are 200 this year, they are going to cost \$5 600. Is that what it is saying?

**Mr M.P. MURRAY:** I refer that to the director general.

**Ms C.M. Gwilliam:** Yes. It is a calculation based upon quantity. Depending on how many boundary change reviews the advisory board does, that affects the average. In 2005-06 there was an estimate of 12. In 2006-07 there is an estimate of 32. In 2004-05 there was an estimate of 19. The number of boundary reviews that are considered impacts on the average cost.

**Mr G.M. CASTRILLI:** Is the director general saying that the department has spent twice as long dealing with an application in 2005-06 than it is going to spend in 2006-07? Is that what she is saying?

**Ms C.M. Gwilliam:** No, because it also connects to the complexity of the different boundary reviews. What we have got here is a simple indicator of cost divided by quantity, which does not take into account the work associated with the different boundary reviews, particularly when one is dealing with something like, for example, Yandeyarra to the town of Port Hedland or with the issue of Tjuntjuntjarra from Menzies potentially to Laverton, which is under consideration. The number itself, whilst this is the figure, does not account for the complexities and hence the resources that are still there.

**Mr G.M. CASTRILLI:** I have a further question. I am having a bit of difficulty. There is a number divided into a fixed cost. If the number is doubled, obviously the cost is halved. That is what the director general said before; fine, I understand that principle. Now she is telling me it is the complexity. If 100 were done in 2005-06 and 50 were done in 2006-07, but they were more complex, instead of being \$10 000 it could end up being \$20 000 per application. In carrying out that logic, it could end up being double the cost per application. The first explanation was that it was simple, there is a fixed cost and if the applications are doubled, the cost of the application is halved, which obviously does not ring quite true in the director general's further explanation.

**Ms C.M. Gwilliam:** I think really I cannot say much more except that it is a quantity cost issue. What I am indicating is that it is not so simple to compare the quantities because they vary depending on the nature of them. However, it is, as the member has said, really about a fixed cost. Then the volume that is dealt with reflects the resources available. That is why the advisory board plans different numbers across the financial years, depending on what is available to resource it.

**Mr G.M. CASTRILLI:** I think I will leave it there.

[7.50 pm]

**Mr G. SNOOK:** On page 1059, the fifth dot point states -

A need to continue support to local governments to assist them in increasing their efficacy and effectiveness. Collaboration, resource sharing or amalgamations will assist local governments in enhancing sustainable communities.

Can the parliamentary secretary outline to the committee in terms of that statement his government's view on the advocacy of amalgamations of local governments?

**Mr M.P. MURRAY:** Certainly there is one thing that has been said loud and clear by the minister, and that is that there will be no forced amalgamations. He certainly outlined that in the press and he has spoken to me personally on that. However, we will assist to the best of our ability anyone who wants to do a voluntary amalgamation. Greenough and Geraldton is one amalgamation that has been brought to my attention. If people want to go that way, they will certainly get assistance from the department. The moneys that have been allocated are \$1 million in 2006-07 and \$2 million in 2007-08.

**Mr G. SNOOK:** The parliamentary secretary beat me to the jump. I was going to ask that next. Could I have that again, please?



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**Mr M.P. MURRAY:** The allocations are \$1 million in 2006-07 and \$2 million in 2007-08.

**Mr G. SNOOK:** That is in the way of direct grants?

**Mr M.P. MURRAY:** This money is in the budget for enhancing local government efficiencies and connecting local government.

**Mr G. SNOOK:** That is that bit of money there.

**Mr M.P. MURRAY:** Grants also will be available to support implementation.

**Mr G. SNOOK:** Is there a maximum grant? Is that for rural or metropolitan?

**Mr M.P. MURRAY:** No. My information is that it is for all local government. The grant program is still in the making and the detail has not been signed off by the minister at this stage.

**Mr D.T. REDMAN:** My question relates to page 1062 and the third-last dot point, which refers to finalising nine regional economic perspectives documents. If I can throw in a compliment, I think they are excellent documents. I am obviously familiar with the one on the great southern. For getting a very quick handle on what is going on in that region - the economic initiatives, opportunity, population changes - there is a whole raft of quality information that comes out of it. I am interested in how often these documents are produced as a matter of policy.

