



Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
THIRD SESSION
2000

LEGISLATIVE ASSEMBLY ESTIMATES COMMITTEE A

Wednesday, 31 May 2000

Legislative Assembly

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ESTIMATES COMMITTEE A

The meeting commenced at 9.00 am.

The CHAIRMAN (Mr Bloffwitch): For the information of members, this Estimates Committee will be reported by Hansard. The daily *Hansard* will be published at 9.00 am tomorrow. This year, Hansard asks ministers, members and advisers to make their corrections on the daily proof *Hansard*. Hansard will forward the transcript to the minister's office for distribution to the advisers. The cut-off date for corrections will be indicated on the transcript.

As has been the practice of previous Estimates Committees, members should not raise questions about matters of general concern which do not have an item of expenditure in the consolidated fund. The Estimates Committee consideration of the consolidated funds estimates of expenditure will be restricted to discussions of those items for which a vote of money is proposed. We are dealing with estimates of expenditure, and that should be the prime focus of this committee. Although there is scope for members to examine many matters, questions need to be clearly related to matters of expenditure. For example, members are free to pursue performance indicators which are included in the *Budget Statements* when there remains a clear link between the questions and the estimates.

It will assist in the committee's examinations if questions and answers are kept brief without unnecessarily omitting material information. It is my intention to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point.

The minister may agree to provide supplementary information to the committee rather than ask that the question be put on notice for the next sitting week. For the purpose of following-up the provision of this information, I ask the minister to clearly indicate to the committee which supplementary information he agrees to provide. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the committee clerk by 14 days from today so that members may see it before the report and the third reading stages. If the supplementary information cannot be provided within 14 days, written advice is required of the day by which the information will be made available. Details that relate to supplementary information have been provided to both members and advisers; accordingly, I ask ministers to cooperate with those requirements. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice with the Clerk's office. Only supplementary information which the minister agrees to provide will be sought within 14 days.

It will greatly assist *Hansard* if, when referring to the program statement volumes, or the consolidated fund estimates, members give the page number, item, program and amount in a preface to their question.

Division 3: Premier and Cabinet \$74 765 000 -

Mr Bloffwitch, Chairman.

Mr Court, Premier.

Mr M.C. Wauchope, Director General, Ministry of the Premier and Cabinet.

Mr P.F. Conran, Acting Deputy Director General, Ministry of the Premier and Cabinet.

Mr G. Hay, Acting Assistant Director General, Public Sector Management, Ministry of the Premier and Cabinet.

Mr M. Cole, Management Accountant, Ministry of the Premier and Cabinet.

Mr KOBELKE: The Opposition hopes, and I think the Premier will agree, that we will move to Treasury, which is item 10, following completion of the Ministry of Premier and Cabinet. That may be delayed if the officers are not here.

Dr GALLOP: I refer to page 1108 of the *Budget Statements*, output 3, public sector management. How many chief executive officer positions are there across the public sector? How many acting CEOs currently hold positions? Who are they?

Mr COURT: I will get the exact figures for the member. There are approximately 100 CEOs; forty-six come under the Public Sector Management Act; twenty-nine of the CEOs are in acting positions. I can give the member the list of those people. Some are pending appointment process. If the member wants the full break down of each of those areas, I can provide that.

Dr GALLOP: The Premier can table the break down. What is the reason for the high number of CEOs?

Mr COURT: It is not a high number. Normally we have a number of acting positions when people retire. A number of acting positions are in the process of finalising the appointment processes. We have made a decision to combine all of the technical and further education positions for all of the different TAFE colleges as a group. The TAFE colleges make up most of the positions being filled.

The CHAIRMAN: Was the Premier agreeing to provide that information as supplementary information?

Mr COURT: Yes.

Dr GALLOP: I also refer to page 1108 of the *Budget Statements*, output 3 and comments made in the Estimates Committee last year, when it was claimed that the Government expected another 500 redundancy packages to be offered this year. How many severance applications are expected to be approved in 1999-2000? How many are expected in 2000-01?

Mr COURT: To date, 520 severance applications have been approved for the current financial year, 1999-2000. We do not have an estimate for next year.

Dr GALLOP: On the same subject, page 1108 of the *Budget Statements*, it is claimed that the Government expects 1 300 recruitment and redeployment services in 2000-01. In particular, reference is made in the budget estimates last year to redeployees; it was claimed there were 614 redeployees. How many redeployees are there currently? What agencies are these redeployees from? How many of those are MetroBus redeployees? What is the 1999-2000 average monthly placement of redeployees? What is the average monthly registration including and excluding MetroBus redeployees? Finally, what is the average cost per redeployee?

[9.10 am]

Mr COURT: At 23 May this year, 379 redeployees were registered. Of those 379, 106 are on placement. With MetroBus, 20 redeployees remain.

Dr GALLOP: What is the average monthly placement, and what is the average cost per redeployee?

Mr COURT: I will provide that as supplementary information.

Mr MINSON: As a father with four kids who are about to look for jobs and who are all reliant upon my family budget, I am very interested in the question of training. On page 1110, I notice that the first group of trainees to undertake a part-time, school-based public sector traineeship graduated at the end of 1999. Could the Premier's officers tell us how many students have taken part in that since its inception, whether the outcomes are being measured and what those outcomes are?

Mr COURT: There have been three intakes since the part-time traineeship commenced in 1998, and the total number of participants is 43. The program has been successful. Seventeen of the original intake of 22 trainees successfully completed their traineeship in December 1999. Of the 17 who completed it, 12 have been retained in the public sector and two have obtained employment in the private sector. This program is aimed at school students who are not inclined towards tertiary studies. It provides them with support in making the transition from school to work, gives them skills which they would not acquire at school and improves their chances of gaining employment. It is also an opportunity for us to increase the number of young people in the public sector. Another very successful recruitment program is the Aboriginal and Torres Strait Islander employment strategy. That is linked to commonwealth-state funding, and has resulted in the recruitment of 102 Aboriginal people in the past two years. Therefore, that has been a significant lift.

Mr MINSON: While on the question of training, under the major initiatives on page 1110 is a paragraph about the broader range of executive development opportunities and a third leadership enhancement program. These initiatives are essential. The private sector has been conducting programs for years, and I know the public sector has been involved as well. I am interested in how the public sector conducts those programs. Does it conduct them itself, or does it contract them to the private sector? Are people sent away to do them? I know there are some excellent courses which have the potential to inject life into some parts of the Public Service.

Mr COURT: The leadership enhancement program is handled by contract. Twenty-eight participants have taken part in the program since it commenced in August last year. Eleven of those people are women. Five scholarships valued at \$10 000 each have been awarded to women to enable them to participate. The leadership enhancement program aims to enhance the leadership capability of chief executive officers and members of the senior executive service working within the public sector. The people who are acting in SES positions are also eligible to nominate for the program, and it is in addition to the other leadership development programs that we are conducting. There are 18 places in each program. We fund up to five scholarships per program for women, in line with the commitment to the Government's two-year plan for women. A full public tender was conducted to engage the consultants to run the program. The contract was subsequently awarded to Maximiles Consulting Pty Ltd, a South Australian-based consulting firm with extensive experience in this type of program. Integra Pty Ltd, a local firm with extensive experience in the evaluation of development programs, has been engaged to determine the benefits of the program to the participants, their employing agencies and the public sector as a whole.

Dr GALLOP: I return to the issue of redundancies and redeployment. Dealing with redundancies, although the Premier could not give an answer to the question of how many redundancies are expected in 2000-01, could he indicate how much money has been put aside in the budget for that category?

Mr COURT: That would be done on an agency-by-agency basis. We do not have a central fund for redundancy. I will check with Treasury to ascertain if it has an overall estimate. We might come back to that question when we deal with Treasury.

Dr GALLOP: On the general issue of redundancy and redeployment, will the Premier table the current policies that pertain to individuals in that category? There has been some controversy about whether people are in a situation of forced redundancy. What is the current policy that applies in the public sector?

Mr COURT: There are no forced redundancies. That is not in the policy. There are a number of issues concerning the redundancy packages because in the past seven years there have been, and there will continue to be, significant changes to the structure of the Public Service. Earlier on, there were the issues concerning the railway workshops and the transfer of people when the pipeline was sold. Currently, negotiations are going on with Alinta and Westrail employees about how the transfers will be handled. There has been the issue concerning MetroBus, when the bus driving skills of a large group of people were no longer required in government, but those people were operating under federal awards. There have been a number of different scenarios. I do not have the current policy for redundancies with me.

Dr GALLOP: No, but will the Premier table it as part of the supplementary information?

Mr COURT: Yes.

Dr GALLOP: On that general topic of redundancy and redeployment, what is the current role of Mr Ross Drabble in the public sector, and how much is he being paid?

Mr COURT: He is being paid at the level he has reached in the public sector. He is in the group three category. He has been transferred to other functions in the senior executive service. He is currently undertaking project work for the Director General of Transport.

Dr GALLOP: What sort of work is that?

Mr COURT: I cannot say specifically.

Dr GALLOP: He is still within the senior executive service, currently engaged by the Director General of Transport, in the group three category.

Mr COURT: Yes.

Dr GALLOP: That is not a bad position for someone against whom an unfavourable finding has been made by the Office of the Public Sector Standards Commissioner.

Mr COURT: In an Estimates Committee it is difficult to talk about the personal details of people. We have around 100 000 people, and I do not think it is in the interests of the Public Service to do that.

Dr GALLOP: The Premier did say at the time of the last budget - this is a matter we will pursue in another area - that if chief managers in the public sector do not achieve the budget they will be dismissed. That is personal.

[9.20 am]

Mr COURT: It is not personal; it is a CEO's overall responsibility.

Dr GALLOP: So Mr Drabble is in a different category.

Mr COURT: It is personal when a member asks for details about an individual. I explained where he is located in the Public Service, but I am not prepared to provide more details about his personal situation.

Dr GALLOP: I want to know what is the Premier's response when a CEO in the public sector is the subject of an unfavourable finding by the independent Public Sector Standards Commission. It is not personal in the sense that the Premier is describing it; it is within the framework of his responsibilities as the minister -

Mr COURT: That person is no longer in a CEO position.

Mr NICHOLLS: I refer to major achievements in 1999-2000 on page 1109. Reference is made to agencies being provided with online access to new redeployment management systems. Apparently detailed vacancies are submitted via the Internet rather than by facsimile or mail and a pilot program was successfully run earlier this year. What is the rate of use of that system? Who is using that system? How is it helping people gain employment or employment information?

Mr COURT: I do not have a usage rate. The following agencies participated in the pilot: The Department of Contract and Management Services; Homeswest; the Ministry of Justice; the Ministry of the Premier and Cabinet; Westrail; the Police Service; the Department of Education; the Department of Health - the corporate office and one of the country health services; Family and Children's Services; the Ministry of Fair Trading; the Industrial Relations Commission; the Ministry for Culture and the Arts; the Central Metropolitan College of TAFE; MetroBus; Main Roads WA; the Metropolitan Health Service; and the Disability Services Commission. It is primarily used by the human resource managers in those agencies.

Mr NICHOLLS: Does this refer to redeployment only in government?

Mr COURT: Yes.

Mr NICHOLLS: Does the Government foresee a time when members of the public will be able to submit applications or to forward curriculum vitae via the Internet for government employment? I have in mind people living in rural, country or remote areas who are generally unable to visit career advisers or major government departments to discuss these issues. This may create an opportunity for those people to access public sector vacancies that previously may not have been a realistic option.

