

**STANDING COMMITTEE ON  
ESTIMATES AND FINANCIAL OPERATIONS**

**2017–18 BUDGET ESTIMATES HEARINGS**



**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
TUESDAY, 17 OCTOBER 2017**

**SESSION THREE  
DEPARTMENT OF THE PREMIER AND CABINET**

**Members**

**Hon Alanna Clohesy (Chair)  
Hon Tjorn Sibma (Deputy Chair)  
Hon Diane Evers  
Hon Aaron Stonehouse  
Hon Colin Tincknell**

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**Hearing commenced at 1.45 pm**

**Hon SUE ELLERY**

**Minister representing the Premier, examined:**

**Mr DARREN FOSTER**

**Director General, examined:**

**Ms MEGAN INGLIS**

**Manager, Ministerial Support Unit, examined:**

**Ms SHARON BASINI**

**Acting Manager, State Administration, examined:**

**Ms HELEN GLADSTONES**

**Principal Policy Officer, Office of State Security and Emergency Coordination, examined:**

**Mr GARY MEYERS**

**Director, Finance and Information Services, examined:**

**The CHAIR:** Good afternoon, members. We are at the estimates hearing of the Department of the Premier and Cabinet. Before I do the introductions, can I get an indication from members who wants to ask questions. Can you just keep you hand up just so that the officer can count. On behalf of the Legislative Council Standing Committee on Estimates and Financial Operations, I would like to welcome you to today's hearing. Can the witnesses confirm that they have read, understood and signed a document headed "Information for Witnesses"? All witness have indicated they have.

It is essential that your testimony before the committee is complete and truthful to the best of your knowledge. This hearing is being recorded by Hansard and a transcript of your evidence will be provided to you. It is also being broadcast live on the Parliament's website. The hearing is being held in public, although there is discretion available to the committee to hear evidence in private. If for some reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session before answering the question. Agencies and departments have an important role and duty in assisting the committee to scrutinise the budget papers, and the committee values your assistance with this.

Would the minister like to make a brief opening statement?

**Hon SUE ELLERY:** No, Madam Chair.

**The CHAIR:** I will start with the committee members and allocate the amount of time to each; it will be around nine minutes.

**Hon TJORN SIBMA:** Minister, I refer to page 66 of volume 2 of budget paper No 2, and in particular a table outlining, among other things, the full-time equivalents of the department. I note that for the full-time equivalents recorded, there is no change between the 2015–16 annual to 2017–18 budget—95 people. I just want to clarify that that means that no positions have been reduced in that service category, which is the government policy management service category. I just want to clarify whether the two deputy directors general made redundant on the election of the McGowan

government are calculated within this category; and, if so, when were the two deputy directors general informed of their redundancy, and in particular what role the director general may have had in removing those two positions?

**Hon SUE ELLERY:** There were several parts to that. Can I just start with the first one? Can you just repeat the first one for me? The second one was —

**Hon TJORN SIBMA:** There are 95 FTEs recorded across a number of financial years. That does not accord with understandings I have about redundancies in that line. My question is again: does this mean that no positions were reduced in the service category; and, secondly, the two deputy directors general who were made redundant, were they categorised in that category, and what was the role of the director general in that removal?

**Hon SUE ELLERY:** Thanks. If we start with the deputy directors general first, I am advised that they left before the end of the financial year. In respect of the first part of your question about have any positions been reduced, I am advised that that is an estimated actual—95 in 2016–17. The number stays the same in 2017–18. I am not sure whether there is more that I can give you on that.

[1.50 pm]

**Hon TJORN SIBMA:** It is just curious that two very senior officers within that department—two deputy directors general—were made redundant as a consequence of the election of the McGowan government. I would have expected to see 93 FTEs, for example, in that line, but my question remains around the process of removal of the two deputy directors general. When did that occur, how did that occur and who was involved?

**Hon SUE ELLERY:** I will start with the last bit then. I am not sure that we are able to provide the answers to that question. They are best directed to the Public Sector Commissioner, who is responsible for handling that area. I am not in a position to provide you an answer for how the redundancies were managed. That would need to be directed to the Public Sector Commissioner?

**Hon TJORN SIBMA:** So I could not ask, with the minister's approval, the gentleman to her right, who was their, effectively, manager as acting director general of that department? He played no role in their removal?

**Hon SUE ELLERY:** Honourable member, I know that you know that the responsible party for this is the Public Sector Commissioner, and that is where your questions are best directed.

**Hon TJORN SIBMA:** I have another question, Madam Chair, if you do not mind. I will try my luck getting an answer to this one.

**Hon SUE ELLERY:** You got an answer to the previous question. It might not be what you like, but you got an answer.

**Hon TJORN SIBMA:** Madam Chair, I have not finished. I refer —

**The CHAIR:** Thank you. I just invite you to bring the temperature down; it is early in the afternoon.

**Hon TJORN SIBMA:** I refer to page 62 of the same budget document. In particular, the machinery-of-government changes at the fourth dot point. I ask the minister to explain the role the director general has in managing that particular process, and what role may he have had dealing with the then McGowan opposition prior to the state election in respect of that matter?

**Hon SUE ELLERY:** I am not sure that the second part of the question bears any relationship to the budget, and the current —

**Hon TJORN SIBMA:** With respect, minister, it is a line item in the budget.

**Hon SUE ELLERY:** Can I answer the question?

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**Hon TJORN SIBMA:** You trumpet machinery-of-government changes quite frequently in this place. I am just trying to understand the process.

**The CHAIR:** Honourable member, if we could allow the minister an opportunity to provide an answer.

**Hon SUE ELLERY:** The comment I was making—I am sorry, I will try to make eye contact with you—was in that part of your question where you asked for a comment in respect of any role he may or may not have played prior to the election. My response to that was, “I do not see how hard that has got anything to do with the budget”, and, in any event, he was a public servant before the election, not working for the opposition, so I do not know how that would be relevant at all. In respect of the first part of the question regarding the fourth dot point about the assumption of Aboriginal affairs policy as a result of the MOG changes into the Department of the Premier and Cabinet, he is the director general, so he has general oversight of that area in his responsibilities of director general of the entire department. There are obviously people with particular skills in the area of Aboriginal policy who carry out various functions below director general, but as director general he has the same role the director general does in respect of functions of the department. He is the one with the general oversight of all the functions of the department.

**Hon TJORN SIBMA:** Just a follow-up, if I may. Thank you, minister, for that response. What I was also attempting to gather was what the role of the director general has been in relation to machinery-of-government changes across government, not just necessarily the absorption of Aboriginal affairs into DPC, which is, I understand, a significant change for that agency, but there have been significant changes made across the entire public sector at great rapidity with a significant changeover in senior personnel. I am just trying to understand the kind of planning process that went into such a radical change so quickly and what the role of the director general may have been in that process.

**Hon SUE ELLERY:** If I can make some general comments first, it is not the first government, and it will not be the last government, on election to make machinery-of-government changes. That is not unusual; previous governments have done that and I am sure future governments will as well. Secondly, you would expect that with machinery-of-government changes and one of the central agencies being DPC it would play a significant role in the machinery-of-government changes, and DPC has played a significant role in the machinery-of-government changes. If there was some particular element of the machinery-of-government changes that you wanted to ask about, I would be happy to provide you an answer to that, but in respect of the director general’s role, he is the director general of one of the central agencies that is managing the machinery-of-government changes, so you would imagine, and I know it to be the case, that he plays a significant role in how that is rolled out. Ultimately, of course, decisions about policy are made by cabinet and his role as director general is to implement the machinery-of-government changes as one of the central agencies.

