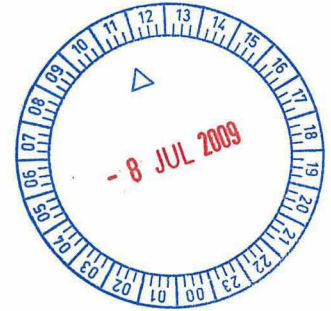




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Ms Renae Jewell
Committee Clerk
Standing Committee on Estimates and
Financial Operations
Parliament House
PERTH WA 6000

Dear Ms Jewell

TRANSCRIPT OF EVIDENCE

Thank you for your letter of 24 June 2009 giving me the opportunity to check the transcript of evidence that I gave to the Committee on 22 June 2009.

Please find attached the endorsed transcript as requested.

In addition, and as outlined in the transcript, I agreed to provide further information to the Committee on a number of issues. The following outlines the issues and further comments:

Issue 1

In terms of the credit rating, roughly how much is the margin we pay over, say, the commonwealth government paper for the same term, given the rating we currently have? (Page 9)

Response

Currently the margin over Commonwealth bonds is about 30 basis points (bp) in the case of 2 year bonds (down from 95bp in March), and about 75bp for 10 year bonds (down from 140bp in March).

Issue 2

Is that analysis that you have made (exchange rates and hedging arrangements) Under Treasurer, in previous years, a public document (Page 16)

Response

I have been unable to locate any DTF documents on this matter that are in the public domain.

Issue 3

Is it possible to get a list of the ones that they are looking at? (Economic Audit Committee review of transfer payments) (Page 19)

Response

The Treasurer has advised that the Economic Audit Committee's (EAC) deliberations and recommendations with respect to transfer payments are policy matters still under consideration by the Government in Cabinet. Release of this information at this time would not be appropriate, as it could be misleading or encourage ill-informed speculation. Transparency with respect to this matter will be met when relevant Budgets impacted by policy decisions stemming from the recommendations made by the EAC are presented to the Parliament and debated in a public forum.

Issue 4

Tracking of projects which are deleted from Capital Works Program due to change in the definition of capital (Page 20)

Response

A project level reconciliation of the differences between the Capital Works Program published in the 2008-09 Budget and the Asset Investment Program published in the 2009-10 Budget due to the once-off definitional change is currently being compiled by the Department of Treasury and Finance and will be made available when completed.

Issue 5

I can give you a figure for 2009-10 of the current numbers within the budget parameters. (FTE figures for 2009-10) (Page 23)

Response

The FTE figure for General Government appropriation-funded agencies as outlined in the 2009-10 Budget Statements is 101,879. The 2009-10 FTE levels for agencies are currently being submitted for ratification by Cabinet and as part of this process the FTE ceiling for individual agencies may be amended.

Issue 6

Savings targets for State Fleet, procurement savings, asset sales and reduction in grants (Page 23/24)

Response

The target savings are as per the following table.

| Savings Measure | 2009/10 (\$m) | 2010/11 (\$m) | 2011/12 (\$m) | 2012/13 (\$m) | Total (\$m) |
|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
| Land Sales | 20.0 | 55.0 | 75.0 | 100.0 | 250.0 |
| Procurement | 60.0 | 60.0 | 60.0 | 60.0 | 240.0 |
| Grants | 65.0 | 55.0 | 40.0 | 40.0 | 200.0 |
| Fleet | 5.1 | 10.3 | 13.4 | 13.4 | 42.2 |
| Total | 150.1 | 180.3 | 188.4 | 213.4 | 732.2 |

These are disclosed in the 2009-10 Budget Paper No.3. Further, the savings target for the asset sales is disclosed on page 37 (under the heading of Provision for land sales), procurement savings and the reduction in grants are on page 85 and State Fleet is on page 130.

Issue 7

I am happy to provide detail of the growth in both the vehicle fleet expenses, the number of vehicles and share with you where they are, if you like. (Page 25)

Response

Over the past five years the growth in vehicle numbers has averaged 5 percent per annum. During the same period the average vehicle lease rental has increased 4.4 percent per annum. Attachment A reflects the total number of vehicles and associated allocation to agencies.