**Mr M.P. MURRAY:** It is every two to three years depending on ABS data, when it is available.

**Mr D.T. REDMAN:** Every two to three years.

**Mr M.P. MURRAY:** The ABS data in this case has caused the delay of this one that has just been produced, but certainly it is on a fairly frequent basis.

**Mr D.T. REDMAN:** I have an additional question, if I may. Does the department have a costing on the production of these perspectives or is that something that is itemised out? Is it in the cut and thrust of it?

**Mr M.P. MURRAY:** Staff are allocated, but the major cost that can be borne out here and can be sourced if the member wants a supplementary -

**Mr D.T. REDMAN:** No, that is all right. It is really an internal staffing cost.

**Mr M.P. MURRAY:** Yes. Printing costs are the only external costs.

**Mr D.T. REDMAN:** I understand that. I have a further question. It relates to the same thing. On page 1063, under "Major Initiatives For 2006-07", the third dot point from the bottom refers to releasing various publications focusing on regional demographic and social change etc. Are those documents separate?

**Ms C.M. Gwilliam:** Yes.

**Mr D.T. REDMAN:** Is this a new initiative or has the department produced these documents before?

**Mr M.P. MURRAY:** It is a bit of a mix and match of previous ones, plus the new ones that have been printed at that time. Each publication is assessed and then made available if the ABS says that it is worthwhile.

**Mr D.T. REDMAN:** Thank you. I think they are good quality documents. That is all.

**Mr J.B. D'ORAZIO:** Parliamentary secretary, my question relates to a number of these dot points, but in particular the one dealing with the regional economic perspective. I was at York when the regional council there was talking about resource sharing and how they all got together as a regional council. What are we doing in relation to supporting that structure, because it seemed that they have all - especially those small regional-type councils - realised that they are no longer capable of surviving on their own and need to have a regional perspective and shared resources? Are we formalising that in some process that gives them a clear understanding of the fact that they have access to a regional-type council? I am not quite sure whether we have a formalised regional council, but the indication from those councils was that they wanted this resource sharing on a regional basis without giving up or amalgamating their councils.

**Mr M.P. MURRAY:** I will refer that to the director general again.

**Ms C.M. Gwilliam:** Thank you. In relation to York, yes, we are doing work with the group of councils there. They have a VROC - a Voluntary Regional Organisation of Councils. We, being the department, through the minister, have provided two grants to them: \$10 000 to assist them with their executive work to potentially look at becoming a regional council; and \$25 000 to assist them with a transportation study, which will also highlight opportunities for collaboration amongst the affected councils. The former commissioner, Gavan Troy, was certainly very active with his colleague presidents in looking at resource sharing and collaboration. After

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speaking to the CEO of the Shire of York today, the expectation is that that focus will continue with the new council.

**Mr J.B. D'ORAZIO:** Do we intend doing that anywhere else?

**Ms C.M. Gwilliam:** Yes, we are providing that support elsewhere in the state. We have probably committed in 2005-06 close to \$100 000 in terms of similar support. We have provided support to the North Midlands and to Broomehill-Tambellup in terms of the shared CEO arrangement. Yes, there are many collaborative projects the department has been working on.

**Mrs J. HUGHES:** I refer to page 1065. The fourth dot under "Major Initiatives For 2006-07" refers to conducting a round of the community facilities grants program. Is this a new thing? What would the grants be for, and how much is available? It says "in regional areas". Does that include metro regions or only country regions? The north metro region, for instance, goes from Fremantle to Two Rocks.

**Mr G.M. CASTRILLI:** We do not get anything. We are in the wrong direction.

**The CHAIRMAN:** You do not need anything!

**Mr M.P. MURRAY:** As we know, the community facilities grants provide financial assistance to fund the capital cost of providing community facilities in regional areas. The term "regional" refers to nine development commissions that have been well and truly established over the years. The funding that has been allocated is \$500 000 per year in 2005-06 and 2006-07, and funding for the round closed on 4 May 2006. A decision relating to successful applicants is anticipated by the end of July 2006, and 140 applications were received.