**Hon TJORN SIBMA:** I refer to page 66 of the same document—it is easy to find—under “Government Policy Management”. I ask the minister, if she is able to do so, to explain the following, please. Have any staff in this service category been transferred to other areas or departments; and, if so, who are the staff and where have they gone? The second point to that is: across service area 1, as identified on page 65 and service area 2, as identified on page 66, how many new staff have been recruited to the department since 11 March this year? What are their levels and positions? What recruitment process was utilised?

**Hon SUE ELLERY:** I can ask the director general to give you a general explanation in respect of the first part of the question, which is: were there any transfers in respect of the FTE listed in policy area

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2. In terms of the detail of numbers, we might need to take that on notice, but I will ask him to make some comments at the outset.

**Mr FOSTER:** There have been a number of rearrangements of staff in DPC, so a number of people have been provided to assist various inquiries and there has been some reshuffling of positions, including some people transferred out of the agency. I cannot give you precise numbers, but many people have also been seconded in from other parts of the sector. The practice has been to try to second people with particular skill sets from other parts of the sector.

**Hon SUE ELLERY:** If there was detail around that that you wanted —

**Hon TJORN SIBMA:** Thank you, that gets part of the way, but as to my specific request, I will take it as supplementary information.

**The CHAIR:** Can you be specific about what you are asking for—what type of data?

**Hon TJORN SIBMA:** Across both of those service areas—service area 1 and service area 2—how many new staff have been recruited into the department since 11 March, 2017, what are those positions, what levels are those positions and what recruitment process was utilised to recruit them?

*[Supplementary Information No C1.]*

**Hon DIANE EVERS:** On page 65 at the bottom, notes 2 and 3, I notice the Yarloop bushfire clean-up of \$15.5 million has gone through there. I was just wondering what criteria are used for when something of this nature would go through the Department of the Premier and Cabinet. I am also interested in the recouped \$5 million from Alcoa. How was that decided?

**Hon SUE ELLERY:** In respect of the first bit of your question, as the central agency, DPC has general responsibility for disasters. I will ask the director general; he might need to ask one of the other officers to provide more detail on the criteria. In respect of arrangements made with Alcoa, I will ask the director general to provide an answer to that as well.

[2.00 pm]

**Mr FOSTER:** Look, this decision was taken by the previous government in terms of DPC having carriage of the Yarloop clean-up, so I cannot really answer as to the criteria used, but DPC exists to serve the government of the day and, at times, there are sometimes issues that do not fall neatly in one agency or another and DPC assumes that responsibility. I might see if Mr Meyers can elaborate on that.

**Mr MEYERS:** All I was going to add is that the actual job was carried out not by the Office of Emergency Management, but the function of WANDRRA has been transferred to the Office of Emergency Management from 1 December last year and they participated in the Yarloop clean-up, but I cannot really add much more.

**Hon SUE ELLERY:** Perhaps we can just explain WANDRRA being the Western Australian natural disaster relief and recovery arrangements. In respect to the second part of the question about Alcoa, can we take that on notice, please, Madam Chair?

*[Supplementary Information No C2.]*

**Hon DIANE EVERS:** My next question is about the Browse LNG fund. I have noticed that it has changed so that it will be paid out in 2018–19.

**Hon SUE ELLERY:** Which page, member; sorry?

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**Hon DIANE EVERS:** I am sorry; the interest is on page 71. Why is there no interest shown on page 71 in the bottom line of the top section on net appropriations when the fund is not going to be paid out until 2018–19, which is shown on page 68?

**Hon SUE ELLERY:** We can provide an answer to that and I will ask Mr Meyers to provide you with an answer.

**Mr MEYERS:** The payment for Browse was supposed to be made in 2016–17 and has been deferred to 2018–19. Yes, you are correct; on page 71, where it talks about the “Interest Bearing Trust Account”, there should have been an entry for interest earned. So that is something we are adjusting as part of the midyear review.

**Hon DIANE EVERS:** My next question refers to pages 65 and 66—back to those employee numbers. The FTEs of 539 and 95 do not change. It shows that the employee benefits during that time decreased from \$84 million to \$75 million. I wonder why there is a decrease of \$10 million for employee benefits in a year when your FTEs have stayed the same.

**Hon SUE ELLERY:** Just help me, honourable member; I am looking for the dollar numbers that you are referring to.

**Hon DIANE EVERS:** Yes, I am too! Employee benefits is at the top of page 68; it states there is \$84 million and then it drops to \$75 million.

**Hon SUE ELLERY:** I am going to ask Mr Meyers to pick up any detail but I think it is a combination of things. One of them is the agency expenditure review, which was a process begun by the previous government. Then I think some of it might include severances that occurred at the time of the change of government, which is a perfectly normal event that happens every time there is a change of government. But I will ask Mr Meyers if he has anything further to add to that.

**Mr MEYERS:** I think the minister has actually covered the main components of the change from \$84 million down to \$75 million for those two years. There were other things to do with the transfer of WANDRRA to OEM, which also resulted in staff being transferred out of the agency into the Office of Emergency Management.

**Hon DIANE EVERS:** But the staff numbers stay the same; why would that be?

**Mr MEYERS:** In terms of the FTE?

**Hon DIANE EVERS:** Yes, the FTE. That is back on pages 65 and 66.

**Mr MEYERS:** If you look at page 68, the actual FTE for 2015–16 was 646 and in 2016–17, it has gone down to 634. This is in footnote (b) to that statement. So the overall FTE has reduced. Also, bear in mind that, as part of putting together these *Budget Statements*, the department was asked to recast the numbers for the transfers related to machinery of government for overseas offices and the Office of Science.

**Hon DIANE EVERS:** Okay. The drop in FTEs, though, was in 2015–16 to 2016–17, so it should not affect the 2017–18 drop in benefits.

**Mr MEYERS:** The transfer of WANDRRA happened in 2016–17.

**Hon DIANE EVERS:** On page 66, I want to comment on the third dot point, “leadership and coordination of cross-agency solutions to complex issues”—something I am very much in favour of. I am just wondering if you can give me a couple of examples of where the departments are working together on these complex issues.

**Hon SUE ELLERY:** There are a range of areas. I will ask the director general to give you some examples in a minute, but there are a range of areas where that is happening, not the least of which

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were coordinated through a couple of cabinet subcommittees in respect to the general jobs portfolio and some of the functions under the social policy area. I will ask the director general to give you some other examples of that.

**Mr FOSTER:** Yes, there is an outbreak of collaboration across the sector. In addition to the DGs' working groups that support the cabinet committees, the government has established a public sector leadership council, which met for the first time last Friday. That has the directors general and the commissioners from all the major agencies represented. That is similar to the Secretaries Board that exists at the commonwealth level. New South Wales also has a Secretaries Board and that is to create an opportunity for directors general to get together on a monthly basis and work on cross-government issues. There are also a number of working groups that have been established on particular topics, some which I chair or others chair, to try to sort of get some cross-sector working relationships established and solve common problems. Most complex public policy issues do not stop at the boundaries of an agency and creating mechanisms to achieve that collaboration is a fairly high priority, certainly for me and for the government.

**Hon AARON STONEHOUSE:** I refer to budget paper No 2, volume 1 and page 63 under the administration of executive government services expense. The budget estimate is \$122 million and then increases by \$17.8 million in the 2018–19 forward estimate. What services are planned for the additional \$17.8 million in the 2018–19 forward estimate? I also note that it decreases by \$31.35 million in the 2019–20 financial year. What explains that significant reduction immediately after?

**Hon SUE ELLERY:** Director general.

**Mr FOSTER:** I might ask Mr Meyers to comment on the detail, but just to give you an idea of the coverage of this particular item, this includes all members' salaries, electorate offices, ministerial offices, government vehicles provided by executive transport services, charters and all of that sort of thing. So it is a fairly extensive service and where there are additional costs associated with establishing new electorate offices or providing support to members, that can have a significant influence on those numbers. I will just ask Mr Meyers if he can elaborate on that.

