



ECONOMICS AND INDUSTRY STANDING COMMITTEE

2009-2010 ANNUAL REPORT

Report No. 5

in the 38th Parliament

2010

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Economics and Industry Standing Committee

2009-2010 Annual Report

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***ECONOMICS AND INDUSTRY
STANDING COMMITTEE***

2009-2010 ANNUAL REPORT

Report No. 5

Presented by:

Dr M.D. Nahan, MLA

Laid on the Table of the Legislative Assembly
on 23 September 2010

COMMITTEE MEMBERS

Chair	Dr M.D. Nahan, MLA Member for Riverton
Deputy Chair	Mr W.J. Johnston, MLA Member for Cannington
Members	Mrs L.M. Harvey, MLA Member for Scarborough
	Mr M.P. Murray, MLA Member for Collie-Preston
	Mr J.E. McGrath, MLA Member for South Perth

COMMITTEE STAFF

Principal Research Officer	Dr Loraine Abernethie, PhD (until 27 May 2010)
	Mr Tim Hughes, BA (Hons) (from 27 May 2010)
Research Officer	Ms Vanessa Beckingham, BA (Hons) (until 22 February 2010)
	Mrs Kristy Bryden, BCom, BA (from 22 February 2010)

COMMITTEE ADDRESS

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Legislative Assembly
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COMMITTEE'S FUNCTIONS AND POWERS

The functions of the Committee are to review and report to the Assembly on: -

- (a) the outcomes and administration of the departments within the Committee's portfolio responsibilities;
- (b) annual reports of government departments laid on the Table of the House;
- (c) the adequacy of legislation and regulations within its jurisdiction; and
- (d) any matters referred to it by the Assembly including a bill, motion, petition, vote or expenditure, other financial matter, report or paper.

At the commencement of each Parliament and as often thereafter as the Speaker considers necessary, the Speaker will determine and table a schedule showing the portfolio responsibilities for each committee. Annual reports of government departments and authorities tabled in the Assembly will stand referred to the relevant committee for any inquiry the committee may make.

Whenever a committee receives or determines for itself fresh or amended terms of reference, the committee will forward them to each standing and select committee of the Assembly and Joint Committee of the Assembly and Council. The Speaker will announce them to the Assembly at the next opportunity and arrange for them to be placed on the notice boards of the Assembly.

CHAIR'S FOREWORD

As Chair of the Economics and Industry Standing Committee of the thirty-eighth parliament, I am pleased to present the Committee's second annual report.

Over the 2009-10 reporting period, the Committee completed its Inquiry into the Provision, Use and Regulation of Caravan Parks (and Camping Grounds) in Western Australia and a Discussion Paper entitled The Potential for the Development of a Centre of Excellence in LNG Industry Design in Western Australia.

During the year the Committee resolved to inquire into The Department of Environment and Conservation's Management of Former Pastoral Leases, while the Legislative Assembly also directed the Committee to conduct an Inquiry into Domestic Gas Prices.

In undertaking its work programme the Committee held 37 deliberative meetings, conducted hearings and/or received briefings on 52 occasions and undertook investigative travel to Bunbury, Busselton, Margaret River, Augusta, Manjimup, Albany, Mt Magnet, Kalgoorlie, the former Muggon, Earahedy and Lorna Glen pastoral leases and Warroora, Wooleen and Granite Peak Stations; and attended two conferences.

It was a busy and productive year.

I would like to formally thank my fellow members for their dedication and commitment to the work of the Committee. I would also like to express the Committee's appreciation of the work performed by the Committee's secretariats, firstly Dr Loraine Abernethie (Principal Research Officer) and Ms Vanessa Beckingham (Research Officer) followed by Mr Tim Hughes (Principal Research Officer) and Mrs Kristy Bryden (Research Officer).



DR M.D. NAHAN, MLA
CHAIR

CHAPTER 1 COMMITTEE ACTIVITIES

1.1 Introduction

During the course of this reporting period (Table 1.1), the Committee:

- Completed 1 inquiry and commenced 2 new inquiries;
- Prepared and presented 1 discussion paper;
- Held 37 deliberative meetings;
- Took evidence from/or was briefed on 52 occasions;
- Provided evidence/or a briefing on 1 occasion;
- Undertook investigative travel to Bunbury, Busselton, Margaret River, Augusta, Manjimup, Albany, Mt Magnet, Kalgoorlie, the former Muggon, Earraheedy and Lorna Glen pastoral leases and Warroora, Wooleen and Granite Peak Stations; and
- Attended 2 conferences.