**Mrs J. HUGHES:** Will the funding rounds be opening again, because they are a major initiative for 2006-07?

**Mr M.P. MURRAY:** That round has gone, and the next one will be 2006-07, with two years funding in that lot.

[8.00 pm]

[Mr A.P. O'Gorman took the chair.]

**Mrs J. HUGHES:** Two years funding, and they -

**The CHAIRMAN:** Member, take the call.

**Mrs J. HUGHES:** Sorry, I have a further question. Will they both come out at about the same time on a yearly basis?

**Mr M.P. MURRAY:** The funding applications, or the calling for applications, come out every two years. There will be two lots of funding at that time.

**Mrs J. HUGHES:** Thank you.

**Mr M.P. MURRAY:** Just to finish off on that one, the government initiated an outer metro community fund, so I am surprised that the inner city people are not aware of that.

**Mr G.M. CASTRILLI:** Parliamentary secretary, it does not apply to inner metropolitan; it is outer metropolitan.

**The CHAIRMAN:** Members need to seek the call. The member for Bunbury has the call, nobody else.

**Mr G.M. CASTRILLI:** Thank you, Mr Chairman. I refer to page 1061, service 1, "Implementation of Government Policy" -

To ensure that the Minister and the Government are provided with quality information and support.

On the first line, total cost of service, the 2005-06 estimated actual was \$1.826 million. The budget estimate for 2006-07 is \$3.289 million. It is an increase of probably 80 per cent to provide quality information and support to the minister and the government. What is included in that, how will it happen, and what sort of additional or better quality information will be provided? I would have thought good quality information could be provided now.

**Mr M.P. MURRAY:** I will refer this to the director general.

**Ms C.M. Gwilliam:** The change in the budget amounts reflects the addition of resources for animal welfare. It also reflects the additional resources provided for indigenous policy advice in terms of our regional work. Also, as a result of the FTE changes, there is a component of corporate services overheads that is reallocated for FTEs. That accounts for that growth. The six new general inspectors for animal welfare, the three additional staff -

**Mr G.M. CASTRILLI:** They are new, are they?

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**Ms C.M. Gwilliam:** Yes. They are six new positions for two years. The positions in terms of indigenous policy development relate particularly vis-a-vis our bilateral work with the commonwealth government, the work in terms of the indigenous policy document, and also our work with targeted indigenous communities.

**Mr D.T. REDMAN:** I refer to page 1065. The second dot point under "Major Initiatives For 2006-07" talks about the regional investment fund. I guess that is my lead-in to a general inquiry about the regional investment tours that I know the department operates. I attended one in Albany.

**Mr M.P. MURRAY:** The regional investment tours are funded through the Department of the Premier and Cabinet.

**Mr D.T. REDMAN:** As I understand it, some allocations were made - it may well have been in the last round of RIF funding - for staff from the department to attend the regional investment tours.

**Mr M.P. MURRAY:** A grant has been allocated to the DPC to assist with these regional tours for two years under the RIF.

**Mr D.T. REDMAN:** So the RIF funded them for a period of time, but that is not the case now in the next round?

**Ms C.M. Gwilliam:** No.

**Mr D.T. REDMAN:** It is all funded out of the Department of the Premier and Cabinet?

**Mr M.P. MURRAY:** We have managed to get mixed up. I will start again and I will refer it to the director general so that we get it right.

**Ms C.M. Gwilliam:** A grant was provided under RIF to the Department of the Premier and Cabinet to enable it to run and manage the regional investment tours. A two-year grant was provided to DPC for 2005-06 and 2006-07. A grant was provided to DPC for the -

**Mr D.T. REDMAN:** Which will be in this round of RIF?

**Ms C.M. Gwilliam:** Yes. But it is an allocation already made. It was a grant. They were considered an applicant in the round for RIF. They were successful. An agreement has been entered into with DPC in terms of it delivering the investment tour as per that grant.

**Mr D.T. REDMAN:** Will that be funding for an investment tour that occurred in 2005-06 or will occur in 2006-07?

**Ms C.M. Gwilliam:** It is both, plus 2007-08 and 2008-09.

**Mr D.T. REDMAN:** Can we be provided with the full costs of delivering those regional investment tours?

**Mr M.P. MURRAY:** It is my view that DPC would be able to provide those costs.

**Mr D.T. REDMAN:** So it will not be through this.

**Mr S.R. HILL:** I refer to page 1073, under "Details of the Administered Transactions Expenses". Are there any conditions placed on that \$250 000 that goes to the RSPCA each year? What can it use the money for?