Mr COURT: All notices of public sector vacancies are published online. Therefore, people can get access and make

applications using the new technologies. There will always be redeployment issues in government, because it is a large employer. The skills bases and the services being provided evolve. The major change involving bus drivers comes to mind. The skill these days is often in providing re-education and retraining so that people are suitable for the positions available. Attrition creates many opportunities.

Mr NICHOLLS: I understand that the *Government Gazette* is now online. People often have problems trying to navigate the various web sites or information sources. I believe the Government has established a one-entry-point portal. Has that been developed to the point at which people can access the myriad government departments and the other information databases that they may wish to use?

Mr COURT: The single doorway into government was launched last week. Already we are getting close to two million hits a week. It is proving to be a very popular site. Navigating around the web from one agency to another has been a cumbersome process. This program includes a navigation system that facilitates moving from one agency's site to another. It will constantly be improved as we see which are the more popular sites.

The member mentioned access to the *Government Gazette*. We will experience a huge increase in bill paying via the Internet. An increasing number of clients of private sector organisations have indicated that they want to do those financial transactions online. It started quickly and it will keep growing.

Mr NICHOLLS: Is someone within government monitoring the use of and access to that site or is that monitoring been undertaken by external professionals?

Mr COURT: Two main agencies have been organising this: The Department of Commerce and Trade and the Department of Contract and Management Services. We had a briefing with all the CEOs and senior executives from the various agencies on Friday. They have all been put on notice that this single doorway will highlight whether a site is user friendly or is not being widely utilised. We will be able to make direct comparisons with those sites that are working well. A number of people started paying Western Power bills on the first day the site was operational. As of yesterday, the site has had about 1.5 million hits.

Mr NICHOLLS: It has been a great success.

Mr RIPPER: I refer to output 3 on page 1108 - Support for the Premier as Minister for Public Sector Management. I understand that the Gunning inquiry is constituted under the Public Sector Management Act, at least in part. How much has been set aside in the 2000-01 budget for the inquiry? What is the anticipated total cost of this inquiry?

Mr COURT: I do not have the figures. Some costs are being shared with the Ministry of Fair Trading. I will provide the estimate as supplementary information. As the member knows, we do not start with a budget estimate for these inquiries. If an inquiry continues for much longer than originally anticipated, the funding required is provided.

Mr RIPPER: I want to know how much has been set aside in the budget for the inquiry. Presumably some estimate has been made and funds set aside.

Mr COURT: I will have to provide that as supplementary information.

Mr RIPPER: Does the budget contain any allocation for the Gunning inquiry to make available transcripts of the evidence presented? I have asked the Parliamentary Librarian for a transcript of evidence and she has advised me that transcripts are not routinely available and that I must make a formal submission to the inquiry chairman. If he agrees, I might be able to look at the transcript at the inquiry. This seems to be contrary to practice followed with other recent inquiries in which transcripts of evidence were available the next day in the Parliamentary Library. Why are transcripts not available? Has any provision been made in the budget for the Gunning inquiry transcripts to be made available to the public and to members opposite?

[9.30 am]

Mr COURT: I cannot comment on the procedures but I am only too willing to inquire. Their unavailability will not be due to a monetary issue.

Mr RIPPER: Will the Premier give us an assurance that the transcripts will be made available to the Parliamentary Library in the same way as they are for other inquiries?

Mr COURT: I am not running the inquiry. I am unaware of the practice with other inquiries. I will find out what is the practice and I will provide that as supplementary information.

Dr GALLOP: I refer to page 1110 that refers to public sector traineeships and the estimate that 11 traineeships will begin in 2000. What is the estimated cost per traineeship? How many will be offered in 2001, 2002 and 2003? Has funding been allocated for that purpose? Have any other traineeships been offered across the public sector?

Mr COURT: I provided earlier the number of people involved in the traineeship schemes. Since they started in 1998, 43 people have passed through the traineeships. Under a special program with state-commonwealth funding, 102 Aboriginal people have also been through it. I will provide the estimated cost per traineeship as supplementary information. The estimated number of traineeships for next year is approximately 20.

Dr GALLOP: Are any other traineeships offered across the public sector?

Mr COURT: The schemes to which we referred were part-time schemes. Thirty-nine full-time public sector clerical traineeships will commence in 1999-2000. Twenty-nine full-time trainees are employed in the public sector.

Dr GALLOP: I seek as supplementary information the cost for each of those trainees.

Mr COURT: Yes.

Mr BARRON-SULLIVAN: I refer the Premier to page 1115 output 6 relating to the Constitutional Centre. The output measures show four rows of figures. What exactly do they mean? Under "Quantity" reference is made to customers. I assume that relates to visitors. Is there a way of ascertaining how many visitors come from country areas? I get good feedback about the Constitutional Centre from people, particularly from schools in the south west, who visit.

Is any qualitative information available about the way the performance of the centre is gauged? For example, under "Timeliness" reference is made to customer satisfaction with timeliness of services provided. I do not have a clue what that means. I assume that the issue of timeliness does not refer to when people turn up at the centre, unless it refers to bookings, for example. Can we be provided with some detail on those output measures?

Mr COURT: Yes. I cannot provide a break-up of country and city visitors. I understand it is still the only Constitutional Centre of its kind in the country. The number of visitors since it opened are as follows: In 1997-98, 19 000; 1998-99, 39 000; and 1999 to April 2000, approximately 21 000. It is estimated that 40 000 people will utilise it in this coming financial year. The exhibition programs it has run are the "Changing Constitutions" that ran from August to January and "A Nation at Last" on the federation and its impact on Western Australia that ran from February to June. As members know, the centre contains the Interactive Room on the WA Constitution, the Interpretation of the Commonwealth Constitution Hall in which an exhibition on Aboriginal law and the Constitution was held in March-April; and the Constitution trail and the areas of significance in that precinct, which is around the centre.

Travelling exhibitions have included The History of the Western Australian Constitution to Albany, the Road Show, in conjunction with electoral education, the National Archives of Australia, the Battye Library and the State Records Office. The travelling education program visited remote and regional areas throughout the State, which is aimed mainly at schools and community groups. New school programs have been expanded to include years 4 to 7 and expansion of the secondary program of years 8 to 10, including hypotheticals. The list goes on and includes the launch of the civics education network. A number of seminars, forums and community programs are also held there. I attend a number of functions, as I am sure does the Leader of the Opposition on different constitutional issues.

The centre is getting more and more use. It is well located and it is a good facility being used by the general public. I will try to provide as supplementary information, an estimated breakdown of country-city schools that have gone through the centre.

Dr GALLOP: At page 1100 the budget allocation for capital works is \$2.7m in 2001-02 and 2002-03 and \$4.1m in 2003-04. Will the Premier provide the list of projects and the allocated funding for each item? Why has the expenditure increased for 2003-04?

[9.40 am]

Mr COURT: I will run through the projects in the current year. We hope to have all the jetties and pavilions for the Barrack Square redevelopment completed in the forthcoming period. The development works for the capital city development that we are undertaking in conjunction with the Perth City Council amount to \$900 000. The capital allocation for works in progress under native title agreements relate to the Spinifex and Kiwirrukurra claims. In 2000-01 we have allocated \$650 000 for Spinifex, Kiwirrukurra and Ngaanyatjarra claims under native title agreements, and there are some other claims. Under the item for computer hardware and software, the ongoing replacement of equipment for the ministry and electorate offices is a capital allocation of \$500 000 with a further amount of \$2m from recurrent funding for the purchase of those assets. Some are allocated in capital works and some under recurrent funding. In 2000-01 the capital allocation for upgrading electorate offices' equipment is \$200 000, and the recurrent funding is \$1.3m. The allocation for electorate office fit outs next year is \$200 000, and \$250 000 for partitioning and accommodation. We will provide estimates for the out-years.

Dr GALLOP: Could I have a list of all the moneys spent over the years on the capital city development and the Barrack Square redevelopment by way of supplementary information?

Mr COURT: We provided those figures to the Opposition last year, but we will update it. Last year the cost of refurbishment and documentation was \$500 000, which was mainly associated with the old Treasury buildings. Special projects funds totalled \$314 000 and streetscape projects \$144 000. That included work with the Perth City Council on the kangaroo sculptures in the Stirling Gardens and assistance with the Christmas decorations.

Dr GALLOP: What is the figure for 1999-2000 that we would add to the figures given previously?

Mr COURT: It would be \$958 000 for the capital city development.

Dr GALLOP: Similarly, would the Premier provide a break down of the \$19.2m that will be spent?

Mr COURT: The total works for 1999-2000 will be \$13.972m. The works for next year will be \$4.49m, most of which relates to Department of Transport work.

Dr GALLOP: Has any sponsorship been sought for the operation of the belltower as indicated early last year?

Mr COURT: The belltower is being funded by the Government, and those figures include that component. The management structure for the belltower is yet to be finalised. That has generated a huge amount of interest. A lot of people want to be involved in it. Our initial estimates show that the belltower will be a net contributor; it will not be a loss-making operation. We are looking at a number of options on how it will be managed. We are negotiating with the Perth City Council. The council is keen to take responsibility for the grounds. The Government is investigating establishing a foundation for the belltower and its operations. We have yet to work out the management structure within that foundation. The belltower facility must be supervised at all times while it is open because of a number of control issues including fire. The belltower is designed to hold a certain number of people at any one time. It is currently open for tours on Wednesday afternoon, which is the rostered afternoon off for construction workers. We cannot handle the numbers, and the tour has been completely booked out. A lot of groups go through the belltower. I intend to have a run through myself, and if members opposite want to do the tour they should contact us and we will make those arrangements.

Mr RIPPER: Will the Premier give us a guided tour?

Mr COURT: I have to have one. Many of the public have gone through the belltower. I did not realise it was open for tours, but they have been a great success.

Dr GALLOP: Has an admission price been set yet?

Mr COURT: No. The thinking about the establishment of the foundation is that it would involve the University of Western Australia, because the university was involved in the original proposals. Basically it is a musical instrument that is being developed as a result of what the university wanted to do. We envisage that a group of people including people in the university's music and performing arts areas, people involved in tourism, bellringers, the Perth City Council, and the Government will come together to manage the foundation. The Western Australian Museum has also been involved in how exhibits will be handled inside the tower. The Leader of the Opposition mentioned sponsorship. A huge number of people want to own the telescope and the wishing well and to sponsor different parts of the belltower. The Rotary Club of Perth has been actively involved in the project, and we are currently negotiating with the club for a Rotary wishing well at the base of the tower. Beyond that we have not taken sponsorship arrangements further. We have not had any negativity; to the contrary, people want to be involved and a lot of commercial operators want to participate in the proposal.

[9.50 am]

Dr GALLOP: Returning to capital works, am I right in saying that the Premier will provide as supplementary information the list of projects connected to the capital works allocations for 2001-02, 2002-03 and 2003-04?

Mr COURT: They will be estimates for the out years. They are all for capital works, but we vary them.

Dr GALLOP: Will the estimates include the projects, or will they just be dollar estimates?

Mr COURT: Some will be dollar estimates. If we have projects, we will include the dollar figures.