**Mr MEYERS:** Just to reconfirm, do you want to know the change from the 2016–17 estimated actual of \$155 million down to \$122 million in the following year?

**Hon SUE ELLERY:** No; it is \$122 million up to \$140 million—so 2017–18 up to 2018–19.

**Hon AARON STONEHOUSE:** Yes, it is up to \$140 million and then back down again to \$108 million.

**Mr MEYERS:** So you do not want to know the difference between those two years—2017–18 and 2018–19?

**Hon SUE ELLERY:** Yes.

**Hon AARON STONEHOUSE:** Yes.

[2.10 pm]

**Mr MEYERS:** You do? So the decrease of \$32 million is mainly reflected by the Yarloop clean-up, which was a one-off cost in 2016–17, which I guess we do not pay for in 2017–18. There are going to be some slight payments in 2017–18, but the bulk of it was in 2016–17—close to \$26 million worth. There were also election costs related to severances—close to about \$5 million. That sort of makes up that \$32 million drop from one year to the next. Then you have asked about the change with the decrease from 2018–19, which is \$140 million, down to \$108 million the following year. There is probably not a lot of science to that decrease. It is something that we need to firm up, I guess, in the next lot of budget papers. Currently, all that is being used is the same proportion that

was used in 2017–18 in that there is a split of 83 per cent against administration of executive government and government policy being 17 per cent. That split of costs is being used in the out years; it is not that scientific.

**Hon SUE ELLERY:** It is an estimate.

**Hon AARON STONEHOUSE:** I refer to page 64 and the “Executive Government Receives Appropriate Support” outcome. Noting the 2015–16 actual was 100 per cent and the 2016–17 estimated actual was 98 per cent for targets for support services are met or exceeded, why is the budget target lowered to 95 per cent? It is page 64 and we are setting the targets lower than what we are actually achieving.

**Hon SUE ELLERY:** I can see what it is. We are trying to get a scientific answer for you! It appears that I am unable to. It is an estimated target. I do not have an explanation for why the target for 2017–18 has dropped from what we estimated we should achieve in 2016–17 and I am not sure I will be able to find you a more scientific answer.

**Hon AARON STONEHOUSE:** I am sure I will think of some more questions on that later.

Moving on for now, page 62 under “Significant Issues Impacting the Agency” mentions “Reform of the GST sharing arrangements remains a high priority.” Can you provide us a progress report, as brief as possible, on the work of reform and what reforms are being contemplated?

**Hon SUE ELLERY:** Let me find the dot point you refer to.

**The CHAIR:** It is page 62, about five dot points down.

**Hon SUE ELLERY:** Give me a second. I will start and then I might ask the director general to continue. I will try to make it short but, you know, everyone in this room could talk at length about the GST. I begin this way. From WA’s point of view, advocating for GST reform and engaging constructively is a major priority. We are working at high levels around that issue. In terms of our priorities in negotiating with the commonwealth, there are a range of national partnership agreements that expired and that are being replaced by agreements proposed by the commonwealth that will see our share from the commonwealth dramatically decreased. In my own portfolio in the Department of Training and the Department of Education, the end of those national partnerships has left significant black holes in the budget, which we have to try to meet. In addition to that with respect to housing, I know Minister Tinley is working hard on that because there is a significant diminution of responsibility from the commonwealth. I might ask the director general if he can make any more comment on GST. I will ask him to limit his comments because, frankly, as I said, everyone in this chamber could talk about GST for a very long time and I am not sure that is a constructive use of time in estimates.

**Mr FOSTER:** The department, through the federal–state relations team has been working with commonwealth and state officials on this question. Obviously, one of the opportunities the state has to raise its concerns about the GST distribution is at the Council of Australian Governments meeting. There are a number of subsidiary meetings to COAG that I attend on behalf of the state. This comes up at every single one of those meetings, also at COAG and ministerial council meetings. We are advocating the state’s position in public and in private at every opportunity.

**Hon PETER COLLIER:** I have a couple of questions. With regard to the workforce renewal program, I guess I will put those questions on notice to the Public Sector Commissioner. It is looking at total numbers. They will have to be taken on notice anyway, but I can put them in.

**Hon SUE ELLERY:** Are you asking for the numbers for DPC or across government?

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**Hon PETER COLLIER:** No; the public sector, so I will put them in for the Public Sector Commissioner. That is fine. Just on DPC, can I get the number of FTE for DPC from the day the government took office and the breakdown of public servants and TOGs on that day and again as of today—a comparison between the two?

**Hon SUE ELLERY:** I will take that on notice as well; we do not have that information here.

**The CHAIR:** That is C3. TOGs being term of government.

*[Supplementary Information No C3.]*

**Hon PETER COLLIER:** Yes, thank you, Madam Chair. Where is the government jet located?

**Hon SUE ELLERY:** Right now, I do not know where it is. It might be at the airport, it might be in the sky.

**Hon PETER COLLIER:** I am surprised it is still flying, to be perfectly honest. My point being that we made full use of it—overused it, I think, going to all those schools.

Can you tell me in the budget papers where the —

**Hon SUE ELLERY:** Where reference to the jet might appear?

**Hon PETER COLLIER:** No; in terms of the costs of the jet.

**Hon SUE ELLERY:** I am told it is within service 1. I am not sure that there is a specific line item for it. Do you have a particular question?

**Hon PETER COLLIER:** Yes, I have. I know that the jet was due for renewal. What is the situation with both the jet and the King Air in terms of the longevity of the lease, the cost of the lease and when they are due for renewal?

**Hon SUE ELLERY:** We had to make some decisions earlier on is my recollection. I will ask the director general to provide you with the answer.

**Mr FOSTER:** I share the minister's interest in how the jet remains in the air because it is ageing. The government will be making some decisions fairly soon. ERC is yet to consider a final position on that so we have looked at a range of alternatives, including acquiring the jets or extending the lease.

**Hon PETER COLLIER:** Extending the lease on the current jet?

**Mr FOSTER:** Yes, both aircraft, which is another option. We are evaluating the alternatives.

**Hon PETER COLLIER:** What is government policy regarding the use of both the jet and the King Air.

**Hon SUE ELLERY:** As to who can fly?

**Hon PETER COLLIER:** Yes.

**Hon SUE ELLERY:** I am advised there is no change to whatever policy was in place.

**Hon PETER COLLIER:** So it is only ministers and, in a representative capacity, a parliamentary secretary and department staff?

**Hon SUE ELLERY:** We are speaking without the policy in front of us. I am advised that there has been no change to the policy. However, so that we all make sure we are talking about the same thing, I am happy to take on notice a request. We might be able to answer about the policy. I understand one of the officers can give us that.

**Ms INGLIS:** The policy has not changed —

**The CHAIR:** Ms Inglis, just wait for your light to go on on your microphone. Can we have the microphone on for Ms Inglis behind Mr Foster?

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**Hon SUE ELLERY:** If you think she is talking to herself; she is actually talking to the people who are operating the microphones.

**Hon PETER COLLIER:** I can hear. Hansard is very good. You cannot hear it?

**The CHAIR:** No. It is still not working. We are on the phone.

**Hon PETER COLLIER:** Do you want me to ask my question?

**The CHAIR:** I would prefer that a different word be used when we are talking about the plane and that.

Your microphone is on, beautiful. Ms Inglis is going to answer that question.