**Mr M.P. MURRAY:** It is our belief that it is open ended, but we will need to confirm that, and we will give that as supplementary information.

**Mr S.R. HILL:** So no conditions are placed on where the RSPCA uses that \$250 000?

**Mr M.P. MURRAY:** There is still some work to be done on that and it has been a bit of a variation on the way through. But it has been left open ended and it is believed that the RSPCA would probably use it for its general inspection work associated with that, but we will supply the member with additional information on that.

**Mr G. SNOOK:** It is a little bit of an oxymoron or an interesting set of circumstances, where a little while ago I asked about the Animal Welfare Act and what we needed to do in regional local government to allocate resources and support for live sheep export. I would like to note on the record that the RSPCA in fact is opposed to live sheep exports, and yet here we are as an agency giving it unfettered, unconditional grants of a quarter of a million dollars on a rolling basis.

**Mr M.P. MURRAY:** It is the view that most of the money will be spent by the RSPCA working with companion animals - cats, dogs, those sort of animals - more so than the trade that the member is talking about.

**Mr G. SNOOK:** There are conditions on it in fact, if that is what the parliamentary secretary is saying.

**Mr M.P. MURRAY:** No. That was part of what we said we would do. We will table further information on that.

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[8.10 pm]

**The CHAIRMAN:** Can the parliamentary secretary detail the supplementary information he will supply before I issue it a number, so we are all clear on what he is supplying?

**Mr M.P. MURRAY:** The conditions with RSPCA funding will be confirmed at a later date.

[*Supplementary Information No B24.*]

**Mr D.T. REDMAN:** It is only a small amount of money out of the total budget.

**Mr G. SNOOK:** It is the same as allocated to the community leadership initiative.

**The CHAIRMAN:** Members, the member for Bunbury has the next question.

**Mr G.M. CASTRILLI:** Thank you, Mr Chairman.

**The CHAIRMAN:** Members -

**Mr G.M. CASTRILLI:** Parliamentary secretary -

**The CHAIRMAN:** Members need to hear the question, and if they are talking across the table we cannot hear the question. I need to hear the question. Members should only speak across the table if they have the call. Member for Bunbury.

**Mr G.M. CASTRILLI:** Parliamentary secretary, under "Cost of Services" on page 1069 there is reference to employee benefits expenses. On the first line, in 2004-05, the figure was \$6.906 million, and in 2005-06 the actual was \$6.214 million, which is a reduction of \$692 000, or 10 per cent basically, considering that in that area there was a reduction of only one FTE. From 2005-06 to 2006-07 there is an estimated increase in employees' expenses of \$1.158 million, or 19 per cent, while there is an estimated increase in FTEs of 11 per cent. Also, as a sort of compliment, because I am just intrigued by how you do it, I would just like to know what the department's secret is, because when one looks at the 2005-06 budget figure of \$6.214 million, one sees the estimated actual is \$6.214 million. The budget figure for superannuation is \$468 000 and the estimated actual is \$468 000; further down, the supplies and services budget figure is \$4.864 million and the estimated actual is \$4.864 million; accommodation is \$558 000 and \$558 000; and capital user charges are \$292 000 and \$292 000. I have seen this on a couple of pages before that, but it is the only department that I have actually seen where the actuals come in exactly on budget, and I just want to know how the department does it.

**Mr M.P. MURRAY:** I will refer that to Les Nagy, principal finance officer.

**Mr L. Nagy:** As we go through the estimate process, the calculation of the expenses is significantly based on what our expectations will be in each financial year, and the significant increases or the amounts that relate to grants and subsidies are the ones that the department concentrates on. All the supplies and services are considered to be relatively similar in costs as you go across the years. That is the way we have calculated that with the expectations of new initiatives that come into play.