Mr MINSON: I note that on page 1112 there is mention of Safer WA, something which the Chairman and I have an interest in, coming from the Geraldton region. Can the Premier tell us what the scope of the program is, what outcomes have already been achieved, what further programs are planned for this year and, in relation to output 4 under major achievements for 2000-01, how the Government will continue to encourage the growth of the community-based Safer WA committees, because it is a good initiative?

Mr COURT: As the member knows, the Deputy Premier and I were involved in chairing this committee. On the outcomes, it is an example of trying to get better coordination across government and at the same time tying it in with the community groups. We are pleased that it is coming together well. Every community which is establishing a Safer WA committee is doing it differently; Geraldton has different requirements from Broome or Esperance and the like. The number of committees which have been established has grown from 30 in 1998 to nearly 70 now. Some benefit is coming through in the crime statistics that have caused us a great deal of concern. It cannot be pinpointed to any particular program. The Australian Bureau of Statistics survey on crime and safety in Western Australia in 1999, which was released last week, shows that the victimisation rates have decreased or they have remained constant in all categories of the crime survey. The victimisation rates in Western Australia decreased from 15.8 per cent in 1995 to 13.3 per cent in 1999; break-ins, including attempts, decreased from 13.6 per cent in 1995 to 12.1 per cent in 1999; and motor vehicle theft decreased from 3 per cent of households in 1995 to 1.9 per cent in 1999. Those trends are consistent with the WA Police Service figures on the reported offences. Those trends are heading in the right direction. We certainly support both the establishment of more Safer WA committees and the ongoing operations of the existing committees. I have a list of material on what Safer WA is up to, but the main achievement is that it is not just a government responsibility; all of us have a responsibility to work together to bring down those crime levels.

Dr GALLOP: I return to the Barrack Square redevelopment. The Premier said in his first answer that he had been advised that the belltower would be a net contributor. On what basis does the Premier make that claim? It is not Tourism Commission figures?

Mr COURT: I thought the Leader of the Opposition would be happy -

Dr GALLOP: I want to know what the Premier means; is it accrual accounting?

Mr COURT: Yes.

Dr GALLOP: Can the Premier explain how he gets a net benefit?

Mr COURT: We explain it by saying that it is the estimated number of people who will go through the belltower and the estimated revenue from the belltower against the expenses involved with running it.

Mr RIPPER: It sounds like cash accounting to me; it does not sound like there will be a return on the capital.

Dr GALLOP: Can the Premier provide that report?

Mr COURT: We are doing a further assessment now. When that assessment is complete, I am only too willing to provide it to members. I am sure they will find that it will pay for itself reasonably quickly.

Dr GALLOP: On the broader capital projects at Barrack Square, a proposal for a hotel is being dealt with at the moment. Is the State Government expending any money to assist with that project?

Mr COURT: Not that I am aware of. That project must have approval from the Heritage Council of Western Australia and the Swan River Trust as well as the planning approvals. It is completely a private sector project - and none of my family is involved in it.

Dr GALLOP: The Premier has said that he will make a return on the belltower. How can he say that when he has not set the price for admission?

Mr COURT: That is based on an estimated price.

Dr GALLOP: There is an estimated price. Can the Premier tell us what the estimated price is?

Mr COURT: I told the Leader of the Opposition during last year's estimates committees.

Dr GALLOP: Which was?

Mr COURT: If I did not tell him, someone else would have as I think I was overseas at the time. We gave members of the Opposition a briefing. They came to my office and we gave them a full briefing, and I attended the briefing.

Dr GALLOP: What is the estimated price of admission?

Mr COURT: The same as it was when we briefed members.

Dr GALLOP: It is not very open and accountable government. I do not think the Premier remembers either.

Mr COURT: I do not remember the detail of the briefing. I remember we gave members a full briefing and the next day they briefed the media on it and it ran as a story then.

Dr GALLOP: Can the Premier table the report on the net benefits of the belltower?

Mr COURT: I just told the Leader of the Opposition that a report on that is currently being updated. I will willingly give him a copy of that report when it is available. Only this week I was briefed that a more current estimate was being developed about what running costs, etc are anticipated to be. One never knows until a project like this opens. We have a huge interest in it. The people who are assessing the project are of the view that it will be a significant net contributor. If it is successful, I hope the Opposition will be happy because the bells were gifted to its Government.

Mr NICHOLLS: It is much like the Northbridge tunnel - we heard a lot of criticism before it opened and now I hear very little apart from people telling me how great it is to be able to drive through it. Maybe the Opposition might comment on its view on the tunnel as well.

The CHAIRMAN: Members, we want questions, not opening statements.

Mr NICHOLLS: I have a question that relates to page 1106 in reference to responses to the public on behalf of the Premier's office. The estimate of responses for this year is 19 000, and for next year it is 24 000. The Premier is estimating that the current average cost is \$35 - I presume that is \$35 per response - and the estimate is to reduce that to \$27 per response. Based on the estimate, the Premier is making about 2 000 responses a month, which is quite a large number. How will those costs be reduced and what does the Premier see as the major thrust of that communication?

[10.00 am]

Mr COURT: If I can put it into practical terms, on average it is about two cases of correspondence a day, which takes two and a half hours a day to sign. That would be an average throughout the year. I cannot explain why the cost would be going down. I am told it is because of the way the member has divided it. The same number of people are doing the work, but it was anticipated that in the lead-up to the election, there would be more correspondence even though it would be done by the same number of people. On the community access line, which is very popular, we are starting to see more people emailing us and wanting responses in that manner.

Mr NICHOLLS: That leads to my next question. It would appear that using the Internet and emails is a far more cost effective way of communicating with people in Western Australia. The responses from the Premier's office can be and are

being sent by email, and I wonder whether this is likely to be a trend across the Public Service. If so, has a formal process been put in place whereby emails are printed and have the same value as a written response? In the case of an email the text can be modified unless it is provided in a fixed format, such as the Adobe system. I am interested to know what research has been done on allowing the electronic correspondence to be part of a formal process.

Mr COURT: More correspondence is being transacted electronically, although it is not a big growth. It is covered by the records legislation, and the emails must be registered as having been received. At the end of the day the same effort is involved in preparing a response. A file is established, and some are simple and some are more complex. Sometimes by the time a letter is dispatched, there is a file an inch thick; for example, it could involve a case in Family and Children's Services which has been ongoing for some time, in which one or other party wants the Premier to be involved. Very little of the mail sent from the office each day is routine. Every item has some problem associated with it. By the time people want to involve the Premier, more often than not a problem has arisen and sometimes it needs a hard decision. We have not noticed a big increase in the volume of electronic correspondence, but we treat emails in the same way as other correspondence.

Mr NICHOLLS: My prediction is that the volume of electronic correspondence will grow exponentially, particularly because of the number of students using the Internet in schools and because of the perception in the community that it provides quicker access. I am referring to the Premier, ministers and heads of departments signing letters electronically. If we are able to develop an electronic form of letter with the Premier's signature, steps must be taken to make sure that people cannot download that signature. That is a fundamental issue. Secondly, it is also important that people have a print-out of the electronic copy, and can use the electronic copy in the same way that they use the hard copy.

Mr COURT: We are currently physically sending a response on emails. The Department of Contract and Management Services is looking at some of the security measures and how we can respond, bearing in mind that many of them involve financial matters, such as land tax and other taxation issues. One of the big issues of establishing a single doorway and doing business, both within government and between the private sector and government, is security of those financial transactions. CAMS is looking at ways to properly verify electronic answers. However, the electronic means will not speed up the process. Sometimes the same letter comes across my desk a number of times because I do not agree with it or I am not satisfied with the detail. The file may go back and more information may be provided. This is a time-consuming business because we must get it as correct as possible. There will always be some mistakes but, by and large, the material is sensitive and it must be dealt with properly. It is not uncommon to correct them.

Mr RIPPER: I note from page 1121 of the *Budget Statements* that \$4.8m is provided in 2000-01 for the Native Title Commission, and \$4.8m annually from 2001-02 to 2003-04. When was the Native Title (State Provisions) Bill passed this Parliament? When was the submission for commonwealth approval sent to Canberra? When does the State Government expect a decision from the commonwealth Attorney General on the legislation's compliance with commonwealth standards? Has the commonwealth Attorney General sought additional information from the State Government, following receipt of the submission; and if so, what additional information has been required?

Mr COURT: After the Bill went through this Parliament a huge amount of work had to be done to prepare it to go to the Federal Government. I will check the precise dates. The legislation was passed at Christmas and went to the Federal Government in early March. We expect the Federal Government to complete its assessments within the next two weeks. It takes several months because under the law, it must go through a series of consultations. We are constantly providing information to the Federal Government but, to my knowledge, nothing controversial has arisen. Within two weeks the Federal Government will complete the process and it will go to the commonwealth Attorney General who will make a decision. It then goes to the Parliament to be allowed or disallowed.

Mr RIPPER: I thought the matter was with the commonwealth Attorney General.

Mr COURT: It has been sent to the Attorney General and he takes advice from his bureaucracy, and the consultation and the like is taking place now. He will then make a decision and if they agree with it, it will go to the Federal Parliament for allowance or disallowance.

Mr RIPPER: Do you have any commitment from the commonwealth Attorney General as to when he will make his decision?

Mr COURT: It will go there in two weeks. There is no commitment, but I envisage that the process will be completed within a month.

Mr RIPPER: You are saying that we might have a decision from the commonwealth Attorney General in about six weeks?

Mr COURT: No, the Attorney General will get the submission in two weeks, the bureaucrats will probably take two weeks, and probably within a couple of weeks it will go to the Parliament. No commitment has been provided. We have worked on the basis that it will go into the Federal Parliament some time in June.

Mr RIPPER: Once its consideration of the matter has been resolved, if the legislation survives the Federal Parliament, how long after that will it be before a state commission will become operational?

Mr COURT: About a day.

Mr RIPPER: Has the Premier already considered who he will appoint? Has he made approaches for appointments?

[10.10 am]

Mr COURT: No. Let us go back a step. The federal Labor Party has already said it will oppose the state regime. I hope it will change its mind. The Australian Democrats have not yet said yes or no, and we will continue to talk with them and the Labor Party to try to reach agreement on the regime being established. It is very important to get some workability into that legislation. I hope we can have further talks - I do not care if it is between the Deputy Leader of the Opposition and me or his federal leader - but it is time to build bridges and to introduce some practicality into this situation, instead of point scoring. We cannot say when the Western Australian native title legislation will be introduced into the Federal Parliament or when it will be debated. However, when it does go before the Parliament, I will be involved in negotiations to try to get it approved. Three regimes are waiting to be approved: The Queensland, Western Australian and Northern Territory regimes. The Northern Territory regime has already been rejected once. The State Native Title Commission can be established for the parts of the legislation that are not subject to allowance or disallowance by the Senate. As a result of the appeal decision in the Miriuwung-Gajerrong case, we are looking at whether one part of the commission should be established before the Federal Parliament makes its decision on the legislation.

Mr RIPPER: Have you made any approaches to people about appointment to the State Native Title Commission?

Mr COURT: We have invited applications for the position and have received a number of applications.

Mr RIPPER: How many applications have been received?

Mr COURT: I am advised that more than 20 applications have been received. How we progress with the commission depends on what happens in the Federal Parliament.

Mr RIPPER: How many future act determinations would the commission be expected to issue in its first year of operation? During debate on the Bill, I understood that if the commission were established, there would be regional caps on the number of titles it would process each year.