Table 1.1

Summary of activities of the Economics and Industry Standing Committee, 1 July 2009 - 30 June 2010

Description	Activity
Briefings	25
Deliberative meetings	37
Formal evidence hearings	27
Reports tabled	3
Report findings tabled	151
Report recommendations tabled	57

1.2 Public Hearings

Pursuant to Assembly Standing Order 264, the Committee has power to send for persons, papers and records. During the period 1 July 2009 - 30 June 2010, the Committee conducted 27 public hearings, taking evidence from 47 witnesses to assist with its investigations (Table 1.2).

Table 1.2**Public Hearings of the Economics and Industry Standing Committee, 1 July 2009 - 30 June 2010**

Date	Witness	Position	Organisation
2 July 2009	Mr Phillip Chadd	State Representative	Campervan and Motorhome Club of Australia
	Mr Edward Walker	President	Western Australian Association of Caravan Clubs Inc.
	Ms Pat Strahan	Chief Executive Officer	Caravan Industry Association Western Australia Inc.
	Ms Donna Cocking	President	Caravan Industry Association Western Australia Inc.
	Mr Simon Hall	Town Planner	Caravan Industry Association Western Australia Inc.
3 July 2009	Mr Shane Edmonds	Public Servant	Department of Housing
	Mr Marque Raymond	Principal Policy Officer	Department of Housing
	Ms Donna Cocking	Chairperson, Advisory Committee	Caravan Parks and Camping Grounds Advisory Committee
	Mr Ross Earnshaw	Manager Statutory Support	Department of Local Government
24 July 2009	Mr Peter Sharp	Director, Parks and Visitor Services	Department of Environment and Conservation
	Ms Tracey Shea	Acting Assistant Director, Policy and Planning	Department of Environment and Conservation
	Ms Anne Driscoll	Commissioner for Consumer Protection	
	Mr David Hillyard	Director, Industry and Consumer Services	Department of Commerce
	Mr Andrew Zell	Policy Officer	Department of Commerce
27 July 2009	Mr Brian Sargent	President	Park Home Owners Association Western Australia Inc.
	Mr Peter Crockenberg	Vice President	Park Home Owners Association Western Australia Inc.

Date	Witness	Position	Organisation
	Mr Mervyn Archer	Committee Member	Park Home Owners Association Western Australia Inc.
	Mr Gregory Cole	Proprietor	Pink Lake Caravan Park
	Mr David Nunn	Director	Department of Planning
	Ms Anne Hill	Executive Director, Regional Planning and Strategy	Department of Planning
	Mr Denis Millan	Director, Strategic Projects	Department of Planning
28 July 2009	Dr Tod Jones	Research Fellow, Curtin Sustainable Tourism Centre	Curtin University of Technology
	Professor David Wood	Chair, Ningaloo Sustainable Development Committee	Curtin University of Technology
	Ms Anna Lewis	Doctoral Researcher	Curtin University of Technology
	Mr Patrick Matthews	Plant Manager	Main Roads Western Australia
	CLOSED HEARING		
	Mr Richard Muirhead	Chief Executive Officer	Tourism Western Australia
	Ms Jennifer Duffecy	Executive Director	Tourism Western Australia
	Mr Steve Crawford	Director Strategic Policy	Tourism Western Australia
	Ms Vicki Suckling	Planning Manager	Tourism Western Australia
19 April 2010	Mr Digby Corker	Pastoralist	Red Hill Station
20 April 2010	Mr Ashley Dowden	Chairman	Meekatharra Rangeland Biosecurity Association
3 May 2010	Mrs Ruth Webb-Smith	Vice President	Pastoralists and Graziers Association
	Dr Henry Esbenshade	Director, Native Title	Pastoralists and Graziers Association