**Ms INGLIS:** Thank you. The policy with regard to the usage of both the government aircraft has not changed in that it is for exclusively ministerial business. You need to be a minister travelling on ministerial business to undertake travel on both government aircraft—the King Air and the jet. From time to time, the Governor also is able to use the jet. You cannot book the government aircraft if you are representing a minister either as a member or as a parliamentary secretary.

[2.20 pm]

**Hon PETER COLLIER:** But the parliamentary secretary can use it if he or she is representing the Premier; is that correct?

**Ms INGLIS:** I think that would be quite rare. I have not seen that happen in recent times.

**Hon PETER COLLIER:** The minister will need to take this on notice, but can I get a breakdown of the use of both the government jet and the King Air since the government took office in terms of the Premier, ministers and other passengers, and the destinations?

**Hon SUE ELLERY:** There was a question on notice lodged —

**Hon PETER COLLIER:** That is the total amount, I think. I am asking for each individual flight.

**Hon SUE ELLERY:** Each flight taken since we took office?

**Hon PETER COLLIER:** Yes.

**Hon SUE ELLERY:** We certainly do not have that here. We can take that on notice.

[*Supplementary Information No C4.*]

**Hon PETER COLLIER:** Now that DPC has oversight of Aboriginal Affairs, one of the big issues that I had in that role over the last 12 months was the ruling from Justice Chaney about the 36 heritage sites. Can the minister give an update on the status of those sites, which caused so much consternation, particularly for *The West Australian*? I think Broome was of particular interest to *The West Australian*.

**Hon SUE ELLERY:** The director general can make some general comments, but we might need to take on notice some of the detail. I ask the director general to respond.

**Mr FOSTER:** Just for clarification, the Department of the Premier and Cabinet has taken over the Aboriginal policy function of DAA, but the ALT and heritage components are the responsibility of the Department of Planning, Lands and Heritage. The Minister for Aboriginal Affairs has responsibility for the whole suite of issues. So DPC supports him on Aboriginal policy matters, so across-government issues, and on those specific issues to do with heritage and lands trust matters, that is the department of planning. I add as a footnote that native title is also in the Department of the Premier and Cabinet, so native title also supports the Minister for Aboriginal Affairs.

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**Hon SUE ELLERY:** In that respect, Madam Chair, we might not be able to take that question on notice.

**Hon PETER COLLIER:** That is fine. I will put that question on notice to the Minister for Planning.

**Hon JACQUI BOYDELL:** I refer to budget paper No 2, volume 1, page 61, and the heading “Spending Changes”. Could the minister provide a list of the successful and unsuccessful projects under the line “Local Jobs Local Projects”?

**Hon SUE ELLERY:** There are many of them. I doubt that there are any unsuccessful ones so far, but there may well be. I am happy to take that on notice and provide the member with a list.

*[Supplementary Information No C5.]*

**Hon JACQUI BOYDELL:** Thank you. Could the minister table the due diligence process that led to the success or failure of those projects?

**Hon SUE ELLERY:** The member would be aware that a range of questions has already been asked in the house—a couple of times, I think—about the process followed. Election commitments were made prior to the election, and then respective agencies were responsible for the allocation of funds, depending on where the actual project fell. There was a range of projects in relation to schools, so the Department of Education was responsible for the allocation of the funds and liaising with the relevant school organisations, be they government or non-government in respect to metropolitan projects, and the Minister for Regional Development was responsible for school projects funded out of the royalties for regions program. There was a range of different mechanisms in place. They were election commitments, and the government is honouring our election commitments. If there is further detail that DPC as the central agency can provide around the process, I am happy to take that on notice and we will provide the member with some more detail.

**Hon JACQUI BOYDELL:** Thank you, minister. I understand that the Department of Sport and Recreation WA uses a risk-based approach in assessing the adequacy of planning on all projects. Has the Department of the Premier and Cabinet established a uniform risk-based approach across all agencies for undertaking an assessment of those projects?

**Hon SUE ELLERY:** If the member is asking in respect of Local Projects, Local Jobs, these were election commitments, and we are honouring our election commitments. In terms of the process, I have already taken the question on notice, but I am happy to provide the member with more detail; we do not have it with us today. They were election commitments, and we are rolling them out and honouring them.

*[Supplementary Information No C6.]*

**Hon JACQUI BOYDELL:** I take it from that, without the minister lodging or tabling anything else, that there is no risk-based approach?

**Hon SUE ELLERY:** The member may make whatever assumption she wants. I said that I will provide the member with more detail about the process. The member has made the assumption that no risk-assessment process is in place. I suggest the member wait until she sees the detail that is provided.

**Hon JACQUI BOYDELL:** Will I take it from that, minister, that each department has a different approach to scrutinising their business cases under the same initiative?

**Hon SUE ELLERY:** I am not sure that the honourable member has heard what I said. They were election commitments, and we are honouring those election commitments. I will provide the member with more detail from DPC, if I am able to, about the process that DPC has adopted. They

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were election promises. I know that is perhaps not something the member is used to doing, but we are in the process of honouring our election commitments.

**Hon JACQUI BOYDELL:** I am just trying to understand the process that was undertaken in expending government money.

**Hon SUE ELLERY:** You make a commitment, and then you deliver it.

**Hon JACQUI BOYDELL:** That is okay. I take on board the minister's answer.

I refer again to budget paper No 2, volume 2, page 62. The eleventh dot point under the heading "Significant Issues Impacting the Agency" refers to the NDIS. Can the minister indicate when the work on the most appropriate model will be finalised?

**Hon SUE ELLERY:** No, I cannot. I am not in a position to do that. Although DPC has been involved, that question is best directed to the Minister for Disability Services. I understand his agency will be called tomorrow. That question is best directed to him.

**Hon JACQUI BOYDELL:** The NDIS comes under the budget papers for the Department of the Premier and Cabinet, that is why I have asked that question in today's estimates hearing. I will put on the record the following questions that I have, and if the minister directs me to the Minister for Disability Services, that is fine. Given that there has been an announced rollout in the Kimberley and the Pilbara, how can that happen if the most appropriate model has not yet been decided?

**Hon SUE ELLERY:** I thought the member was going to read a list of questions?

**Hon JACQUI BOYDELL:** Okay. Where will the funding for that rollout come from? What provisions are being made for the unique circumstances in regional Western Australia for the NDIS rollout? Regional areas do not have the demand to drive a market model. What consultation and work is the government doing to ensure the NDIS is applied appropriately? I ask those questions given the NDIS is in the budget papers under the Department of the Premier and Cabinet.

**Hon SUE ELLERY:** I guess I can provide a general response but I cannot go into the detail of that, so I ask that the member direct those questions to the Minister for Disability Services. In a general sense, it is business as usual. The member would be aware that under the previous government, there were rollouts of various versions of the NDIS, in the hills and in the south metro area, I think. It is business as usual until we reach final agreement on how we go forward. The detail is really best directed to the Minister for Disability Services.

[2.30 pm]

**Hon JACQUI BOYDELL:** Okay; I will do that. Again, I refer to page 65 of budget paper No 2, under the heading "Administration of Executive Government Services". I note the additional staffing allocation to the crossbench. I just want to know if the minister can indicate to me how much that is going to cost, and the reasons behind that decision-making—whether there was any agreement with the crossbench that you have come to in return for that budgeted figure.

**Hon SUE ELLERY:** Agreement has been reached, and I think every member of the crossbench has accepted additional resources. If you mean agreement, like some sort of trade—is that what you are talking about?

**Hon JACQUI BOYDELL:** I am just asking why you came to that agreement and how much it is going to cost, given the Premier's comments regarding the crossbench that they could horse trade on issues in return for services. I just wonder how that decision was made.

