

**LEGISLATIVE COUNCIL STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS**

**2020-21 BUDGET ESTIMATES AND 2019-20 ANNUAL REPORT HEARINGS – SUPPLEMENTARY  
INFORMATION**

**Department of Treasury**

**Hon Diane Evers asked:**

D1. Hon DIANE EVERS: Right. Would there be something also that covers things like payroll tax and other areas where we made changes and allowances, such as the electricity payment that is being made and other subsidies?

Hon STEPHEN DAWSON: There is that \$464 million, and based on agency information, again for the same date, 30 September, expenditure and revenue forgone under the recovery plan is around \$1.7 billion. That \$1.7 billion and \$464 million is \$2.1 billion that has been spent in total relief and stimulus measures since the restrictions were imposed in mid-March, so that is mid-March to 30 September.

Hon DIANE EVERS: I suppose the minister has the numbers that make up that \$1.7 billion? I do not really expect the minister to read them out, but is it possible —

Hon STEPHEN DAWSON: I certainly do.

Hon DIANE EVERS: Could that just be provided as a supplementary?

Hon STEPHEN DAWSON: It is asking a lot! Okay. We will provide it by way of supplementary.

Answer:

Based on agency information provided to Treasury, expenditure and revenue forgone under the WA Recovery Plan totalled around \$1.7 billion as at 30 September 2020. See Attachment 1 for further detail.

As detailed during the hearings of the Legislative Council Standing Committee on Estimates and Financial Operations, expenditure under the State Emergency Management response totals \$464 million to the end of September 2020 (see Attachment 2). This expenditure is in addition to that under the WA Recovery Plan, and brings the Government's total spending to over \$2.1 billion on relief and stimulus measures since COVID-19 restrictions were imposed in mid-March.

Minister's initials



## WESTERN AUSTRALIAN RECOVERY PLAN

## Key Initiatives – Actual Expenditure/Revenue Forgone to Date

	2020-21 Budget \$m	Actual to 30 September 2020 \$m
<b>Economy and Industry</b>		
Driving Industry Development	330	2
Social Housing (Economic Recovery Package) <sup>(a)</sup>	319	1
Small Business and Charity Electricity Tariff Offset <sup>(b)</sup>	205	205
Payroll Tax Exemption for JobKeeper Payments	205	172
Payroll Tax Waiver	165	194
Investing in Tourism	150	9
\$20,000 Building Bonus Grants	147	3
Regional Land Booster Package	116	116
\$17,500 Grants to Small and Medium-sized Payroll Tax Paying Businesses	107	96
Boosting Local Manufacturing	99	—
Investing in Renewable Energy and New Technologies	86	6
Revitalising Culture and the Arts	71	3
Expansion of the Lower Fees, Local Skills Policy and free short courses	62	
Waiver of Small Business Licence Fees	50	50
Food Industry	46	— <sup>(c)</sup>
Construction Workforce Support Measures	31	13
Environment Online and Biodiversity Information Office	29	—
Rent Support for Tenants of Government Agencies	24	24
Land Tax Assistance Grant Program	15	2
Support for Travel Agents	3	—
<b>Communities</b>		
Strengthening the Healthcare System	453	36
Freeze of Household Fees and Charges	439	439
Lotterywest COVID Relief Fund	159	55
Doubling of the Energy Assistance Payment	102	96
Police Resourcing Package (150 Officers)	91	6
School Cleaning	64	62
Green Jobs	60	— <sup>(c)</sup>
Preventing Family and Domestic Violence	32	3
Residential Rent Relief	30	6
<b>Infrastructure</b>		
Building Schools for the Future	492	4
Road Safety	266	15
Investing in Government Assets	195	1
Building Community Infrastructure	170	2
Rebuilding TAFE	167	— <sup>(c)</sup>
Sporting Facilities Package	148	—
Maintenance Blitz	60	1
<b>All Other Initiatives</b>	<b>325</b>	<b>45</b>
<b>Total Recovery Plan Spending/Revenue Forgone</b>	<b>5,513</b>	<b>1,668</b>

(a) Contracts have been awarded for refurbishment and maintenance works, and new builds have been identified for development, with contracts anticipated to be awarded later in 2020. Contract payments occur on the completion of works or progress milestones.

(b) After final reconciliations by Synergy and Horizon Power, it is expected that this initiative will be around \$203 million.

(c) Amounts less than \$500,000.

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**STATE EMERGENCY MANAGEMENT RESPONSE**

Spending to Date

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	Actual to 30 September 2020 \$m
WA Health	406
WA Police	45
Communities	13
<b>Total</b>	<b>464</b>

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**Hon Michael Mischin asked:**

D2. Hon MICHAEL MISCHIN: No, I am not. I am asking for some information as to Treasury's model for the calculation of how much a particular project will create in terms of jobs. I will give you an example. There was a media release today about an aquaculture project, which will "help create an estimated 6 000 jobs". How are these figures calculated? I have been told previously in answers to questions without notice that it is done in accordance with some Treasury modelling. I would like to know just how it works. Is it actual, permanent jobs? Is it work for a day or an hour? What is it?

Hon STEPHEN DAWSON: I am told it is based on ABS multipliers. Certainly in relation to the aquaculture project announcement, it would have been the department itself that would have worked out what the job multiplier would have been for that project. In that case, it would have been DPIRD.

Hon MICHAEL MISCHIN: So does Treasury contribute to that assessment in any way?

Hon STEPHEN DAWSON: Treasury has previously issued guidelines in relation to working out the multiplier effects of projects.

Hon MICHAEL MISCHIN: Would it be too much trouble if I could get a copy of those guidelines?

Hon STEPHEN DAWSON: We are just trying to work out if they are available.

Hon MICHAEL MISCHIN: I would be interested to know how these estimates are arrived at.

Hon STEPHEN DAWSON: I am happy to take the question on notice. By way of supplementary information, I will provide that if it is publicly available. If it is captured by cabinet-in-confidence or any IC document, I will not be able to, but I note it and I will see what I can provide.

Answer:

The guidelines have been prepared for internal use within government and are not publicly available.

The business case for the Aquaculture Plan, and the employment estimates it contains, were prepared prior to the release of Treasury's guidelines. The Department of Primary Industries and Regional Development has advised that the employment estimates were calculated with reference to comparable aquaculture projects in other States, adjusted for differences in total production.

Minister's initials



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**Hon Tjorn Sibma asked:**

D3. Hon TJORN SIBMA: Thank you. The forward estimates take us to 2023-24. My understanding, with respect to those three projects, is that obviously they are at different stages of development. I would anticipate that FAL is the one that will become operational the soonest. Can I get a sense of when those operational subsidies will commence being phased in, in which year, and to what amount?

Hon STEPHEN DAWSON: We do have that information; we just do not have it at hand. We can provide it by way of supplementary.

Answer: Operations of the Forrestfield-Airport Link, Yanchep Rail Extension and Thornlie-Cockburn Link are expected to commence in 2021, 2022 and 2023, respectively. The operating subsidies in those years are estimated at around \$35 million, \$20 million and \$12 million, respectively.

Minister's initials