ECONOMICS AND INDUSTRY STANDING COMMITTEE

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Date	Witness	Position	Organisation
	Mr Dale Park	Senior Vice President	Western Australian Farmers Federation
	Mr Alan Hill	Director of Policy	Western Australian Farmers Federation
	Mr Ross Lawrie	Executive Manager, Animal Operations	RSPCA WA
5 May 2010	Mr Graeme Gammie	Executive Director, Office of Heritage	Heritage Council of Western Australia
	Mrs Leanne Corker	Chair	Pastoral Lands Board of Western Australia
7 May 2010	Mr Keiran McNamara	Director General	Department of Environment and Conservation
	Mr Gordon Wyre	Director Nature Conservation	Department of Environment and Conservation
	Mr Kelly Gillen	Regional Manager Midwest	Department of Environment and Conservation
10 May 2010	Mr Brian Fearn	Private Citizen	
	Ms Penelope Muecke	Lawyer	Yamatji Marlpa Aboriginal Corporation
	Ms Brooke Creemers	Lawyer	Yamatji Marlpa Aboriginal Corporation
	Dr Anthony Brandis	Commissioner	Conservation Commission of Western Australia
17 May 2010	Mr Tim Thompson	Project Manager, Invasive Species	Department of Agriculture and Food
	Dr Chris Chilcott	Regional Manager, Rangelands	Department of Agriculture and Food
	Mr Keiran McNamara	Director General	Department of Environment and Conservation
	Mr Gordon Wyre	Director Nature Conservation	Department of Environment and Conservation
	Mr Kelly Gillen	Regional Manager Midwest	Department of Environment and Conservation

1.3 Briefings

In addition to gathering evidence during the formal hearings, the Committee received a number of informal briefings. The briefings were used to gain information in relation to the Committee's inquiries as well as other matters (Table 1.3)

Table 1.3

Briefings provided to the Economics and Industry Standing Committee, 1 July 2009 - 30 June 2010

Date	Name	Position	Organisation
20 July 2009	Mr Mark Exeter	Regional Manager	Australia's South West Region - Tourism Western Australia
	Mr Don Punch	Chief Executive Officer	South West Development Commission
	Ms Vanessa Lewis	Manager, Policy and Research	South West Development Commission
	Mr Nigel Bancroft	Director, Lifestyle Planning Directorate	Shire of Busselton
	Mr Glen Bishop	Senior Planning Officer, Planning and Development Services Division	Shire of Capel
21 July 2009	Mr Ross Fimister	Acting Secretary	Augusta Community Development Association
	Mr Eric James	President	Augusta Community Development Association
	Mr Peter Toy	Member Management Committee	Augusta Community Development Association
	Mr Cameron Gilmur	Vice President	Augusta Community Development Association
	Mrs Jan Innis	Member	Augusta Community Development Association
	Cr Michael Smart	Councillor	Shire of Augusta-Margaret River
	Cr Ray Colyer	Councillor	Shire of Augusta-Margaret River
	Mr Geoff Broad	Acting Chief Executive Officer	Shire of Augusta-Margaret River

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Date	Name	Position	Organisation
	Mr Cary Green	Director Corporate and Community Services	Shire of Augusta-Margaret River
	Mr Paul Gravett	Manager Community Development	Shire of Augusta-Margaret River
	Mr Jeremy Hubble	Chief Executive Officer	Shire of Manjimup
	Mr Ewen Ross	Manager Development Services	Shire of Nannup
22 July 2009	Mr Russell Pritchard	Chief Executive Officer	Great Southern Development Commission
	Mr Dwayne Schouten	Senior Development Officer	Great Southern Development Commission
	Mr Robert Fenn	Executive Director Development Services	City of Albany
	Mr Greg Harwood	Principal Environmental Health Officer	Shire of Denmark
	Mr Ed Nelson	Proprietor	Albany Holiday Park
17 August 2009	Ms Leonie McDiven	Pastoralist	Warroora Station
	Mr Tim Meecham	Pastoralist	Quobba Station
	Mr Martin Horak	Pastoralist	Warroora Station
17 March 2010	Hon. Terry Redman, MLA	Minister for Forestry	
	Mr Scott Mitchell	Chief of Staff	Office of Hon. Terry Redman, MLA
	Mr Ian Rotheram	Policy Officer, Forestry and NRM	Office of Hon. Terry Redman, MLA
30 March 2010	Mr Keiran McNamara	Director General	Department of Environment and Conservation
	Mr Gordon Wyre	Director Nature Conservation	Department of Environment and Conservation
	Mr Kelly Gillen	Regional Manager Midwest	Department of Environment and Conservation