Mr COURT: It depends on what happens in the Federal Parliament. If the State is limited to determining infrastructure proposals, there would be only about 100 or so determinations.

Mr RIPPER: If you got the outcome you wanted, how many future act determinations would the commission deal with in its first year of operation?

Mr COURT: I do not want to be held to a number, but it would be about 1 000 to 2 000. It would be done in an orderly way. A huge backlog of things needs to be worked through. However, it is all hypothetical, because we do not know what the Federal Parliament will decide.

Mr RIPPER: What is the expected allocation for native title litigation in the forthcoming financial year and in 2001-02 and 2003-04?

Mr COURT: The allocation for native title litigation is provided in the Justice budget. You have already asked what the Government has spent on litigation so far.

Mr RIPPER: Yes, you gave the answer of \$16m.

Mr COURT: We have provided all the information about how much the Government has spent on litigation. It is interesting that the Aboriginal and Torres Strait Islander Commission has funded representative bodies nearly \$62m over the past four years to provide resources for native title negotiations.

Mr RIPPER: Nationally?

Mr COURT: No, in Western Australia. The member had the same reaction as me. I thought it was a national figure but ATSIC said that it was funds provided to Western Australian representative bodies. The Kimberley Land Council received \$19.38m; the Ngaanyatjarra Land Council, \$4.4m; the Goldfields Land Council, \$7.6m; the Aboriginal Legal Service, \$8.9m; the Noongar Land Council, \$5.5m; the Yamatji Land and Sea Council, \$5.5m; the Pilbara Aboriginal Land Council, \$2.16m; and the Western Desert Puntukurnuparna Aboriginal Corporation, \$5.5m.

Mr RIPPER: Does this not point to the need for a focus on negotiation and agreement rather than court action?

Mr COURT: Of course it does.

Mr RIPPER: Does your approach not cause more expense for all parties?

Mr COURT: What do you mean by "our approach"? We are operating under legislation imposed on us by the Labor Government.

Mr RIPPER: Your litigious and confrontational approach is causing extra expense for both the State Government and the Commonwealth Government.

The CHAIRMAN: Order! The member for Belmont has asked his question.

Mr COURT: Bad legislation leads to extensive litigation. Almost \$62m has been provided to the Western Australian representative bodies for their negotiations and legal action. A huge amount of money is being spent on unworkable legislation when it should be providing positive benefits for Aboriginal people. The amounts being spent are just outrageous.

Dr GALLOP: Are you saying that you will spend another \$60m on Aboriginal Affairs?

Mr COURT: I am saying that practical measures should be supported so that we can get on with the job.

Mr RIPPER: An aspect of my last question has not been answered. What amount has been set aside in the forward estimates for litigation on native title matters?

Mr COURT: We do not have a specific estimate. We have provided the figures on what has been spent on litigation so far.

Mr RIPPER: This is a significant issue. I am surprised there is not something in the forward estimates. I presume you expect to spend money on the matter.

Mr COURT: We certainly do. As I said, it is contained in the Government's Justice budget. However, I will find that out for the member.

Mr RIPPER: Will we get in the supplementary information a figure on what has been allocated to native title litigation in the forward estimates?

Mr COURT: Yes.

Mr NICHOLLS: My question relates to the reference to ministerial offices under output 2 on page 1105 of the *Budget Statements*. I am interested in the support that is provided to ministerial and opposition offices. What is the average staffing level in ministerial offices and how does this compare with the staffing levels in previous Administrations? How does the allocation compare with the staff in the Leader of the Opposition's office? Has the allocation of resources to the Leader of the Opposition's office increased over previous years, and if so, to what extent and at what cost?

Mr COURT: As at March this year, 183 full-time equivalents were employed in ministerial offices, with an average of 10.76 FTEs for each office. In February 1993, the last period of the Lawrence Government, 199 FTEs were employed in ministerial offices, which was an average of 13.24 FTEs for each office. This Government employs, on average, two people less in each ministerial office. I answered a question about the Leader of the Opposition's office in Parliament the other day. Fourteen people are employed in the Leader of the Opposition's office, excluding the two drivers. I will provide the details on what it was in supplementary information.

[10.20 am]

Mr NICHOLLS: Following on from that, I am interested in knowing about the services that are provided. I assume that all the ministerial offices that are providing services and information to the community are geared up for Internet access. Have the services increased? Are additional services now being provided as a result of things like the Internet or other services? Have we seen a significant shift in cost, particularly because of the growing tendency of the public to seek access and information via ministerial offices? I may be mistaken, but it is my assumption that we are now seeing a greater propensity for contact with ministerial offices as opposed to people going to departmental offices. I know there are specific issues such as the finance brokers issue and other issues which create a peak in contacts. I am interested in what the overall trend is.

Mr COURT: All the offices are equipped with the latest technology. There has been a ministerial office system to manage correspondence and other information within the ministerial offices which has now been implemented. The technology is being continually upgraded. The situation is the same in the Leader of the Opposition's office.

Mr NICHOLLS: Does that include things like the transfer of software programs to enable a standardisation of the operating system as opposed to what previously seemed to be a spit system between Microsoft and Novell, which made communication difficult?

Mr COURT: We have completed the conversion and we are now standardised on Microsoft.

Mr BARRON-SULLIVAN: I know there has been a lot of publicity about the promotional exercise relating to Selfridges, which appears on page 1104 of the *Budget Statements*. I would be interested to know the amount the State contributed towards that promotional venture and how one measures the benefits of a promotional exercise like that?

Mr COURT: I can give you only the figures from within the Ministry of Premier and Cabinet because most of the expense came through the Department of Commerce and Trade's budget. I will provide the total expenditure for the promotion in supplementary information. There were some video production costs, which came in at less than \$10 000, that was spent on the promotion. Most of the costs were run through other agencies such as the Department of Commerce and Trade and Agriculture Western Australia. The program was very successful. Selfridges actually purchased an initial \$2m worth of food and wine. Normally it is done on consignment, but it bought the food and wine on this occasion. I think one judges these things on how effective it is in follow-up business. There have been a few hiccups on the supply side - for example, getting fresh lobster and the like to Britain is a long haul and involves expensive freight rates. One can get freight into Asia significantly cheaper. I spoke to one of the wine exhibitors last week and he said that Selfridges has come back to Perth and is looking at more ongoing business associated with that promotion. There is a very high quality of living throughout Europe and high growth rates. People there are prepared to spend a lot of money on quality food products. We are looking at ways in which we can attract more of the business. At the same time, some of the European food chains are setting up operations outside Europe. For example, a huge food store is being established in Cairo. It is looking at supplying a lot

of its fresh produce from out of Western Australia. These are changes that are taking place upon which we just have to capitalise. There was virtually nothing spent from within the budget of the Ministry of Premier and Cabinet. I will get the supplementary information later for what went into it.

Mr BARRON-SULLIVAN: Can you recall how the initiative developed?

Mr COURT: I cannot be precise about it but I believe it was the Agent General in London who dealt directly with Selfridges in putting up the proposal. The Selfridges people came to Perth and inspected all the produce; saw where it was produced; and looked at the quarantine and health standards. Before the project started, they committed to purchasing \$2m worth of produce. During the promotion, additional produce had to be flown out because it was so successful.

Mr RIPPER: How much has been set aside from the native title budget in the Ministry of Premier and Cabinet for negotiation or mediation of native title issues? What matters will be negotiated in the next financial year? Is the State Government proposing to initiate discussions or negotiations for any new regional agreements to govern future Act approvals? If so, in which regions? If not, why not?

Mr COURT: Negotiations this year are costing about \$850 000; next year they will cost about \$950 000; the year after that about \$1.5m; and the following year 2002-03, we have estimated \$2m. The amounts basically cover the cost of travel, meetings and assistance to Aboriginal groups. We are working on a number of significant proposals: The Spinifex one has nearly been completed and we hope to have it finished in the next few months. The Balangarra negotiations are fairly well advanced. Extensive negotiations are taking place with the Yamatji people in the Murchison, and possibly, Pilbara areas.

Mr RIPPER: Is there any native title claim in Western Australia which the State Government has not opposed?

Mr COURT: There is a heap of claims that we have not opposed.

Mr RIPPER: Is there any claim that the State Government has been prepared to settle by consent?

Mr COURT: There has not been a claim agreed to by consent at this stage.

Mr RIPPER: There has been in Queensland but here in Western Australia the Government cannot agree to consent to a single native title claim.

Mr COURT: Let me finish my answer. Spinifex will be the first claim agreed to by consent - and that is a very large area. Many others are well advanced. If the member is trying to paint a picture that we are not involved in negotiations, he should know that we spend a lot of time in negotiations, and that includes me. The Queensland claims that the member is referring to, are, as I understand it, mainly in the Torres Strait Islands.

Mr RIPPER: Has there been any indication to any representative body that the Government is prepared to consent to a native title claim?

Mr COURT: Yes.

Mr RIPPER: Which cases have had that indication?

Mr COURT: I have just told the member. Within a month we will complete about five years' worth of negotiations on Spinifex.

Mr RIPPER: That agreement will recognise their native title?

Mr COURT: Yes.

[10.30 am]

Mr RIPPER: Is the Government proposing to initiate discussions or negotiations with industry groups and Aboriginal representative bodies for the development of templates or standard agreements for mineral titles future act approvals; and, if not, why not?

Mr COURT: We are currently negotiating that with the Yamatji people.

Mr RIPPER: Is it intended to negotiate that in other areas; for example, the goldfields?

Mr COURT: Let us try to get one agreed to first.

Mr RIPPER: What role is the Ministry of Premier and Cabinet playing in the goldfields land access group; what role does it propose to play in the forthcoming financial year; when did that group last meet and when will it next meet; and what is the Government's objective in that process?

Mr COURT: The Ministry of Premier and Cabinet is not involved with that land access group.

Mr RIPPER: I thought the Premier's officer had been to one of the meetings.

Mr COURT: Some parts of government, such as the Department of Minerals and Energy, have had some involvement with it. What does the member mean by "involvement"?

Mr RIPPER: Attending the meetings.

Mr COURT: I am informed that Mr Conran attended one meeting six months ago. Is that group still operating?

Mr RIPPER: That is what I am asking the Premier. What is the Government's objective for that group? When did it last meet?

Mr COURT: We do not run that group. It is the member for Kalgoorlie's group, so the member had better ask her that question.

Mr RIPPER: Does the Government intend to support that group? Does the Government intend to try to get a result from the operations of that group?

Mr COURT: We have spent a huge amount of time in the goldfields. As we have explained, that group purported itself as being able to bring together all of the different Aboriginal native title interests. However, they have disintegrated and have been tearing themselves apart. That group is a classic example of how the system is not working. If I were the member, I would not be promoting it too hard.

Mr RIPPER: So the Government will not be supporting the goldfields land access group process?

Mr COURT: We are involved with all the native title claims in the goldfields, but that particular group, which has purported itself as presenting a unified picture, has presented the exact opposite. There are huge divisions within that group. The member should not hold up that group as an example, because it is probably the best example of how the process does not work.

Mr RIPPER: I am asking whether the Government will be supporting the process, and it appears from the Premier's answer that the Government is very lukewarm and perhaps even hostile to the process.