**Hon SUE ELLERY:** The decision was made in recognition that, as minor parties, they do not have access to the same resources that the official opposition parties have in terms of scrutinising and

preparing for parliamentary matters and dealing with legislation. The agreement that has been reached is that two additional FTEs—I will ask the director general to provide you with the costing of that—will be provided to each party, so that is the allocation that has been made. I am not sure that we can tell you whether they have all filled their positions. I suspect that at least one party has. Although they have agreed to the allocation of FTEs, I do not think they have actually filled the positions, so I am not sure if we will have the final numbers on that yet. I will see what I can get you in terms of what we anticipate of the cost will be. Mr Meyers can provide you with that detail.

**Mr MEYERS:** For six additional FTEs, the approximate cost will be \$700 000.

**Hon SUE ELLERY:** You asked about horsetrading or something like that. I can assure you that no agreement —

**Hon JACQUI BOYDELL:** That is the inference made by the Premier, that is all.

**Hon SUE ELLERY:** I can assure you no agreement in respect to legislation, in respect to policy, in respect to anything in particular has been made. I am not sure when the Premier made those comments.

**Hon JACQUI BOYDELL:** Today.

**Hon SUE ELLERY:** Okay, because I think that what he was referring to was what happens at a federal level. I think the context was Nick Xenophon. I think that is what he was talking about, but I might be wrong. I can assure you, in respect of Western Australia, the additional resources were provided in recognition of the need for extra scrutiny of legislation. No agreements have been entered into in respect of specific legislation or policy.

**Hon JACQUI BOYDELL:** There is just that inference by the Premier today. This is what he said —

For instance, there is talk of Kalgoorlie becoming an underground mining centre of excellence for the entire world. It required some money behind it. Obviously, if the gold royalty increase had gone through, that would be something we would consider. All those opportunities are there, if the Liberal Party, the National Party or the crossbench want to actually be constructive.

The inference there, minister, is that “You support our legislation and we will trade something off that you want to see spent.”

**Hon SUE ELLERY:** You are making the inference. I just heard the words that you have read out then. I can give you this assurance: in any conversations that have been had about resourcing, no connection has been made with particular policies, pieces of legislation or anything like that. However, I can quite openly say that, when I have had conversations with all the crossbenchers from the very beginning, I have said to them, “We are happy to talk to you about any policy areas that you are interested in, happy to arrange briefings, happy to talk about ideas and suggestions that you might have et cetera.” None of that has been linked to resourcing and there had been no informal or formal agreements reached in respect to legislation or policy.

**The CHAIR:** I think that might be a good opportunity to move on to the next member.

**Hon MICHAEL MISCHIN:** I, too, have a few questions regarding the so-called Local Projects, Local Jobs, and I accept entirely that they are election commitments and I accept entirely that they are being met and paid out. What I am interested in is the governance process and how these election commitments came about in the first place. The sort of information that I am after is how members felt that they were able to make commitments of money of varying amounts for up to, as I understand the media release, some 750-plus Local Projects, Local Jobs initiatives, whether there was any allocation to members before the election that you can make promises up to a certain

amount and that they would be met by the government upon election, whether there has been any vetting process or any consideration of the merits of these commitments and the like.

**Hon Dr SALLY TALBOT:** What has this got to do with the budget? What page are you looking at?

**Hon MICHAEL MISCHIN:** Thank you, Hon Dr Sally Talbot, but as she would be aware, I have asked questions about this and received very little information, but if you are after page references, let us try page 108 in budget paper No 3 and page 61 in budget paper No 2.

**The CHAIR:** Thank you. I ask the honourable member to pay attention to his question and not the interjections of other members. I will also remind members that these hearings are about all financial matters relating to the state.

**Hon MICHAEL MISCHIN:** Thank you. I am after an explanation as to how this so-called Local Projects, Local Jobs initiative was implemented; how it came about in the first place; what sort of governance processes are around it; what processes are around it and what the financial consequences are; where the money came from before the budget was announced; and the like. Then I may have some further questions as to detail. Also, as part of that, if you can indicate whether there have been any electorates that have not received a satisfaction of election commitments because they did not elect the Labor members.

**Hon SUE ELLERY:** Your questions are best directed to Mr Patrick Gorman, who is the secretary of the WA branch of the Australian Labor Party. You are asking questions about the process that the Australian Labor Party went through with its candidates prior to the election, which is not reflected in the budget papers, is not something the Premier is required to answer, and is not something that I, on his behalf, am required to answer to the Parliament. You are asking about the process that a political party went through to identify how and what election promises it made, and this is not the forum, nor the people, to ask about that. That question needs to be directed to the political party, and in this case that is the Australian Labor Party.

**Hon MICHAEL MISCHIN:** Well, thank you for that. I might just develop that point. It is an interesting suggestion, because you are saying that Mr Patrick Gorman or the Labor Party chose to commit government money—public money—which your Premier has then decided he will pay out of the public purse, but is not responsible for any of the consideration of whether those commitments were worthy of public money. Is that the proposition you are putting?

**Hon SUE ELLERY:** The proposition I am putting is this: I know it might seem radical to you, but political parties make promises before elections. It is not new; they have been doing it since time immemorial. Your question about how a political party formed the commitments it took to the election needs to be directed to the political party.

**Hon MICHAEL MISCHIN:** What I am asking about is the government's use of public money for those election commitments. What processes and governance is around the payment of these Local Projects, Local Jobs commitments? How is it done?

**Hon SUE ELLERY:** That is not what you asked at all, but I am happy now to give you the same answer that I gave to Hon Jacqui Boydell before, which is that election commitments were made; they were allocated across the respective agencies that were responsible for rolling them out, and they have been met. The first part of your question, which was about how we came to make the commitment in the first place, needs to be directed to the political party that made the commitment. We were not in government.

[2.40 pm]

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**Hon MICHAEL MISCHIN:** Okay, perhaps I can help out a little. Mr Gorman comes to the Premier after the election and says, “Here’s the list of all the commitments that have been made during the course of the election campaign; find public money to pay for them.” Is that the way it went?

**Hon SUE ELLERY:** You will need to ask Mr Gorman —

**Hon MICHAEL MISCHIN:** No, I am asking the Premier how he came to allocate —

**Hon SUE ELLERY:** And I am giving you the answer.

**Hon MICHAEL MISCHIN:** No, you have not given the information, though.

**Hon SUE ELLERY:** You may not like the answer, but that is the answer I am giving you, and if you let me finish —

**Hon MICHAEL MISCHIN:** No, let me finish the question.

**The CHAIR:** Can we just have some order, please. I will allow the minister to finish the first part and then you can go to the second part.

**Hon SUE ELLERY:** I am not sure that there is much more, frankly, that I can provide the member. He is seeking information about the process that the Labor Party went through prior to being elected. This is not the place, nor am I able to, nor is the Premier able to provide you with information about that process. You need to direct that to the political party. Once we were elected to government—I have already provided you an answer; I know it does not satisfy you but that is the answer—the list of Local Projects, Local Jobs was allocated to the respective agencies and were then rolled out accordingly. We made the commitments, we have honoured the commitments. We did not say, “If we are elected, we will go through a process to see whether or not we think it’s a good idea to do X”, although we may have made promises about that in particular areas where we were going to review something, but in respect of Local Projects, Local Jobs, we made commitments about allocations of money for project X, and what we have done since elected is honour those commitments.

**Hon MICHAEL MISCHIN:** All right, let us make it simpler. You say that it was allocated amongst government departments. Which minister was responsible for the allocation amongst government departments?