Date	Name	Position	Organisation
28 April 2010	Mr Henry Jones	Pastoralist	Boogardie Station
	Mr David Burton	Chief Executive Officer	Shire of Mt Magnet
	Ms Gemma Poli		
	Mr Jorgen Jensen	Pastoralist	Yoweragabbie Station
	Mr David Jones	Pastoralist	Boogardie Station
	Mr Ashley Dowden	Pastoralist	Challa Station
	Mr Kevin Brand	Councillor	Mt Magnet Shire Council
	Ms Karen Williams	Councillor	Mt Magnet Shire Council
	Mr Greg Gosztyla	Dogger	
	Mr Phil Bland	Tenant	Dalgaranga
	Mr Chris Graham	Caretaker - Muggon	Department of Environment and Conservation
	Mr David Pollock	Pastoralist	Wooleen Station
	Ms Frances Jones	Pastoralist	Wooleen Station
	Mr Michael Foulkes-Taylor	Pastoralist	Tardie Station
	Mrs Jano Foulkes-Taylor	Pastoralist	Tardie Station
	Mr Mark Halleen	Pastoralist	Booldardy Station
	Mr Sandy McTaggart	Pastoralist	Mt Narryer Station
	Mrs Carol McTaggart	Pastoralist	Mt Narryer Station
	Mr Peter Ardley	Dogger	
	Mr Robert Harnett	Dogger	
	Mr Paul Squires	Pastoralist	Twin Peaks Station
	Mrs Jo Squires	Pastoralist	Twin Peaks Station
	Mr Simon Broad	Pastoralist	Milly Milly Station

ECONOMICS AND INDUSTRY STANDING COMMITTEE

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Date	Name	Position	Organisation
	Mr Miles Williams	Pastoralist	Innouendy Station
	Ms Joy Robertson		Wooleen Station
	Mr William Herold	Pastoralist	Curbur Station
	Mr Andrew Whitmarsh		Byro Station
	Mr Michael Allingame	Biosecurity Officer	Department of Agriculture and Food
29 April 2010	Mr Jim Quadrio	Pastoralist	Granite Peak Station
	Mr Ross Quartermaine		
	Mr Ian Kealley	Regional Manager Goldfields	Department of Environment and Conservation
	Mr Bruce Withnell	Caretaker - Lorna Glen	Department of Environment and Conservation
	Mrs Kaye Withnell	Caretaker - Lorna Glen	Department of Environment and Conservation
5 May 2010	Mrs Liz Kerr	Clerk Assistant (Committees)	Legislative Assembly
12 May 2010	Mr Phil Drayson	Manager Land Acquisition and Development Unit	Goldfields Land and Sea Council
	Mr Trevor Donaldson	Operations Manager	Goldfields Land and Sea Council
	Ms Janet Mears	Pastoralist	Calooli Station
	Mr Brett Crook		Goldfields Rangeland Services
	Mr Tony Cook		Goldfields Rangeland Services
	Mr Scott Wilson	President	Eastern Goldfields Historical Society
	Mr Lindsay Stockdale		Eastern Goldfields Historical Society
	Ms Beverly Quartermaine		Eastern Goldfields Historical Society

Date	Name	Position	Organisation
	Ms Robin Bowden		Eastern Goldfields Historical Society
	Mr Ross Wood	Pastoralist / Industry Participant	
	Mr Sean Ashcroft	President	Amalgamated Prospectors and Leaseholders Association
	Dr Bob Fagan	Vice President	Amalgamated Prospectors and Leaseholders Association
	Mr Cranston Edwards		Amalgamated Prospectors and Leaseholders Association
	Mr Jim Williams	Owner	Jim's Seeds, Weeds and Trees
17 May 2010	Mr Anthony Petersen	Chairman	DomGas Alliance
	Mr Gavin Goh	Executive Officer	DomGas Alliance
	Ms Anne Hill	Acting Coordinator of Energy	Office of Energy
	Mr Gary Jeffery		On behalf of Australian Petroleum Production & Exploration Association Ltd (APPEA)
	Mr Lyndon Rowe		Economic Regulation Authority
	Mr Russell Dumas		Economic Regulation Authority
	Mr Greg Watkinson		Economic Regulation Authority
	Mr Peter Kolf		Economic Regulation Authority
19 May 2010	Ms Nicky Cusworth	Deputy Director General, Strategic Policy	Department of State Development
	Mr Gavin Agacy	Senior Policy Officer	Department of State Development
	Paul Farnhill	Principal Policy Officer	Department of State Development
21 June 2010	IN CAMERA BRIEFING		
	IN CAMERA BRIEFING		

1.4 Investigative Travel

The Committee travelled to Bunbury, Busselton, Margaret River, Augusta, Manjimup, Albany, Mt Magnet, and Warroora Station near Coral Bay in relation to the *Inquiry into the Provision, Use and Regulation of Caravan Parks (and Camping Grounds) in Western Australia*. The people the Committee spoke to are listed above in Table 1.3 on 20, 21 and 22 July 2009 and 17 August 2009.