Sitting suspended from 10.33 to 10.47 am

Dr GALLOP: Can the Premier explain why the latest six-monthly consultants' and quarterly travel registers, which have been tabled in the Parliament in the past, are dated December 1998, given that it is now almost June 2000? Will the Premier undertake to provide the latest travel registers for March, June, September and December 1999 and the latest two consultant registers for June and December 1999, and can he explain the delay in preparing those documents?

Mr COURT: The travel and consultants' reports up until the middle of 1999 are available. However, while we are talking, I will find out that information. We have just tabled a consultants' report.

Dr GALLOP: When was that tabled?

Mr COURT: I think I tabled a consultants' report a few weeks ago.

The member for Mitchell asked about comparisons in the Leader of the Opposition's office and I have answered that question previously. When we were in Opposition, the Ministry of the Premier and Cabinet's office had three cars, currently it has five; it had 12 staff, currently it has 14, excluding two drivers; it ran previously with no credit cards, the current office has five credit cards; however, I am sure all very properly handled.

Mr RIPPER: Does that include the cars allocated to the Leader and Deputy Leader of the Opposition in the other place, which would normally go to them as members of Parliament?

Mr COURT: We were pushed down all the time.

The CHAIRMAN: Members should try to get back to questions.

Mr KOBELKE: On page 1107 of the *Budget Statements*, mention is made of the program for assistance to Carnarvon after cyclone Steve. Who has management of the allocation of those funds and are they split between different agencies? Have there been any complaints about the priorities set, given it was a large problem and had to be dealt with urgently? My question therefore is in two parts: First, the amount of funding and the agencies responsible; secondly, whether complaints were made regarding on-the-ground decisions about priorities and who was responsible for handling those decisions.

Mr COURT: As members know, cyclone Steve caused severe flooding and damage to many areas and a great deal of work was done by the State Recovery Coordination Committee and its coordinator. The administration and the coordination of a range of relief measures approved by Cabinet were carried out by the Ministry of the Premier and Cabinet, in particular Hugh Samson who oversees those operations. The measures approved by Cabinet include the expenditure of up to \$2.5m on the Carnarvon farm recovery scheme and up to \$200 000 on an emergency support scheme for owner-operator transport drivers stranded by the flooding. All relevant agencies assisting the recovery process have been requested to liaise with the State Recovery Emergency Management Committee concerning recovery activities. The Carnarvon farm recovery scheme allocates money at Carnarvon, and I think an Agriculture officer has been overseeing most of the work. Does the member want that person's name?

[10.50 am]

Mr KOBELKE: No. Have any complaints been made or is the Premier happy with progress?

Mr COURT: We had some initial complaints about some of the soil recovery programs. The first emphasis and priority

was to quickly return properties to production. In a number of places, the homes were okay, but much of the soil had been washed away from the properties. I understand that these problems have been addressed. The good news is that the first tomatoes from plantings which survived the flooding came off crops at a time of pretty good prices. The plantings made after the cyclone will come to market shortly at a reasonably good price. This will help. A few issues are involved. Soils are needed on properties. I do not know whether the member saw the damage, but on some properties half the farm was washed away 12 feet deep. Some big machinery lowered the level of the land to bring it to production quickly, and soil will be built up over time. Some of the soils required were inaccessible as quarries were full of water. Some difficulties were involved, but most were sorted out at the local level.

Mr KOBELKE: I can find no reference in the *Budget Statements* to the community attitude polling conducted in the past. Is there an ongoing contract for such polling? If so, what is the cost of the contract and when does it expire?

Mr COURT: It is the same contract, which commenced in May 1997 and extends to December 2000. It is \$124 000 per annum.

Mr KOBELKE: Does the Premier have a schedule of when polling takes place? Is it ongoing every quarter or twice yearly?

Mr COURT: I think it is twice a year.

Mr KOBELKE: Can the Premier indicate the months in which polling has been done over the past year, and the intended dates for the coming year by month?

Mr COURT: I will provide that as supplementary information.

Dr GALLOP: I checked with Parliament and the last report on consultants tabled was for the six months ended 31 December 1998.

Mr COURT: When was it tabled?

Dr GALLOP: It was November 1999.

Mr COURT: I thought I just did one.

Dr GALLOP: The Premier probably agreed to one, which has not been tabled yet.

Mr COURT: I am sorry - a consultants report is due for tabling on the first sitting day back. It must have come across my desk.

Mr RIPPER: The last travel report was December 1998 as well.

Mr COURT: We are waiting for the travel detail. I will give the Deputy Leader of the Opposition that information when the note arrives.

Mr NICHOLLS: The last dot point of major initiatives on page 1107 of the *Budget Statements* reads -

The Ministry will co-ordinate a range of formalities pertaining to the State General Election including the oversight of the Caretaker Conventions.

What is involved? Is it the process of running an election, or will changes apply at this election? Will some initiatives be introduced?

Mr COURT: The Ministry of the Premier and Cabinet is required to prepare briefing papers on the operations and activities of the ministry, including financial statements, full-time equivalents status, a calendar of forthcoming events, a list of key personnel, a leave roster for executive management staff, and identification of any human and other resources which may be required in the pre-election and post-election periods. Also, the ministry reviews and drafts new guidelines for caretaker conventions which general apply to the operations of government and the public sector agencies. These are aimed wherever possible to ensure that significant appointments and major policy decisions are not made which are likely to commit an incoming Government, such as a commitment to something like a major petrochemical project or gas contract.

Mr RIPPER: Or privatisation.

Mr COURT: I specifically mentioned major gas contracts being concluded during a caretaker period of government. To do so was outrageous.

During this period, the ministry ensures that no commitments are made to major undertakings or contracts, that members of Parliament do not undertake air travel for electioneering purposes, that electioneering is not undertaken through government advertising and publications, and that public sector officers are not involved in election activity. The program is to develop a list of possible election dates in consultation with the Electoral Commissioner, to liaise with the Premier to determine the prorogation date of Parliament, to dissolve the Parliament, to issue writs, and to undertake an audit of staff employment status and an asset audit of furniture and equipment for both ministerial offices and the Leader of the Opposition. The ministry will assess the leave situation for parliamentary electorate officers, review circulars and guidelines, and develop an information package for members. The program will review current lease contracts for motor vehicles, review security policies for ministers and members, and liaise with the Premier regarding parliamentary sitting days for the following year. The ministry will coordinate official opening procedures for Parliament; arrange the

resignation of former ministries and the swearing in of new ministries and the associated allocation of statutes; liaise with the Premier and the Leader of the House to prepare new seating plans for Parliament; and liaise with the Premier and the Legislative Assembly regarding appointment to various parliamentary positions. The ministry will coordinate the formation and first meeting of the legislation standing committee of Cabinet in order to prepare a legislative program for the 2001 parliamentary year. That is a check list to be worked through at the time of an election.

Mr NICHOLLS: Does that mean that contracts for heads of departments are not to be renewed during that period, for example?

[11.00 am]

Mr COURT: Once an election is called the Government goes into a caretaker mode.

Mr MINSON: There is a reference to the Graffiti Task Force in the output descriptions on page 1103 and a line item about graffiti removals. I am always impressed when I have been to another city and come back to Perth and see how we keep graffiti under control. The cost of graffiti removals in estimated actuals for 1999-2000 is \$9 000, which will just about double in 2000-01. How is that money spent? Is it given to community groups so that they take ownership and the Government meets the costs or do special contractors remove it? It seems we have an opportunity to involve the community and allow it to have ownership of its own areas.

Mr COURT: Much of it is done in a partnership arrangement. We currently work in partnership with the Cities of Wanneroo, Stirling, Subiaco, Joondalup, Perth, Nedlands, Bayswater, Swan, Fremantle and Gosnells, and the Towns of Cambridge and Vincent. A number of councils are involved in the graffiti strategy. One issue that has come out of this does concern us and is something we must manage. We had an arrangement with Stirling, for example, in which we formed a partnership. The council developed some very effective units and we provided some redeployees to work on the program. The problem we have run into in some areas is that these groups have moved in against private operators who were previously delivering these services. We are trying to get a protocol in place. We simply want graffiti removed; we do not want to take business away from anyone. We found that the Government was removing its graffiti, but in many private sector and residential areas - for example, near the Mirrabooka Square Shopping Centre and at the back of the television station - there are huge walls. To get coordination among individual owners was hard. Those units were able to go in and clean up those areas. If a conflict has arisen with private operators we try to work that through. As I say, the goal is not to take business away from private operators. There is much to do on an ongoing basis, and we want to keep on top of it.

Mr KOBELKE: I assume that no member of Parliament has more than one electoral office. If that is not so, could the Premier indicate that?

Mr COURT: Not to my knowledge.

Mr KOBELKE: I believe that this question comes under this vote: How many ministers have offices which they call ministerial offices, which may or may not function as electorate offices, which are outside the Perth central business district area, and what cost is involved with those offices?

Mr COURT: There are three: That of the Minister for Primary Industry, that of the Minister for Mines and that of the Deputy Premier.

Mr KOBELKE: For each ministerial office, can we have the reason for its establishment and the costs of its establishment and its operation?

Mr COURT: Yes, we will provide that information.

Mr NICHOLLS: On page 1112 the first dot point of major initiatives refers to the Government's continuing to encourage the growth of community-based Safer WA committees and the associated development of local solutions to local problems. What has been the growth in the number of committees? What sort of support has been provided to those committees with information from the central Safer WA office?

Mr COURT: Before I answer that question, for the benefit of the Leader of the Opposition and the reference to travel reports, the report for the first quarter of 1999 is being finalised now.

In 1998 we had 30 committees and we are now up to nearly 70. In total \$305 000 is provided, made up of \$250 000 from the Ministry of the Premier and Cabinet and \$50 000 from the Police Service in administration grants, which is distributed to the Safer WA Committee's executive and district and local Safer WA committees. In addition, officers from the Ministry of the Premier and Cabinet are supporting the Safer WA committees in a number of ways. They help prepare newsletters and are developing the official Safer WA web site, which will come online in the near future. They also host a workshop each year for Safer WA interagency working groups.

Mr NICHOLLS: Does the Premier see a growing independence of the committees; and if so, is a policy being developed on how those committees will be able to expand and what sort of responsibilities they will be able to take on? What is the responsibility link between those committees and local police stations?

Mr COURT: They are all linked, but every committee is developing in a different way depending on the local problems and who is driving the committee. I have visited a number of these committees. All of them have a life of their own. In Broome the committee's first task was to tackle the problems of truancy. To do that the committee developed its own

unique Broome solution. It started a program of picking the kids up and providing breakfast and getting special classes established. So it has had a strong educational emphasis. As I say, it depends a lot on who is driving it. We do not want it to be a bureaucratic operation, but a doing-type operation, identifying the main problems and working out a practical solution.

Mr NICHOLLS: Is there intended to be or has there been an evaluation of the Safer WA concept? The reason for my previous question was to find out whether the Government was intending to structure the way in which these committees work. I take it that that is not the case and that they are given effective flexibility to respond as they see fit. As we provide these resources, are we committed to evaluating those different structures and the processes to ensure that what we are getting out of the process is positive and that we are learning from some of those committees that are possibly more successful than some of the others?

Mr COURT: Our main focus initially was getting the groups established with the newsletter and the web site that will go online shortly. We basically want to be able to tell the other groups what is working and what is happening. That is part of the communication process. Now that the process has been going for a year or so, we will start evaluating the programs that have been effective and those that have not. We get plenty of failures but we also get successes. We are organising a workshop for Safer WA district interagency groups so that we can basically make an evaluation of all of the different groups and pass on what is working and what is not. We are expecting 150 participants in that workshop.