**Hon SUE ELLERY:** The central agency was the Department of the Premier and Cabinet.

**Hon MICHAEL MISCHIN:** Okay, which minister?

**Hon SUE ELLERY:** The Premier.

**Hon MICHAEL MISCHIN:** Which minister takes responsibility for saying, “This list of projects that we committed to, that Mr Gorman committed to before the election, that the Labor Party committed to before the election, is going to be paid and we will allocate it to departments in order to ensure that the money comes from somewhere in order to pay them”? Who was responsible for that?

**Hon SUE ELLERY:** The coordination was through the Department of the Premier and Cabinet; the minister is the Premier.

**Hon MICHAEL MISCHIN:** Right; so far, so good. Was there any consideration as to whether these were worthy uses of public money?

**Hon SUE ELLERY:** Honourable member, you can ask the question a million different ways; I do not know that I can give you a different answer and I am not sure that this is an effective use of the committee’s time, but that is up to the committee to determine. A number of promises were made under the banner, if you like, of Local Projects, Local Jobs. Those commitments were made in the course of an election campaign. We were successful and we became government and the Premier,

through his agency, then coordinated the implementation of the commitments we had made prior to being elected. I do not know that there is another way that I can explain it to you.

**Hon MICHAEL MISCHIN:** All right. Are there any commitments that have been paid out under Local Projects, Local Jobs to electorates that did not elect Labor members of Parliament?

**Hon SUE ELLERY:** I think somebody has already asked for the list. If you want the list as well, I am happy to provide it to you, and then you might be able to draw your own conclusions.

**Hon MICHAEL MISCHIN:** I do not want to draw conclusions, I want the information, please.

**Hon SUE ELLERY:** I am happy to give you a list of what the Local Projects, Local Jobs are, and we could probably list them by electorate, so we can give you that information if that is of assistance to you.

*[Supplementary Information No C7.]*

**Hon MICHAEL MISCHIN:** So you are saying that because these were party election commitments, there is no need to consider the processes, governance arrangements or any of the financial consequences of meeting these commitments?

**Hon SUE ELLERY:** Honourable member, you have been around; it is not your first rodeo, so I am sure you would appreciate that some election commitments you make, you say at the time that you make them, “If we’re elected and these particular set of circumstances apply, we will promise to the electorate that we will deliver X. If we’re elected, we will review X piece of legislation, we will review X policy.” That is a normal part of the suite of election commitments that a party might take to an election. In respect of Local Projects, Local Jobs, that was a list of commitments—literally—about local projects and local jobs. We were elected; we won the election, and we are in the process now of rolling out those commitments. We promised to do it, not to review it, and we are doing it.

**Hon MARTIN ALDRIDGE:** Minister, I go to question 2 of the questions I put on notice in relation to additional resources provided to minor parties in the Legislative Council, and I have a series of questions in relation to it. Your answer to that question was that the Department of the Premier and Cabinet advised the Presiding Officers of the government’s position in this matter, so I assume it did not seek their approval, it simply advised the Presiding Officers of the department’s decision. Could you tell me on what date it did that, and could you table the correspondence?

**Hon SUE ELLERY:** I am not able to tell you what date it was; I am happy to take that on notice and we will get that to you.

**Hon MARTIN ALDRIDGE:** And if you could provide a copy of the correspondence to the Presiding Officers.

**Hon SUE ELLERY:** If I am able to, I will do that too.

*[Supplementary Information No C8.]*

**Hon MARTIN ALDRIDGE:** Thank you. The additional costs we have been advised of—\$700 000—is that reflected in the budget in relation to spending changes, or was that decision post-budget cut-off?

**Hon SUE ELLERY:** There is not a specific line item. I am told the \$300 000 of it is committed in the budget. I think, in answer to a question earlier on, I indicated that one of the parties only very recently indicated that they would be utilising that offer, so that just could not have been incorporated in the budget. That is the answer to that.

**Hon MARTIN ALDRIDGE:** Minister, in light of the recent introduction to Parliament of a bill to freeze, amongst other things, members of Parliament’s salaries, I note from the budget papers that in



2018–19—which will be the first full year of its application—there will be savings of \$735 000 to the Legislative Council and the Legislative Assembly from that pay freeze. Would it be fair to say that that pay freeze will therefore have no effect on the taxpayer because we have shelled out another \$700 000 on staff, which is approximately the same amount of money?

**Hon SUE ELLERY:** You can take any amount of money from any sum and compare it with any expenditure for the same sum and say that one rules out the other, so if you wanted to draw that conclusion, you could. If you are asking whether there was a deliberate decision, “We need to save X amount of money to pay for this”, no; that was not adopted, so I am not sure I can take that much further.

**Hon MARTIN ALDRIDGE:** Okay. It concerns me in the answer provided to my question on notice that the Department of the Premier and Cabinet simply advised the Presiding Officers of the government’s decision with regard to this matter, because my understanding from the answer to that question was that the staff are employed under the Parliamentary and Electorate Staff (Employment) Act 1992, so they are servants of the Parliament, not the public service. I understand that there is delegated authority that I assume exists between the Presiding Officers and the director general, but I would have thought, given that these staff would be parliamentary servants, not public servants, that some agreement would have been sought with the Presiding Officers to grant additional resources under this act of Parliament.

**Hon SUE ELLERY:** I am not sure why we would need to seek their agreement if, for example, a policy decision was made to increase the number of electorate officers to all MPs. It is courteous to advise them, but I am not sure that you would need to seek their approval. I am not sure it has been sought in the past.

[2.50 pm]

**Hon MARTIN ALDRIDGE:** We may differ in view on that, minister, because ultimately they are not servants of the Department of the Premier and Cabinet; they are servants of the Parliament.

**Hon SUE ELLERY:** Yes, but you do acknowledge that sometimes it can be quite a messy relationship between our staff in our electorate offices, for example, and who takes responsibility. From time to time there have been, if not points of conflict, I suppose grey areas between the responsibilities and obligations of the Presiding Officers versus—the time sheets are not sent from the Presiding Officers to us to sign off, they are sent from DPC. Human resources is managed out of DPC. There are distinct functions taken and there are from time to time grey areas.

**Hon MARTIN ALDRIDGE:** Perhaps to help us clarify this, could I seek correspondence from the Presiding Officers to the director general giving him delegated authority and on what terms delegated authority was given?

**Hon SUE ELLERY:** If that correspondence exists.

**Hon MARTIN ALDRIDGE:** If it does not exist, he does not have delegated authority.

**Hon SUE ELLERY:** You mean in respect to these particular —

**Hon MARTIN ALDRIDGE:** In relation to the application of the Parliamentary and Electorate Staff (Employment) Act 1992.

**Hon SUE ELLERY:** I will take that on notice, but I will also take it on advisement as to what exists, because these arrangements have been in place for a long time.

**Hon MARTIN ALDRIDGE:** DPC has provided this to me previously, so you should be able to.

[*Supplementary Information No C8.*]

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**Hon MARTIN ALDRIDGE:** With the exception of the two staff that are provided to each MP, an electorate officer and research officer, are any other staff allocated to other members of Parliament, either under the Parliamentary and Electorate Staff (Employment) Act 1992 or the Public Sector Management Act 1994, with the exception of the answer provided to me already, and obviously the resources that are provided to the Leader of the Opposition and the leader of the second party in opposition?

**Hon SUE ELLERY:** I am not aware but I am just going to check. No.

**Hon MARTIN ALDRIDGE:** I turn to page 64 which is headed “Outcomes and Key Effectiveness Indicators”. On page 65 under “Services and Key Efficiency Indicators” is the administration of executive government services. I have complained before at estimates hearings that the administration of entitlements for members and former members of Parliament clumsily falls under this title of “Administration of Executive Government Services” because we are not executive government. But when I look at the provision that is made for the cost of entitlements per member of Parliament and the cost of support provided per member of Parliament on page 65 and extrapolate that over the 95 of us, I reach a figure of \$39.615 million. That equates to 32 per cent, or roughly one-third, of the total service cost from that division, or 26.5 per cent of the total cost of services for the department, so not a small number by any stretch. When it comes to outcomes and key effectiveness indicators on page 64, how is it that the department measures its performance in relation to the discharge of 26.5 per cent of its services provided to members of Parliament?