The Committee travelled to Mt Magnet, the former Muggon pastoral lease (west of Murchison Settlement), Wooleen Station (south of Murchison Settlement), the former Earraheedy and Lorna Glen pastoral leases (north east of Wiluna) and Kalgoorlie in relation to the *Inquiry into the Department of Environment and Conservation's Management of Former Pastoral Leases*. The people the Committee spoke to are listed above in Table 1.3 on 28 and 29 April 2010 and 12 May 2010.

1.5 Conferences

Members of the Committee attended the Agriculture Protection Board's annual Pastoral Conference on 21 April 2010. Attendance at this conference was in relation to the Committee's *Inquiry into the Department of Environment and Conservation's Management of Former Pastoral Leases*.

Members of the Committee attended the BP Official's Briefing presented by Mr Christof Ruehl, BP Chief Economist, on 23 June 2010. Attendance at this briefing was in relation to the Committee's *Inquiry into Domestic Gas Prices*.

1.6 Reports Tabled

The Committee tabled two reports and a discussion paper during the period 1 July 2009 - 30 June 2010.

Report No. 1—*Economics and Industry Standing Committee 2008-2009 Annual Report* was tabled in the Legislative Assembly on 17 September 2010.

Report No. 2—*Inquiry into the Provision, Use and Regulation of Caravan Parks (and Camping Grounds) in Western Australia* was tabled in the Legislative Assembly on 15 October 2009.

Report No. 3—*The Potential for the Development of a Centre of Excellence in LNG Industry Design in Western Australia - A Discussion Paper* was tabled in the Legislative Assembly on 11 March 2010.

1.7 Work in Progress

On 17 March 2010 the Economics and Industry Standing Committee resolved to inquire into and report on the department of Environment and Conservation's Management of Former Pastoral Leases. In particular, the Committee will investigate the Department of Environment and Conservation's:

1. management of pest animals and weeds;
2. preservation of pastoral heritage;
3. opportunities for improved management; and
4. consideration of the economic potential of non-pastoral uses for this land.

The Committee has concluded the formal evidence gathering phase of the Inquiry. Details of the people with whom the Committee spoke can be found at Tables 1.2 and 1.3. Information on investigative travel conducted and conferences attended by the Committee in relation to this Inquiry can be found at Sections 1.4 and 1.5. The Committee intends to table the Inquiry report on 19 August 2010.

On 20 April 2010 the Legislative Assembly referred the following terms of reference to the Economics and Industry Standing Committee:

1. That the House refer the issue of domestic gas prices for industry and consumers to the Economics and Industry Standing Committee for investigation.
2. That the Committee specifically investigate:
 - a. the price of gas for customers throughout Western Australia;
 - b. the comparison of the price of gas with other states, especially Victoria, and whether there is a significant price differential and, if so, why; and
 - c. the contrast between domestic gas prices in Western Australia and international LNG prices and the LNG contracts that govern these international prices.
3. That the Committee make recommendations on any measures that could be implemented to reduce the price of gas in Western Australia.
4. That the Committee report by 30 September 2010.

On 6 May 2010, the Legislative Assembly agreed to extend the tabling date for this Inquiry to 28 February 2011.

To date, the Committee has conducted briefings with a number of government departments and industry participants.

CHAPTER 2 FINANCIAL STATEMENT

The Economics and Industry Standing Committee does not have its own formal budget and is funded out of the budget of the Legislative Assembly. Approval for major expenditures is required on a case-by-case basis and is entirely at the discretion of the Speaker.

The Committee's expenditure for the financial year 1 July 2009 - 30 June 2010 (in accordance with Standing Order 276) is detailed below:

Table 2.1

Expenditure Items of the Economics and Industry Standing Committee, 1 July 2009 - 30 June 2010

Expenditure Item	\$
Advertising	5,500
Conference Fees	400
Travel	30,300
Postage	300
Printing	4,200
Miscellaneous	1,500
TOTAL	42,200

Notes:

- Figures rounded off to nearest \$100.
- Salaries of committee staff are not included.
- Costs of shared administrative expenses, including lease costs for committee accommodation, not included.