With the employee benefits, the \$6.2 million, there is the expectation that we will have that level of staff. However, in 2006-07, the increase there is carried out by the Animal Welfare Act increase and also the monitoring and compliance, which is shown on page 1060. In 2007-08, it is pretty well the same level. However, in 2008-09 and 2009-10 it decreases because there are only two years of funding for animal welfare and the WATC monitoring.

**Mr D.T. REDMAN:** Are the FTEs at the bottom of that page that was referred to by the member for Bunbury permanent staff or is there a level of contract staff that makes up their complement?

**Mr M.P. MURRAY:** It is a bit of a mixture, but there are permanent staff bar the animal welfare people, because their funding only goes out two years at this stage.

**Mr D.T. REDMAN:** Roughly how many staff are in animal welfare?

**Mr M.P. MURRAY:** Six. The additional staff are six.

**The CHAIRMAN:** Member for Stirling, you had the next question. Sorry, member for Stirling, but the member for Bunbury has a further question to ask on that issue.

**Mr G.M. CASTRILLI:** Those cost centres and budgets worked out spot-on dollar for dollar to what the budget figures were. That is the first question. The second and supplementary is that if the employees' benefits look like they are going to be increased, it is \$100 000 per employee if there are going to be 11 new staff members. That obviously does not include superannuation, which is a separate line item.

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**Mr M.P. MURRAY:** I refer this to the principal finance officer, Mr Nagy.

**Ms C.M. Gwilliam:** He wants to refer it to me.

**Mr M.P. MURRAY:** Chair, I now refer it further to the director general.

**Ms C.M. Gwilliam:** The figures do show changes in superannuation and accommodation associated with the growth in FTEs, but we do have the fact that six are for two years and the others are a mixture of two years and permanent. In terms of the finance officer's calculations, he is still expecting those dollars to come in as stated for 2005-06.

**Mr G.M. CASTRILLI:** For further clarification, I am saying that the actual test component per employee is \$100 000. Roughly there is \$1.1 million extra in terms of employees' benefits expenses and the department is going to put on 11 FTEs for 2006-07, roughly equating to \$100 000. Is that wages plus on-costs, because I am looking at superannuation in the next line, which is a separate component afterwards. I am assuming that it is just straight cash.

**Mr M.P. MURRAY:** Again, I will refer that question to the director general.

**Mr G.M. CASTRILLI:** It is just for clarification.

**Ms C.M. Gwilliam:** Employee benefits expenses include on-costs.

**Mr D.T. REDMAN:** My question relates to the sixth dot point on page 1064, which refers to the approved amount of \$865 200 for 43 projects under the outer metropolitan community fund. I am assuming that about \$1 million a year has been allocated, which I can see in the out years on page 1073.

**Ms C.M. Gwilliam:** Yes, there is.

**Mr D.T. REDMAN:** I am interested in the criteria to acquit for this fund and a couple of examples of the sorts of projects that that fund goes towards.

**Mr M.P. MURRAY:** I will run through a couple of examples - I will not go through the whole lot - of the projects that were funded, such as the provision of playground equipment at Cross Park, Roleystone, in the City of Armadale; the construction of a shade shelter at Peter Anderton Respite Centre in the Shire of Kalamunda; the development of a community information service database in the Town of Kwinana; the provision of playground equipment at Mount Helena Pioneer Park for the Mount Helena Residents Ratepayers Progress Association; the preservation of conservation category wetlands in the City of Rockingham; the provision of a youth play area at Sandown Park in Morgan Fields, Ellenbrook, in the City of Swan; and a Two Rocks Volunteer Hub project officer in the City of Wanneroo. They are some examples of that, but the funding for the year is \$1 million and moneys that are not expended are carried over to the next year.

[8.20 pm]

**Mr D.T. REDMAN:** Do the criteria have a rider that there is a multi-function facet to the allocations as they have, for example, for the regional co-location scheme? There are a few examples in regional areas in which we are looking for some synergies of different groups.

**Mr M.P. MURRAY:** Certainly the ones that get complementary funding or leverage-type projects will be at the top of the list.

**Mr G. SNOOK:** I refer to the fourth dot point on page 1063, which states that the department is going to obtain government approval for drafting of amendments to the Cemeteries Act. Noting that the Metropolitan Cemeteries Board is also included in this division, can the parliamentary secretary advise me whether there are any start-up systems grants for regional local authorities in establishing cemeteries?