[11.10 am]

Division 10: Treasury, \$1 102 987 000 -

Mr Bloffwitch, Chairman.

Mr Court, Treasurer.

Mr J.L. Langoulant, Under Treasurer.

Mr A. M. Chuk, Acting Assistant Under Treasurer.

Dr D. Brunner, Director, Government Enterprises.

Mr T.M. Marney, Director, Strategic Services.

Mr G.A. Doyle, Assistant Director, Fiscal Analysis and Budget.

Mr A. Scherini, Assistant Director, Intergovernmental Relations.

Mr M.A. Barnes, Acting Assistant Director, Economic and Revenue Policy.

Dr GALLOP: I refer to page 1457 of the *Budget Statements* which shows payments of \$313.7m in 2001 from the Water Corporation to the State Treasury which is an increase of \$182m from the figure in 1999-2000. Will the Premier indicate what that increase represents, given that it comes under the heading "Dividends, Surpluses and Other".

Mr COURT: There is a delay in the payment of the previous financial year. The Water Corporation is now one of the lowest-g geared government corporations of its type in Australia. It is quite right -

Mr KOBELKE: Its borrowings are blowing out.

Mr COURT: No, they are not.

Mr KOBELKE: In the annual report they are.

Mr COURT: If the member looks at the annual report -

Mr KOBELKE: It is borrowing money to cover the money the Government is ripping out of it.

Mr COURT: If the member looks at its balance sheet, he will find that of all the government utilities in Australia, it is one of the lowest geared. It is basically a timing issue as to when the moneys come across. I will give members a comparison of the accrual basis for the year 1999-2000 which is \$196.899m and in 2000-01 it will be \$237m, which is an increase of about \$40m.

Dr GALLOP: How much of the increase mentioned in the *Budget Statements* on page 1457 is dividends?

Mr COURT: All the money is dividends.

Dr GALLOP: Is it all dividends?

Mr COURT: What else would it be?

Mr RIPPER: Income tax equivalent.

Dr GALLOP: No, they are under a different heading. The heading says "Dividends, Surpluses and Other". It could be a loan repayment or something. If they are all dividends, can the Premier explain the massive increase in dividends between the two years?

Mr COURT: I told the member that on the accrual basis, in round figures, it has gone from \$196.899m to \$237m.

Dr GALLOP: I am dealing with the figures in the *Budget Statements* that have been produced as a statement of the budget. It shows a \$182m increase in the dividends from the Water Corporation.

Mr COURT: I will ask the Under Treasurer to explain the figure.

Mr LANGOULANT: These are cash-based numbers, not accrual-based. This is consistent with the way Treasury has reported these numbers for the past few years. They are all dividend figures. In terms of collecting dividends from the trading enterprises, Treasury takes a final dividend payment in respect of the previous year and an interim dividend in respect of the next year. It makes a cash flow adjustment between the two years. That is what it reflects. It is total dividend.

Dr GALLOP: The income equivalents that are payable from the Water Corporation will be \$104.5m in 1999-2000 and \$126.8m in 2000-01. I know my calculations are pretty rough, but that indicates to me that on the basis of the profits it earns, Treasury is expecting the corporation to pay 90 per cent of its net profits in the form of dividends in the next year.

Mr COURT: On average it will be about 96 per cent. All of its profits will come back as dividends. The reason is that it does not have any gearing, so it is quite logical for that to occur.

Dr GALLOP: I also refer the Premier to the corporation's capital works program which shows an \$8m increase in capital works in 2000-01, funded primarily from an increase in borrowings of \$5m. How can the Premier claim that the increased water charge of approximately two per cent this year is for capital works when clearly that is not the case?

Mr COURT: Sorry?

Dr GALLOP: How can the Premier claim that the two per cent increase in charges this year - which we talked about before the budget was brought down - was for capital works, when one sees from the corporation's budget that most of the funding for the increase in capital works is coming from borrowing?

Mr COURT: Is the member saying two per cent under the consumer price index is not a reasonable outcome?

Dr GALLOP: No, I am trying to point out -

Mr COURT: The member is trying to say that there did not need to be a two per cent increase. That can be done for one year -

Dr GALLOP: No, I am saying that the Government's claims that it has not increased taxes and charges to balance the budget is wrong. The Government is pinching money out of the utilities to balance the budget. The Opposition unambiguously claims that it is clear for everyone to see that the Government is using the dividends from the Water Corporation - dividends that are at the expense of development all over Western Australia because of the charges it is imposing - to balance the budget, because the Government has stuffed it up.

Mr COURT: No, my friend, the Government uses dividends from all of the corporations every year, and so would a Labor Government.

Dr GALLOP: An increase of \$182m for the Water Corporation?

Mr COURT: The increase on an accrual basis is \$40m.

Dr GALLOP: Why does the Government publish these figures if it will not use them?

Mr COURT: It has just been explained how the cash figures work. I just said that the increase would be \$40m on an accrual basis. I would have thought a two per cent increase under CPI compared to what the Labor Party was doing with water and sewerage was a reasonable figure.

Dr GALLOP: The Government has increased charges by two per cent, it has increased borrowing and it is also radically increasing the amount of money that goes to it by way of dividend. I think the people of Western Australia could properly conclude from that that the Government is using the Water Corporation to balance the budget.

Mr COURT: The Water Corporation has one of the strongest balance sheets of any utility in this country.

Mr KOBELKE: But its debt is growing.

Mr COURT: Some States pull more than 100 per cent in their dividends.

Dr GALLOP: It is a controversy in those States too.

Mr COURT: Let us talk about Queensland. There is a Labor Government in Queensland and it pulled 95 per cent out of its lowly-g geared utilities. That is no big deal. The debt-to-equity ratio in the Water Corporation is 6 per cent. In most corporations it is 50 per cent.

[11.20 am]

Dr GALLOP: It is a pity some of that advantage is not passed on to the users of its services throughout Western Australia.

Mr COURT: My friend, if the debt level is that low, it is appropriate that those funds come into the consolidated fund and be spent on health and education. It is appropriate that that is the case. The Leader of the Opposition is barking up the wrong tree.

Dr GALLOP: The Treasurer should tell that to the people in Denham, whom the Water Corporation is ripping off on a daily basis. The Treasurer should tell that to the people all over the State.

Mr COURT: The people in Denham are very pleased that we have changed the sewerage rating. We have now put a cap on their sewerage costs.

Dr GALLOP: When did the Treasurer last go to Denham?

Mr COURT: If the Leader of the Opposition goes to Denham, he will find that the people -

Dr GALLOP: I have been to Denham and I know what they think.

Mr COURT: - are appreciative of what we have done.

Mr KOBELKE: Can the Treasurer provide, either now or by way of supplementary information, a clear and well laid out reconciliation between the figures of the Water Corporation in its annual reports and what is in the budget? I will give an example, because we have only the 1998-99 annual report. In that report, the dividend was \$196m, which the Treasurer indicated. However, \$156m of that came in the 1998-99 year, and \$29m, I think as a special dividend, went onto the following year, which makes it difficult for us to compare the Treasurer's figures over the years. That \$156.6m does not match up with the \$163.9m, which may have been a result of moving from cash to accrual accounting. We would like that reconciled so that we can understand it. On the dividends, is it possible to reconcile the figures presented so far in annual reports of the Water Corporation with the way the figures are presented in the Treasurer's budget from the 1998-99 year through to the prospective 2000-01 year?

Mr COURT: Basically, the member wants the interim and the final measures, and we will provide that.

Mr KOBELKE: I also want to be provided with an explanation of how they are arrived at. Could we also have that information for the income tax equivalents, because again the figures are different? In the 1998-99 year, the Water Corporation claims it paid \$158.6m, but the Treasurer's figure is only \$123m. It may be that some amount went into the next year - I do not know. I would appreciate a detailed reconciliation between those two sets of figures.

Mr COURT: Yes, we will provide that information.

Mr RIPPER: On the issue of payments from public corporations to the general government sector, what is the total net cash flow from the public non-financial corporations to the general government sector in this financial year, 1999-2000, and what will be the total net cash flow from public non-financial corporations to the general government sector in 2000-01?

Mr COURT: Is the Deputy Leader of the Opposition referring to the trading enterprises?

Mr RIPPER: Yes. How much does the general government sector get out of the trading enterprises?

Mr COURT: In dividends, income tax equivalents, community service obligation payments going out and that sort of thing?

Mr RIPPER: Yes, the whole lot. What is the net benefit to the general government sector?

Mr COURT: Would the agencies in which the Deputy Leader of the Opposition is interested be Western Power, AlintaGas and the port authorities?

Mr RIPPER: The Treasurer has a list of public non-financial corporations, which includes the port authorities. I want information on all of them.

Mr COURT: We can provide that information.

Mr RIPPER: Would the Treasurer be able to do that back to 1993-94 so that we can see how much the general government sector has got out of the trading corporations for each financial year back to then?

Mr COURT: Yes, we will provide that as supplementary information. We might go back a bit earlier than 1993.

Mr RIPPER: The Treasurer can go back as far as he wants.

Dr GALLOP: Page 1457 shows an increase in payments from Western Power from \$37.094m in 1999-2000 to \$71m in 2000-01, an increase of \$33.9m. Can the Treasurer explain that increase?

Mr COURT: Again, it is all dividend, so it will be a combination of the interim and final dividends. Does the Leader of the Opposition want to know what levels are coming out of Western Power?

Dr GALLOP: Will the Treasurer explain the difference?

Mr COURT: Its dividend ratio will be 50 per cent of the taxed profits.

Dr GALLOP: What is its gearing ratio compared with the Water Corporation's?

Mr COURT: It is about 70:30, so it has a much higher gearing.

Mr KOBELKE: Is the Treasurer able to provide the percentage profit he is taking from those government trading enterprises? He has already indicated that the Water Corporation is over 90 per cent, but it is only 50 per cent from Western Power. Obviously, he will have set different dividend returns for different government trading enterprises.

Mr COURT: It depends largely upon their balance sheet position.

Mr KOBELKE: Is the Treasurer willing to provide the percentage for each of those government trading enterprises for the current year and the forthcoming year?

Mr COURT: Yes, we will provide those percentages by way of supplementary information.

Mr NICHOLLS: I refer to page 1433, item 16, which is the Western Australian Government Railways Commission. My question pertains to the forward estimates and to concessions provided by the Government to pensioners or to entitled people. I cannot find a specific reference to the amount of funds spent each year. I presume that does not come directly under Treasury as a specific allocation amount. The question pertains specifically to the concessions available between Perth and Kalgoorlie for Goldcard members or people entitled to travel as veterans. My understanding is that there is a restriction which does not allow those people to travel between Perth and Kalgoorlie. I wondered whether the change in legislation in respect of freight services which was recently passed will have any bearing on that or whether the State Government is able to access funds from the Federal Government to provide concessions of that nature.

Mr COURT: On the loss-making country passenger services, Westrail receives community service obligation payments. Therefore, the fare structure for Westrail's country passenger services is below the long run avoidable cost of service provision. That is why it is compensated. Those CSO payments, for example, in the next budget year will be about \$21m. That is for all of the country passenger services. The member wants to know how the fare structure is applied. I think we will have to answer that through Transport.