**Hon SUE ELLERY:** I will seek some advice on that. I am sure there is a highly scientific method that is applied to this and I will investigate it!

I am going to do two things: I am going to say at the outset that I am not sure that they do measure that component separately. But to a certain extent I will take a bit of it on notice. If we are able to provide you with some more detail, we will. I suspect we will not be able to, but if I can, I will.

*[Supplementary Information No C9.]*

**Hon MARTIN ALDRIDGE:** Minister, I suspect your answer will be that you do not measure, and that is nothing new. I have had answers before from the department under the former director general who said that they used to survey members of Parliament and members of Parliament did not respond. I find that a bit hard to believe. But the former director general did commit to consider better ways of examining the department’s performance, given that \$1 in every \$4 it spends is on members of Parliament.

**Hon SUE ELLERY:** And we are not a happy lot.

**Hon MARTIN ALDRIDGE:** I guess I should qualify my questioning to say that I am not willing to cast aspersions across the department. I think the service we get is reasonably good and the people we engage with do it very professionally, but I would have thought that there would be some way of measuring the department’s performance in this respect.

**Hon SUE ELLERY:** If I am able to provide you with additional information, I will.

**Hon TJORN SIBMA:** Minister, I refer you to page 61 under the appropriations, expenses and cash assets table. I have a query with respect to the administrative transactions component of that table and the administered grants, subsidies and other transfer payments. I am interested to know what comprises the \$837 000 estimated actual for 2016–17 and question why there is no allocation for this financial year across the estimates. Is this the kind of line by which the government makes appropriations to worthy causes like Telethon—I ask that only because Telethon is on this weekend—and Red Cross?

**Hon SUE ELLERY:** We have a separate grants program, which would capture things like donations to Telethon. The one that is referred to, the \$837 000, was a direct one-off as a result of agreement, I understand, at COAG with respect to the national campaign for reducing violence against women and their children. That was the WA contribution to that. It is a one-off.

**Hon TJORN SIBMA:** I have a follow-up question, not particularly to that. This has to do with the administration of executive government services. My question is in light of media reports of the past few days. What action is the department taking in terms of remediating MPs' offices to ensure that they are accessible to people in the community with disability, particularly to provide wheelchair access to those offices? Is the department likely to see supplementary funding over the course of this financial year to make whatever remediation or relocations are necessary?

**Hon SUE ELLERY:** You will note the Premier's comments yesterday that existing offices without suitable capacity for disability access are being phased out as leases expire or improvements will be made where possible and viable. This is a work in progress, honourable member. I am not sure that I can give you any more detail. If you are asking how that will be done and what is the process, I am not in a position to give you more detail at this point, other than to say that the department is following instructions from the Premier, which is that existing offices will be upgraded where they are not accessible and where that is possible and viable. For those offices that are coming towards the end of a lease arrangement, we might look for alternatives rather than getting upgrades done to an existing leased office.

[3.00 pm]

**Hon DIANE EVERS:** My question is in relation to the Browse LNG trust account again.

**Hon SUE ELLERY:** Just remind me, honourable member, where it is.

**Hon DIANE EVERS:** Page 69—at the top of the page is "Restricted Cash", under the estimated actual for 2016–17. Is it possible that the trust fund should still be included in that number?

**Hon SUE ELLERY:** On page 69? Are you sure you are giving us the right page reference?

**Hon DIANE EVERS:** Page 69, the statement of financial position, second line from the top, "Restricted Cash".

**Hon SUE ELLERY:** Yes.

**Hon DIANE EVERS:** Under the 2016–17 estimated actual it shows \$1.1 million, whereas the year before and the year after it has \$30 million.

**Hon SUE ELLERY:** Sure. I can get Mr Meyers to provide you with some detail on that?

**Mr MEYERS:** Just with regard to the Browse payment, the 2016–17 estimated actual is actually there shown under non-current assets, restricted cash. There is an amount of \$31.1 million. Obviously, it was not paid in that year—2016–17. It is now being paid in 2018–19, and that is why it has shifted to current within 2017–18.

**Hon DIANE EVERS:** The next question is: what is the Browse LNG trust account; why is it there and why is it no longer going to be there after next year?

**Hon SUE ELLERY:** I will ask Mr Meyers.

**Mr MEYERS:** Thank you. Look, I am not the expert on this fund, but if you refer to page 72 of the *Budget Statements*, it actually does outline why the fund was set up. Payment from the trust account is subject to a native title determination, and until that determination is made, funds will remain in the trust which is held by the department.

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**Hon DIANE EVERS:** So that means a determination has been made, and that is why it is being paid out?

**Mr MEYERS:** It is hoped that the payment will be made in 2018–19, but it is still an estimate at this stage.

**Hon DIANE EVERS:** So it is dependent on something happening?

**Mr MEYERS:** Yes, it is dependent on the native title settlement.

**Hon DIANE EVERS:** Okay. Thanks. That is all.

**Hon AARON STONEHOUSE:** Referring to page 62 of volume 1 of budget paper No 2, under “Significant Issues Impacting the Agency”, and COAG’s commitment to refresh the Closing the Gap agenda in Aboriginal affairs, I have two questions. Can you explain what the agenda is very briefly, and explain what the nature of your policy support to this initiative is?

**Hon SUE ELLERY:** Yes, we can. If I can make a general comment at the outset. Closing the Gap is a policy position in respect to Closing the Gap in a number of specific measures between Indigenous and non-Indigenous Australians—whether that is a health measure, an economic measure, an education measure et cetera—but I will ask the director general to make some comments in response to your question.

**Mr FOSTER:** Thanks. This is part of both the Aboriginal policy and federal–state relations agenda in DPC.

**Hon AARON STONEHOUSE:** Sorry; just to clarify if I can. I am interested more so what the “refresh” means in this context. So what is being refreshed? What is being looked at differently perhaps?

**Mr FOSTER:** The indicators are being refreshed. The indicators have been in place for several years—maybe eight years—and there is a view on the part of a number of governments that the indicators are perhaps not fit for purpose. The commonwealth is leading the development of a discussion paper that is to go out for public consultation on the development of new indicators. The state has agreed to assist the commonwealth in consulting Aboriginal communities on those indicators, with a view that there is a new national set of indicators into which all states and territories contribute. I should say that although the indicators at the national level overall indicate pretty poor outcomes for Aboriginal people, there are some indicators at the state level that are quite positive. So there has been some improvement. For instance, as a result of a childhood immunisation campaign, the level of infant mortality has declined. So that agenda is a commonwealth-led piece of work that we are assisting, and the aim is to keep the spotlight on Indigenous disadvantage.

**Hon AARON STONEHOUSE:** Is the policy support to the commonwealth’s efforts to refresh those indicators?

**Mr FOSTER:** We support the policy agenda through our participation in the Council of Australian Governments, and provide advice to the Premier and to the Minister for Aboriginal Affairs on these questions. We contribute in the various working groups that sit under the Council of Australian Governments’ forum, and provide advice on the state’s concerns and issues and perspectives.

**Hon PETER COLLIER:** Just with regard to ministerial offices, how many ministers are not currently at Dumas House?

**Hon SUE ELLERY:** Not at Dumas House?

**Hon PETER COLLIER:** Yes, not.

**Hon SUE ELLERY:** One—Attorney General—if you do not count the Premier.

**Hon PETER COLLIER:** I beg your pardon?

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**Hon SUE ELLERY:** One—the Attorney General—if you do not count the Premier. The Premier is in Hale House; the Attorney General is on the terrace.