**Mr M.P. MURRAY:** There are two programs. Money from the regional investment fund is one of the ways that it could be done. There is also the community facilities program.

**Mr G. SNOOK:** A cemetery is a community facility!

**Mr M.P. MURRAY:** There can be grants of up to \$25 000.

**Mr J.B. D'ORAZIO:** It is the most important part of a community.

**The CHAIRMAN:** That is right; people are dying to get in there!

**Mr G.M. CASTRILLI:** I refer to the first and second dot points on page 1067 of the *Budget Statements* and the inquiry into the City of Joondalup. How many of the inquiry's recommendations have been implemented? How many recommendations are still to be implemented, and when will they be implemented? What has been the total cost of that inquiry?

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**Mr M.P. MURRAY:** I will refer to the costs in the first instance. The cost of the inquiry was \$1.46 million. The first recommendation has been implemented. I will have to provide details about the implementation of the other recommendations by way of supplementary information.

**The CHAIRMAN:** Will the parliamentary secretary detail the information that he intends to provide by way of supplementary information?

**Mr M.P. MURRAY:** The supplementary information will provide details about the government's response to the recommendations of the inquiry and the implementation of those recommendations.

*[Supplementary Information No B25.]*

**Mr D.T. REDMAN:** I refer to the third dot point on page 1064 under "Major Achievements For 2005-06", which relates to Western Australian regional initiatives scheme funding. It states that \$1.2 million worth of WARIS funding has been allocated to assist 13 cross-regional projects. I am interested in the allocation in the out years for the next three years. My understanding is that there has been a decrease in that allocation.

**Mr M.P. MURRAY:** It has been pointed out to me that the funding in 2006-07 is \$1.9 million. In 2007-08, it will increase to \$1.25 million and in 2008-09 it will be \$1.25 million.

**Mr D.T. REDMAN:** It is \$1.2 million for 2005-06.

**Mr M.P. MURRAY:** No; it was \$600 000 in 2005-06. The information is that that amount of money was due to the low level of applications.

**Mr D.T. REDMAN:** I find it hard to reconcile this arrangement whereby there is a relatively even allocation of the Western Australian regional initiatives scheme funds over the time allocated - I guess that the funding for 2006-07 has increased on the basis of a lack of applications in previous years - yet on the regional infrastructure funding program, a decision has been made to not provide any funding this year, but the funds will increase to \$6 million in 2008-09. I am wondering about the rationale for having a relatively even allocation over the out years for the WARIS funding but not for the regional infrastructure funding program.

**Mr M.P. MURRAY:** I refer that question to the director general.

**Ms C.M. Gwilliam:** The government made the call that because there was a large field of quality applications in the last round of infrastructure funding, they were worthy of funding. It is not unusual that a round in which significant funding is allocated is followed by a round in which poor applications are received. The government made the call that if they were good applications, they should be funded. However, similar to the community facilities grant program, a round is conducted every two years so that good quality applications can be made for the round that follows.

**Mr D.T. REDMAN:** On that basis, I would have thought that \$3 million would have been allocated to the regional infrastructure funding program for each of the following years. Rather than allocating from zero dollars to \$6 million, \$3 million could have been allocated for each of the out years.

**Mr M.P. MURRAY:** I refer to the director general.

**Ms C.M. Gwilliam:** In 2008-09, regional infrastructure funding will receive \$6 million. We have allocated \$6 million for infrastructure in 2008-09 and \$3 million in 2007-08.

[8.30 pm]

**Mr D.T. REDMAN:** Yet zero dollars has been allocated for this year.

**Ms C.M. Gwilliam:** That is because we have committed the funding for 2006-07 this year due to the quality of the projects in 2005-06. Rather than just fund half of the projects, the evaluation panel recommended that the government bring forth the money. We worked closely with the development commissions on the applications. The development commissions can use the additional time to develop quality projects again. When we get to the 2007-08 funding round, the funding from 2008-09 may well be brought forward; that is a call that the government will have to make.