Yours sincerely



Timothy Marney
UNDER TREASURER

3 July 2009

Allocation of State Fleet Vehicles As at April 2009

| Agency | Nos Vehicles at Apr 2009 |
|--|--------------------------|
| Health (Dept of) | 2,220 |
| Police Services | 1,484 |
| Environment and Conservation (Dept of) | 983 |
| Water Corporation | 976 |
| Education and Training (Dept of) | 627 |
| Child Protection (Dept of) | 577 |
| Agriculture (Dept of) | 491 |
| Corrective Services (Dept of) | 473 |
| Main Roads Department (WA) | 427 |
| Disability Services Commission | 403 |
| Homeswest (State Housing Commission) | 282 |
| Attorney General (Dept of) | 254 |
| Planning and Infrastructure (Dept for) | 228 |
| Commerce (Dept of) | 237 |
| Premier & Cabinet (Ministry of) | 200 |
| Fire and Emergency Services | 185 |
| Public Transport Authority | 170 |
| Mines and Petroleum (Dept of) | 167 |
| Water (Dept of) | 155 |
| Fisheries WA (Dept of) | 103 |
| Land Administration (Dept of) | 74 |
| Fremantle Port Authority | 69 |
| Treasury and Finance (Dept of) | 70 |
| Communities (Dept of) | 62 |
| Swan TAFE | 45 |
| Sport & Recreation (Ministry of) | 43 |
| Indigenous Affairs (Dept) | 42 |
| Central TAFE | 38 |
| Kimberley College of TAFE | 36 |
| Local Government and Regional Development Department | 34 |
| Tourism Commission (WA) | 32 |
| Landcorp (Land Authority) | 31 |
| Pilbara TAFE | 29 |
| Public Prosecutions, Director of | 26 |
| Lotterywest | 24 |
| State Development (Department of) | 22 |
| Botanic Gardens and Parks Authority | 21 |
| Museum (WA) | 19 |
| Corruption and Crime Commission | 18 |
| Challenger TAFE | 17 |
| Rottneest Island Authority | 15 |
| Sports Centre Trust (WA) [Challenge Stadium] | 15 |
| Economic Regulation Authority | 14 |

| Agency | Nos Vehicles at Apr 2009 |
|--|--------------------------|
| Curriculum Council of WA (Dept of the) | 14 |
| Alcohol & Drug Authority (WA) | 14 |
| Public Sector Commission | 14 |
| Auditor General (Office of) | 13 |
| West Coast College of TAFE | 13 |
| Builders Registration Board | 12 |
| South-West Development Commission | 12 |
| Racing, Gaming & Liquor | 11 |
| Arts WA (Dept for the) | 11 |
| Industrial Relations Commission (WA) | 10 |
| Energy (Office of) | 9 |
| Wheatbelt Development Commission | 8 |
| Public Sector Standards Commission (Office of) | 8 |
| Midland Redevelopment Authority | 7 |
| Zoological Gardens | 7 |
| Legal Aid Commission of WA | 7 |
| Chemistry Centre (Minerals & Energy) | 7 |
| Art Gallery of WA | 7 |
| South West Regional College of TAFE | 7 |
| Small Business Development Corporation | 7 |
| Peel Development Commission | 6 |
| East Perth Redevelopment Authority | 6 |
| Office of Inspector of Custodial Services | 6 |
| Education Services | 6 |
| Kimberley Development Commission | 6 |
| Armadale Redevelopment Authority | 5 |
| Great Southern Development Commission | 5 |
| Pilbara Development Commission | 5 |
| Gascoyne Development Comm. | 5 |
| Potato Marketing Authority of WA | 4 |
| Electoral Commission (WA) | 4 |
| Meat Industry Authority (WA) | 4 |
| Perth Theatre Trust | 4 |
| Parliamentary Comm'n for Admin. Investigations (Ombudsman) | 4 |
| CY O'Connor Residential College (of TAFE) - Northam | 4 |
| Burswood Park Board | 4 |
| Animal Resources Centre | 4 |
| Commissioner for Children and Young People | 3 |
| Building and Construction Industry Training Board | 3 |
| Goldfields-Esperance Development Commission | 3 |
| Great Southern Regional College of TAFE | 3 |
| Hairdressers Registration Board WA | 3 |
| Healthways (Health Promotion Foundation) | 3 |
| Painters Registration Board | 3 |
| Country High Schools Hostels Authority | 3 |
| Mid-West Development Commission | 3 |

| Agency | Nos Vehicles at Apr 2009 |
|--|--------------------------|
| Information Commissioner (Office of) | 2 |
| Parliamentary Services | 2 |
| Office of Native Title | 2 |
| Library & Information Services of WA | 2 |
| Legislative Council | 2 |
| Perth Market Authority | 2 |
| Central West College of TAFE | 2 |
| Heritage Council of WA | 2 |
| Treasury Corporation (WA) | 2 |
| Construction Industry LSL Payments Board | 2 |
| Legislative Assembly | 2 |
| Synergy Energy | 1 |
| Equal Opportunity Commission | 1 |
| Salaries and Allowance Tribunal | 1 |
| Law Reform Commission of WA | 1 |
| Screen West (Inc) | 1 |
| Total | 11,772 |