Mr NICHOLLS: I am sorry, the question related to the provision of services between Perth and Kalgoorlie for Goldcard holders who are veterans. My understanding is that they are entitled to travel on what used to be the Trans-Australian Railway - I think it is now called National Rail- but they cannot travel using their cards between Perth and Kalgoorlie. It is the same train that goes up that line. For example, they pay for a fare on the same train. They must get off the train, get back onto it and re-book under the commonwealth-provided service. I wanted to know whether there was any capacity for the State to seek funds from the Commonwealth to allow those veterans to travel from Perth to Kalgoorlie effectively under the same conditions under which they currently travel when they get to Kalgoorlie and travel further east. It appears that, because of the change in the ownership arrangement and the contract we have with National Rail, a problem has arisen in that tickets issued for travel across the Nullarbor section cannot be used for travel across the Western Australian section. Has the Government sought funds from the Commonwealth so that these people can travel with only one ticket?

[11.30 am]

Mr COURT: I do not have that information. It will have to be provided by the Department of Transport. It will be provided as supplementary information.

Dr GALLOP: Page 1456 indicates returns to the Government from AlintaGas. Can the Premier provide the expected revenue to government from income tax equivalents, sales tax equivalents, dividends and local government equivalents from AlintaGas in 2001-02, 2002-03 and 2003-04?

Mr COURT: I do not have those figures, but they will be provided as supplementary information. Payments to AlintaGas will also be included.

Dr GALLOP: Page 1460 deals with a number of issues, one of which is State Fleet revenue. It indicates an increase from \$42.1m in 1999-2000 to \$50.7m in 2000-01. What is the reason for that massive increase? If the response is that it is due to a change in the way the revenue is collected, why was it deemed necessary to change those arrangements?

Mr LANGOULANT: The increase between 1999-2000 and 2001-02 is due to the secondhand market and the provision we have made in rentals for the impact of the goods and services tax. As the Leader of the Opposition is aware, the rentals for our vehicles are driven off the residual values, and they have fallen significantly in line with the market in the past couple of years. That drives the movement into 2000-01. We hope that we are conservative on our residuals. Responsibility for the fleet was transferred to Treasury late in 1998-99, so this is a part-year effect. That is why the figure is small in 1998-99.

Dr GALLOP: Why was it necessary to change those arrangements?

Mr LANGOULANT: It was decided that Treasury had greater expertise than the Department of Contract and Management Services to manage the contract at that time. We came to an agreement that Treasury would take responsibility for the fleet financing arrangements.

Dr GALLOP: How much was collected by Treasury in 1999-2000 and how much was paid in that year? How much is expected to be collected in 2000-01, and how much do we expect to pay out in that year?

Mr LANGOULANT: We do not have a precise figure. That information is under "Services and contracts" in the statement of cash flows on page 1448. We can provide the precise figures, but they are in that line of the accounts.

Dr GALLOP: I note on page 1443 an increase in the average cost per vehicle from \$4 430 in 1999-2000 to \$5 330 in 2000-01. What is the reason for that increase?

Mr COURT: The Under Treasurer just explained that.

Dr GALLOP: I was talking about the used-car market.

Mr COURT: We have experienced a significant decrease in prices in that market in the past two years.

Dr GALLOP: Will the Premier not concede that the Government drew up the terms of the contract in such a way that the State carries that risk?

Mr COURT: No, I will not.

Dr GALLOP: If the fleet had remained in government hands, those responsible could have altered the sales program to suit the market at any given time.

Mr COURT: The net cost depends largely on the residual value of a vehicle. I believe that the residual values will increase once the GST scenario has passed. However, Treasury has taken a conservative position. Gone are the days of Governments making money out of cars by purchasing them tax exempt, running them for a year and selling them. It would have been better for the Government had all government cars been LTDs rather than standard Fords, because we were making money on them the way the secondhand market was working. As the Leader of the Opposition knows, the Government pays a wholesale sales tax on a component of the fleet prior to GST. As far as residual values go, everyone has been affected in the same way.

Dr GALLOP: Is the Government attempting to renegotiate any aspects of the Matrix Finance Group agreement?

Mr COURT: Yes, the Government is attempting to renegotiate parts of the contract because of the changes taking place. I have said that in the Parliament.

Dr GALLOP: Which parts?

Mr LANGOULANT: We are renegotiating the economic benefit to the State from the transactions. Under the terms of the contract, once the economic benefit to the State falls below a trigger point, renegotiation will follow in an attempt to make the terms more favourable to the State. If the terms cannot be made more favourable, we have the option of terminating the contract.

Dr GALLOP: Is there any arbitration procedure if there is a disagreement?

Mr LANGOULANT: The contract provides that we must work in good faith - we are doing that - to restructure the contract to make it workable. The contract does contain arbitration clauses, but we are seeking a negotiated solution.

Dr GALLOP: If the Government is renegotiating the contract because it is not benefiting the State, surely the criticisms of it were valid.

Mr COURT: No. The contract includes mechanisms that enable that to occur. There is still a net benefit accruing from the arrangements and we are going through a major change in taxation arrangements and variations in the value of cars. It has been handled properly given those circumstances.

Dr GALLOP: If there were a net benefit, why would the Government be renegotiating?

Mr COURT: Because we want a bigger net benefit.

Dr GALLOP: That will get the George Orwell award.

Mr COURT: It is a good one.

Mr MINSON: I refer to page 1435, which indicates that the State's economic growth expectation is 4 per cent. Does the Government stand by that figure, or does it believe some of the more pessimistic forecasts - the Opposition has suggested a growth rate of 2 per cent? It is important for Western Australia that the rate be nearer to 4 per cent than 2 per cent.

[11.40 am]

Mr COURT: We are fortunate that we are able to talk about a rate of around 4 per cent. Other bodies are talking about a rate higher than that. Access is talking about a rate of 5.8 per cent and believes that this year the rate will be 7 per cent, although this Government thinks that is too optimistic.

The good news is that the Western Australian outlook is good. However, we must consider what comprises those growth figures. I would not be surprised if the Western Australian economy moved back into a 4 or 5 per cent growth pattern when other States have much lower levels. That is because our economy is export oriented and those markets will look particularly good, which will attract new investment levels. The growth in the past year has been very much consumer-domestic demand driven. We have had a strong housing market, which we predict will be a flatter market next year. That is why our stamp duty collections are estimated to be less.

However, we believe we will see a lift in the levels of private investment in industry. That investment, rather than domestic demand, will drive the growth figures. The growth figures reflect a change, but we have a very optimistic outlook.

Dr GALLOP: I refer to the impact of the goods and services tax on Western Australian finances. On the ABC this morning there was a discussion about goods and service tax payments to the States, particularly the top-up grants. Is the Premier aware that the federal Treasurer claimed on radio this morning again that GST top-up payments are loans not grants? Given that the State Government classifies these payments as grants, has the Premier written to the federal Treasurer expressing his disapproval of the accounting methods he is using?

The CHAIRMAN (Mr Bloffwitch): Under which item are we discussing the GST?

Dr GALLOP: I can refer to many different parts of the budget. I refer to page 8 of the economic and fiscal output, Budget Paper No 3.

The CHAIRMAN: It must be related to Treasury.

Dr GALLOP: That is the Treasury document.

The CHAIRMAN: I am not interested. We are dealing with division 10 of the Treasury document.

Mr RIPPER: The first dot point at page 1442 refers to monitoring the implementation of tax reform.

Mr COURT: This Government is treating it as a grant. We have raised this matter with the Auditor General, as have the other States with their Auditors General, seeking to treat it as a grant. The Federal Government has made it an interest-free loan and next year it will provide a grant to cover the cost of repaying the loan.

Mr RIPPER: It is an accounting trick on the part of the Federal Government.

Mr COURT: No, it is not an accounting trick. We are treating it as grant revenues and we have cleared that with the Auditor General. Based on current estimates we will go through to 2003-04 requiring top ups and in the next four years a net benefit of approximately \$700m will flow through. In 2004-05 the coalition Governments will have an additional \$95m, for example, to put into their budgets. I appreciate the politics being played with the GST. However, a future Labor Government would not change the GST arrangements. Recently Bob Carr, the Premier of New South Wales, made a very clear statement that it is in the State's interest to be locked into this form of growth revenue.

Mr NICHOLLS: The third dot point at page 1436 refers to the commonwealth top ups; that is, the revenue to which the Premier has just referred. I am interested in the implications for Western Australia should the Opposition's commitment to roll back GST eventuate, given I understand the top-up grants are part of the formula for compensating the States on revenue lost. I assume that will be on the basis the State will withdraw the financial institutions duty tax and provide funds to the first home owners scheme.

What would be necessary to provide state government revenue increases should a Federal Labor Government roll back the GST and, therefore, presumably, roll back the top-up grants to the State?

Dr GALLOP: There are some bold assumptions in that question.

Mr NICHOLLS: I am referring to the statements the Leader of the Opposition has made in his electorate.

Dr GALLOP: He is reading questions given to him by the Premier's office.

The CHAIRMAN: Order! The member has asked a question and we should hear a reply.

Mr COURT: If the GST is "rolled back", it will cut back on revenues that flow through to the States. A Labor Party must spell out from where it would get the replacement revenues. As I said, the Labor Premier of New South Wales said very clearly that the last thing his Government wants is a roll back of the GST because it will affect the State's revenues.

The changes that occurred by exempting food, for example, have taken approximately \$800m - almost \$1b - out of WA's collections in the first 10 years. We have also had to delay getting rid of bank accounts debit tax. If the package had remained as it went to the election, the State would have been able to start winding back payroll tax collections within a few years due to the GST revenues. However, that is all history.

Dr GALLOP: Don't hold your breath they will take that money.

Mr COURT: Any talk of roll back is about less money for the States.

Mr NICHOLLS: If a 5 or 10 per cent roll back occurred in effective funds, which supposedly reduced the impact, what figure could that amount to? I am trying to quantify the financial impact of that.

Mr KOBELKE: The question is hypothetical and does not relate to the budget. It is not proper for it be asked during these estimates debate.

Mr NICHOLLS: I am interested in the implications on the budget.

The CHAIRMAN (Mr Bloffwitch): Order! It is about the impact of tax reform. I will allow it for the same reason I allowed the Leader of the Opposition to ask a question on the GST.

Mr KOBELKE: He is asking about Federal Labor Party policy.

The CHAIRMAN: He was asking about the impact of a roll back.

Mr COURT: It is a good question. We are looking at total revenues of \$24b of which we would receive \$2.4b. A 10 per cent roll back would cost us about \$240m a year. Kim Beazley said he would not cut the GST funds coming to the States if it were not rolled back so he must increase either income or company taxes. We have to increase tax to make up the difference. It is \$240m in this State and \$2.4b nationally.

[11.50 am]

Mr RIPPER: I refer again to goods and services tax payments to the State. I put to the Premier what federal Treasurer Peter Costello said this morning on radio on the *AM* program -

We have agreed with the States in an intergovernmental agreement which every single one of them has signed up to that we would make them a loan which is repayable. And no amount of slipping and sliding by any State Government to say, 'oh, it's not a loan - and we don't have to repay it', changes the character of that. There is a written agreement for that loan which makes it repayable. And the Commonwealth will be insisting that it be repaid - I can assure you of that.

The CHAIRMAN: I remind the Deputy Leader of the Opposition that comments made on *AM* are not budget items.