**Mr G.M. CASTRILLI:** I refer to the third dot point on page 1067. The Local Government Advisory Board presented its report on structural reform to the Minister for Local Government and Regional Development in March 2006. How much did that report cost, and when will a final decision be made? I presume - I am asking for the parliamentary secretary's confirmation - that the amalgamations, if any, will be voluntary. If none of the councils wants to amalgamate, what will happen to the report and what action will the government take?

**Mr M.P. MURRAY:** The report is open to a three-month public comment period. It is a report that we needed to stimulate discussion. I am sure the member is very aware that, in his electorate and in other electorates, there has been much back-room discussion on the matter but not much discussion of it in has been held in the open.

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The public comment period on the report has brought that forward. As has already been said, there are examples of councils that have amalgamated. The report will not necessarily have been a waste of money or come to nothing. We must look to the future, and these types of reports certainly stimulate that discussion. The department bore most of the cost of the report because it was done in-house.

**Mr G.M. CASTRILLI:** Obviously the department would have kept a record of how much the report cost. Can the parliamentary secretary please tell me how much it cost?

**Mr M.P. MURRAY:** I will refer that question to the director general.

**Ms C.M. Gwilliam:** The department allocated staff resources, including staff payroll who were dedicated to the project. It had two senior staff dedicated, plus additional support staff.

**Mr G.M. CASTRILLI:** I am not asking who, what or how; I am asking the cost in dollar terms for the allocation of staff.

**Mr M.P. MURRAY:** There was no allocation as such. The job was done on an internal basis and it was not detailed to a particular report.

**Mr G.M. CASTRILLI:** No job costing was done on a particular activity, so we do not know what the true cost of that exercise was in dollar terms?

**Mr M.P. MURRAY:** Probably the rule of the thumb would be five months' worth of labour costs on an internal basis.

**Mr G.M. CASTRILLI:** Plus on-costs?

**Mr M.P. MURRAY:** There was less than \$50 000 on external costs.

**Mr G.M. CASTRILLI:** Less than \$50 000? By external costs, I assume the parliamentary secretary is talking about sitting fees for the commissioners. How much were the sitting fees for the commissioners, and what other external costs were there; that is, if he cannot tell me what the total cost is?

**Mr M.P. MURRAY:** The external costs were printing and accounting and finance-type costs. It has been pointed out to me that the sitting fees had already been budgeted for in this case.

**Mr G.M. CASTRILLI:** I am trying to get down to a dollar cost. Obviously, I am not going to get an answer on what the internals were, but obviously printing and all that sort of stuff are real costs coming in, and sitting fees are all costs that would have been paid out. Is there any idea what they were? Instead of extending this conversation, if the parliamentary secretary would detail exact dollar terms by way of supplementary information, Mr Chairman, we can move on. Would the parliamentary secretary provide for me in detail exact external costs, the sorts of hours spent, and his estimate of the total cost of the project?

**Mr M.P. MURRAY:** That certainly can be done. It will be an estimated cost in several parts, labour being one of them. The others, of course, are what we have spoken about - the printing and accounting costs to go with that.

**The CHAIRMAN:** Is the parliamentary secretary happy to provide that by supplementary information?

**Mr M.P. MURRAY:** We are happy to provide that by supplementary information.

*[Supplementary Information No B26.]*

**Mr G. SNOOK:** I refer to the last dot point under "Major Initiatives For 2006-07" on page 1063. Will the parliamentary secretary outline what happens after price comparisons between Perth and regional areas for different commodities have been monitored? Is there any effective outcome from that monitoring? Does it go through to FuelWatch or any other such organisations? What is the benefit that comes out of that undertaking of monitoring?

**Mr M.P. MURRAY:** The regional price comparison monitors the difference, of course, in the commodities purchased in Perth and throughout regional outlets. These figures are used to set allowances and the Department of Consumer and Employment Protection uses it for wage negotiations for regional areas. That sort of information flows into many of those areas and is of benefit when looking at the differences and, accordingly, trying to make allowances in justifying people's existence in some of those areas.

**Mr G. SNOOK:** So this is not for internal usage; it is for general public usage for the benefit of communities etc?

**Mr M.P. MURRAY:** Yes, to benefit the region and to highlight the differences there.

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**Mrs J. HUGHES:** Before I put my question, I emphasise that this is not a country-city question, because I do not begrudge any money going to the country. What is the total amount going into the regions from local government, and how much will be coming into the metropolitan area?