**Hon PETER COLLIER:** Yes, Hale House. So is the intent for the Attorney General to move to Dumas House?

**Hon SUE ELLERY:** Yes.

**Hon PETER COLLIER:** He is at Allendale Square at the moment; is that right?

**Hon SUE ELLERY:** I think it is London House.

**Hon PETER COLLIER:** Is he at London House? Okay. What is the rent that we are paying there, or the government is paying, and when does that lease run out?

**Hon SUE ELLERY:** We are finding it.

**Hon PETER COLLIER:** That is fine. You can take it on notice if you want.

**Hon SUE ELLERY:** The director general can provide some detail.

**Mr FOSTER:** Look, I do not have a specific figure on rental and I hesitate to have a guess, but it is quite expensive to lease London House.

**Hon PETER COLLIER:** It is.

**Mr FOSTER:** The proposal to relocate will come at the end of the lease. The lease expires next year, and the intention is to effect the relocation then. There will be a saving as a result for the state.

**Hon PETER COLLIER:** There will. That is why we made the decision to move everything to Dumas House, I have to say.

**Mr FOSTER:** Yes.

**Hon PETER COLLIER:** Ultimately, from GST to Dumas House and across and down the terrace. I agree with that; I think it is a wise call. Having said that, all ministers bar the Premier at that stage will then be in Dumas House, and then the Premier is moving to Dumas House; is that correct?

**Mr FOSTER:** As part of the relocation of the Attorney, the Premier will also move. So that is taking place now, the planning for that, and the intention is to have all the cabinet in Dumas House by early next year.

**Hon PETER COLLIER:** Okay. So ultimately then, of course, that decision, because Dumas House will then be used for another government service, will it not —

**Hon SUE ELLERY:** Do you mean Hale House?

**Hon PETER COLLIER:** Sorry. Hale House will be used for another government service, so there will be no net saving to government because Hale House will be used still for a government service; is that correct?

**Mr FOSTER:** Hale House will be used by the Public Sector Commissioner, so he will relocate to Hale House as an officeholder, with a number of his staff.

**Hon PETER COLLIER:** My point being that the Premier moving to Dumas House is not going to create savings for the government?

**Mr FOSTER:** Not on its own, but in consult with a number of other moves that are going on, there will be a net saving to government of —

**Hon PETER COLLIER:** What other moves are they?

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**Mr FOSTER:** Principally, the relocation of Minister Quigley. I am also looking at the Office of Emergency Management relocating to DFES at Cockburn. They currently occupy the building. The Department of Finance executive currently occupies the building for reasons that I am not quite clear on. They are disconnected from the rest of that department. So there are a number of other moves, but the intention is to consolidate ministers and the Premier into that building, and also DPC, which is spread over several floors, to try to consolidate into more functional locations. So the net effect of all of that is that there will be savings across the board.

[3.10 pm]

**Hon PETER COLLIER:** I think that is the collective saving —

**Mr FOSTER:** Indeed.

**Hon PETER COLLIER:** But my point is that the Premier moving, in isolation, is not going to be a saving to the government.

**Mr FOSTER:** The decision to relocate was partly about savings overall, but, in addition, about functionality and coordination, so there are a number of other reasons for it—and I might add, there are security reasons for the relocation as a collective as well.

**Hon PETER COLLIER:** You can take them all out at once!

**Hon MARTIN ALDRIDGE:** And then you all walk to cabinet together across the field!

**Mr FOSTER:** You would be aware there is now a police post in the basement of Dumas House. That was organised by the former Premier and it was a good move. They now patrol the parliamentary precinct as well as Hale and Dumas Houses; there is a police guard. That is just part of the precautions one has to take in the current environment and relocating the Attorney from London House, which, in my view, is less than secure, is also part of that move to bring all of the ministers and the Premier into that building where there is a police guard.

**Hon PETER COLLIER:** I would love to continue with that one but I have one more quick question. While we are talking about security, we might have to get our Presiding Officers to look at the car parks here. I think we are very vulnerable there, too.

I refer to page 62 about the NDIS, which was raised earlier. It talks about there being significant issues and the fact that the government has been assessing the most appropriate model for the National Disability Insurance Scheme. As I have said consistently, I will not make a political issue of this, but, of course, we do want an outcome ultimately. One of the biggest issues is trying to actually ascertain where we are at. I appreciate the frustration of Hon Stephen Dawson on this. I have asked a number of questions. I did ask three questions based upon responses I have received from Hon Stephen Dawson and also from a ministerial statement he made in which he alluded to the fact that there had been quite a bit of communication between DPC, the Premier and himself with the federal government. When I asked for some more detail about that correspondence, Hon Stephen Dawson said to put the question on notice and he would provide it for me—but DPC said no; I would take up too much of your resources. With all due respect, this is a significant social issue that affects the entire disability sector and the community. I do not think I was asking too much, to be perfectly honest, and I was not doing it to be political. I was doing it because there is a real desire out there to find out what is going on. Rather than giving me this response that says, no, it will divert departmental staff away from their normal duties—the minister himself said he could do it. I do not know why DPC cannot at least—if it is too hard for you guys and you are too busy, surely you can just give me an indication of how many letters you have written? How much formal correspondence has there been between the commonwealth government and the state government?

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**Hon SUE ELLERY:** I will make a general comment about that first. Neither of us—it is the Premier who signed off on that question, so I am happy to take that up with the Premier about the release of the corro. I will ask the director general to provide you with some context to the discussions that have been going on and I will give you an undertaking that I will take up with the Premier the question of whether or not he releases the correspondence.

**Hon PETER COLLIER:** Okay; I appreciate that.

**Mr FOSTER:** Yes; it is, indeed, a very significant issue for the state, and I know it vexed the former government as well in dealing with the commonwealth on this issue. The negotiations have been going on for some months with the commonwealth in good faith. We have been dealing with both the Department of Social Services at the federal level but also Prime Minister and Cabinet. I could not even begin to tell you about the number of contacts because there has been extensive contact, formal and informal, and, again, on the margins of COAG and those opportunities that have arisen, we have put the WA government's case about both the financial consequences for the state but also the need for services to match or reflect the quality of services provided by the state system. Part of the challenge has been actually introducing the commonwealth and giving them a better understanding of how the state system operates. That has been reasonably successful in getting them to appreciate the strengths of the state's system. The review of the NDIA has, I think, raised some significant concerns about how that has been administered and I think that has created the atmosphere where the commonwealth has been a bit more open to discuss some of the opportunities to reform the NDIA based on some of the experiences in Western Australia. So there have been extensive negotiation, telepresences, individual phone calls, as well as correspondence from time to time, but it has been a very extensive negotiation. So in terms of all the points of contact, they are innumerable.

**Hon PETER COLLIER:** I just asked for emails and letters. That is all I asked for—not everything else. It is called TRIM; click it and it will tell you.

**The CHAIR:** That concludes our hearing with the Department of the Premier and Cabinet.

On behalf of the committee, I thank you for your attendance today. The committee will forward a transcript of evidence, which includes the questions you have taken on notice highlighted on the transcript, within seven days of the hearing. Responses to these questions are requested within 10 working days of the receipt of the questions. Should you be unable to meet this due date, please advise the committee in writing as soon as possible before the due date. The advice is to include specific reasons as to why the due date cannot be met. If members have any unasked questions, I ask them to submit these via the new electronic lodging system on the POWAnet site by 12 noon on Monday, 23 October 2017. Once again, I thank you for your attendance today.

**Hearing concluded at 3.16 pm**

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