[8.40 pm]

**Mr M.P. MURRAY:** I refer that question to the director general.

**Ms C.M. Gwilliam:** Of the grants we have allocated, the principal one supporting metropolitan communities is clearly the \$1 million outer metropolitan community fund, which supports communities and local governments in seven local government areas.

**Mrs J. HUGHES:** Is that outer metropolitan?

**Ms C.M. Gwilliam:** It is called the outer metropolitan community fund. It is for the local government authorities that border the regional development commission boundaries. Some of the \$250 000 referred to by the member for Stirling for leadership development is also used to support participants in the Leadership WA Program.

**Mrs J. HUGHES:** Is that regional and metro?

**Ms C.M. Gwilliam:** Not outer metropolitan; 30 graduates are selected from regional and metropolitan participants. The grants that support the Royal Society for the Prevention of Cruelty to Animals clearly have an impact on communities vis-à-vis the role of the RSPCA in handling animals. I think they are the main ones.

**Mrs J. HUGHES:** Is that statewide?

**Ms C.M. Gwilliam:** It is statewide. Of the other major grant programs, the \$80 million regional investment fund is regional only; the \$7.33 million co-location money is regional only; and the \$500 000 a year community facilities grant program is regional only.

**Mrs J. HUGHES:** Is that the total amount? There is also the Western Australian regional initiatives scheme.

**Ms C.M. Gwilliam:** WARIS is an aspect within the regional investment fund of \$80 million. I have not broken down the different program elements.

**Mr D.T. REDMAN:** I refer to the fifth dot point, page 1062, which refers to the drafting of an amendment to the Dog Act. I am not going to ask a question about dogs, but I have a lot of inquiries from people who are concerned about cats. I am particularly interested in whether there have been any inquiries to the department about drafting a cat act or any sort of legislation that deals with the issue of cats in our community, cats in our environment and the impact that they have on our native animals. I have a lot of inquiries about this.

**Mrs C.A. MARTIN:** So you would not be in the dog house, you would be in the cat house!

**The CHAIRMAN:** Members!

**Mr D.T. REDMAN:** I have a lot of inquiry about this.

**The CHAIRMAN:** I agree with the member for Stirling. The sooner we bail up the cats, the better, I think.

**Mr D.T. REDMAN:** It is a genuine question.

**Mr M.P. MURRAY:** It is an interesting question, because certainly we have been in the same position as the member has. The first answer is that the local government department does not, but local governments themselves, as in shires, can have by-laws in regions to control cats. There are 12 local governments that do that now, and Mundaring is an example of that. There are people doing it.

**Mr D.T. REDMAN:** Effectively? What is the feedback on their effectiveness in dealing with them?

**Mr M.P. MURRAY:** My information is that it is an effective way of doing it, but there are boundary issues and all the other bits.

**The CHAIRMAN:** It still should be done.

**Mrs C.A. MARTIN:** My question relates to the seventh dot point on page 1063, which refers to publications on regional demographics and social change in terms of those demographics. I am wondering where the budget line is for my indexation report?

**Mr M.P. MURRAY:** I will again refer that to the director general.

**Ms C.M. Gwilliam:** In relation to the question about various regional demographic publications and the further part of the question, which was about the regional price index, those two activities are funded out of service 1,



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which is “Implementation of Government Policy”. It is basically FTE costs apart from minor printing, because they are basically documents on the web.

**Mrs C.A. MARTIN:** When can I have that?

**The CHAIRMAN:** I will ignore that question because the member has been trying to get stuff all day.

**Mrs C.A. MARTIN:** I know I have got it. I want to know when.

**The CHAIRMAN:** Tough. The member for Kimberley has another question.

**Mrs C.A. MARTIN:** I have one more question. It also relates to local government in terms of drafting amendments to all sorts of things, but I am curious about where the research and development funding is for the regional government model for Ardyloon, which is commonly known as One Arm Point.

**Mr M.P. MURRAY:** It is funded in service output level 3 under “Better Local Government” and basically it is staff costs.

**The appropriation was recommended.**

*Committee adjourned at 8.48 pm*

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