Mr RIPPER: Mr Chairman, this is important because the Commonwealth has classified this payment as a loan, which gives Peter Costello a surplus in the commonwealth budget, and the State Government has classified it as a grant, which gives Richard Court a budget surplus. They cannot both be right. If Peter Costello is right in his characterisation of these payments, what does that do to the State Government's bottom line on both the cash and accrual basis? If the Premier just assumes that Peter Costello is right and he has a written agreement, what does it do to the Premier's budget line?

Mr COURT: Peter Costello is right when he says that it will get repaid, because he is providing the funds to repay it. His budget papers provide for that.

Dr GALLOP: He said the State Government will repay it.

Mr COURT: Yes, and he will provide the money. Funds are allocated in the budget papers to give the States the money. The Opposition is being pedantic.

Mr RIPPER: Which budget is wrong - Peter Costello's or the Premier's?

Mr COURT: They are both right.

Mr RIPPER: Why will the Premier not answer the question? If Peter Costello's characterisation of the payment as a loan is correct, what does that do to the cash and accrual bottom lines of the Premier's budget?

Mr COURT: If the Deputy Leader of the Opposition wants to play that game, in one year we take off \$149m and in the next year we add it on.

Mr RIPPER: What does it do to this forthcoming year's bottom line?

Mr COURT: That is a hypothetical question.

Mr RIPPER: The federal Treasurer says he has given the States a loan and not a grant, and the Premier will not answer me on what the impact of that will be on his budget.

Mr COURT: The federal budget papers say that the Federal Government provides the moneys to repay the loan. We have put it to our Auditor General, as have the other States, who says if the Federal Government provides the loan and the grant to repay it, it is just a paper transaction. It is pedantic point.

Mr RIPPER: Is it true that if Peter Costello is right, the state budget is in deficit, not surplus, for the forthcoming year?

Mr COURT: Under that scenario we would be in deficit the next year and we would have a huge surplus in the following year.

Mr RIPPER: The Premier can see my point: If Peter Costello is right, the Premier is in deficit next year, and if the Premier is right, Peter Costello is in deficit.

The CHAIRMAN: Let us move to the next question. I want questions on items that are part of the budget papers, not the *AM* program on the radio.

Mr MINSON: I refer to specific purpose payments under "Commonwealth-State Relations" on page 1436, and on page 1441 under "Major Achievements for 1999-2000". What new information and administrative processes were initiated as a result of that paper? What agreement was reached about the ongoing consultation on specific purpose payments; in other words, where are we in that process now, and what further reforms are needed in that area? Specific purpose payments are a two-edged sword for States. Federal Governments have been beating the States around the head for years.

Mr COURT: This is the most sensitive part of the commonwealth-state financial arrangements we now have. Financial assistance grants will be replaced by GST revenues. However, future Governments will be able to take away specific purpose payments if we do not watch them closely. Prime Minister John Howard has given a commitment that the Federal Government will not do that. What will happen down the track with another Prime Minister? We have asked for much better information on SPPs. Information is now being provided on individual SPPs, which previously was not the case, and

we are getting that information earlier. We have now asked to receive SPP forward estimates for each State. Instead of getting the collective figures, we want the split up of SPPs by States.

Mr MINSON: Has the Federal Government given any indication that the SPPs will be made on a per capita basis or on a needs basis?

Mr COURT: They are on a needs basis as determined by the Commonwealth. Information on SPPs from previous Federal Governments has been deliberately light, because they did not want to be seen to be locking themselves into the future. Western Australia has been driving this change for better information on the SPPs and we are starting to get some results.

Dr GALLOP: Reference is made on page 1435 to the Treasury's role in providing leadership in advancing the State's economic and financial management. I also refer to page 9 of Budget Paper No 3, *2000-01 Economic and Fiscal Outlook*, which shows an expected consumer price index rate of 3 per cent in 2000-01. However, I note the footnote which says this does not incorporate the impact of the GST package. What is the expected inflation rate in Western Australia in 2000-01 incorporating the impact of the GST package?

Mr COURT: The estimate will have a one-off effect of 3 per cent over the year on top of the expected CPI rate of 3 per cent. If the national inflation figure goes much above that, it will put the pressure on interest rates and will create a difficult situation for us. Anything beyond that one-off effect would have a direct effect on interest rates.

Dr GALLOP: Is the Premier assuming that that one-off effect will not affect the overall rate, or is he saying that it will affect it by 3 per cent?

Mr COURT: We will have an underlying rate of 3 per cent, plus a one-off effect of an additional 3 per cent.

Mr LANGOULANT: We expect within-year effects. For instance, the September quarter will be stronger than 3 per cent, but it will ease back in the later quarter of the year. The underlying rate of 3 per cent is an across-the-year forecast. As the Premier said, it is a one-off scenario. In terms of the true meaning of the concept of inflation, we will get a step-up in prices; however, inflation is a sustained increase in prices. How that one-off effect flows through the economy, particularly with other prices, will have a bearing on the future underlying inflation rate. If that one-off effect flows through to other prices, our forecast in later years will be higher.

[12 noon]

Dr GALLOP: Is this one of those risk issues which have been addressed in the budget?

Mr COURT: It would be. We have been fortunate that we have gone through a recent era of low inflation. However, a move into higher inflation would cause a huge problem for us.

Dr GALLOP: What is the expected goods and services tax compliance cost for government agencies in 1999-2000 and 2000-01? How much is Treasury expected to spend in 1999-2000 to ensure agencies are GST compliant?

Mr COURT: We do not have an accurate estimate of a compliance cost. We have asked all the agencies to absorb it in their budgets, as we did with Y2K. They are expected to be GST compliant by 1 July, and they must fund it from within their budgets. No additional moneys are being provided.

Mr LANGOULANT: The Treasury has a GST implementation team which consists of three full-time people. Their cost is \$205 000. The cost to Treasury for implementing the GST for our own activity is around \$70 000. The \$275 000 combined cost would be absorbed within our budget.

Mr RIPPER: Is that for the 1999-2000 financial year or for the forthcoming financial year?

Mr LANGOULANT: It is for 1999-2000.

Mr RIPPER: What will Treasury spend in 2000-01 on GST compliance? What is the ongoing cost?

Mr LANGOULANT: I do not have a hard estimate, but it would be less than our implementation cost.

Dr GALLOP: On page 1436 the Premier notes that the GST revenue will be distributed through the Commonwealth Grants Commission formula. It says that the State's share of GST revenue is expected to decline. What is the State's percentage share of the GST revenue for 2000-01, and what is the expected share in 2001-02, 2002-03 and 2003-04?

Mr COURT: Does the Leader of the Opposition mean in percentage terms?

Dr GALLOP: This is the Commonwealth Grants Commission formula. There is a strong argument that Western Australia will be disadvantaged under that.

Mr COURT: The figure for 2000-01 is 9.7 per cent, but we do not have an estimate for the out years. We will see whether there are estimates for it. A question was asked earlier about the roll back of the GST. A couple of weeks ago Bob Carr, who is opposed to rolling back the GST, said that it would be better for the States to get a growth tax than to subsist on grants from the Commonwealth which rise only with the consumer price index, not in response to the growth of economic activity.

Dr GALLOP: I will follow that statement with my next question. I refer to intergovernmental financial arrangements and the mismatch in revenue raising and expenditure responsibilities for the State Governments - what we call vertical fiscal

imbalance. What is the current level of vertical fiscal imbalance and what is it expected to be in 2001-02? The whole point is that the GST is a commonwealth tax. Bob Carr can say what he likes; the fact is that over time the Commonwealth will take control of that tax. The Premier and I both know it, and the States will be poorer.

Mr COURT: Under the Constitution we cannot raise these consumption taxes. A coalition Government has agreed to collect these taxes and give all of the revenues to the States. Is the Leader of the Opposition saying that a future Federal Government will change that agreement?

Dr GALLOP: First of all, it will knock off the special purpose payments, and I do not think the so-called guarantees from the Federal Government which we are getting at the moment are worth anything because they are not very solid. I have heard the federal Treasurer indicate that there is no guarantee of those payments at all. The history of federation is that over time the Commonwealth will say that it has some national project and it needs the money. It will take a bit off and, as it did with customs duties, it will be grabbing it all in about a decade.

Mr COURT: Let us get it straight: The Labor Party will keep the GST.

Dr GALLOP: I am not making a party political point.

Mr COURT: A Labor Premier like Bob Carr says that it is good.

Dr GALLOP: I am disagreeing with him.

Mr COURT: The States will be locked into a growth tax.

Dr GALLOP: What is vertical fiscal imbalance?

Mr COURT: In 1999-2000 our own source revenues were 50.2 per cent. It is anticipated that in 2000-01 they will be 49.9 per cent. In 1999-2000 the grants were 49.8 per cent. Next year, excluding GST, the grants will be 26.2 per cent and the GST will be 23.9 per cent.

Dr GALLOP: The Premier would agree that under his criteria of vertical fiscal imbalance - which I agree with - the GST is making it worse.

Mr COURT: If all of the revenues collected go to the States, one can be pedantic and say that it is collected by the Commonwealth, because it must do so under the Constitution; however, if all of the revenues go to the States, one can accurately say that it is state revenue.

Dr GALLOP: That is not what auditors say.

Mr COURT: No, they do not because quite rightly the Constitution says that we cannot raise it. If all of the revenue is guaranteed to go to the States, commonsense would indicate that that is state revenue. Under the Constitution we cannot raise it directly, so it is being raised by a Federal Government. The Leader of the Opposition should look at the position taken by the state Labor Premiers, because those Premiers, particularly Queensland's, have been very supportive of this proposal.

Dr GALLOP: No wonder, because the Queensland tax system is somewhat different from those in the other States.

Mr COURT: That is right. It gets increased revenue without having to bring in new taxes.

Dr GALLOP: Exactly. Can the Premier provide those vertical fiscal imbalance figures as supplementary information?

Mr COURT: I just did.

Dr GALLOP: Did the Premier do it for expenditure and revenue, and for next year as well?

Mr COURT: I did revenue, but I will provide expenditure.

Mr BARRON-SULLIVAN: On page 1437 the table under "Major Policy Decisions" refers to both the maintenance of government buildings and the Ministry of Housing's matching funds and pensioner contributions. To what do those items relate? I also note that under the budget estimates there is a very significant increase in the forward estimates in both components, particularly the matching funds and pensioner contributions which will increase from nearly \$6m in this coming financial year to almost \$13.5m.

Mr COURT: This deals with the matching arrangements under the housing agreement. There is \$4.4m in increased funding for the remote area central service program in 2000-01. There is \$5m in increased funding for the Aboriginal communities strategic investment program in 2002-03. There is \$3.8m in funding for the town reserves normalisation program in 2000-01. There is funding to expand the remote areas health package program for roads, greening and pool provisions in 2002-03. There is a significant lift in funding in remote areas for those different projects. The pool program has benefited many of the Aboriginal communities from a health perspective. We are driving many of those initiatives.

[12.10 pm]

Dr GALLOP: I refer the Treasurer to the management of the state budget and to the Treasurer's Advance Account used by government agencies to obtain extra funding throughout the year. How many agencies have applied for new or additional funding from the Treasurer's Advance Account thus far in 1999-2000? Which agencies have applied? How

much additional funding has been sought by each agency? What total additional funding has been provided to agencies thus far?

Mr COURT: I do not have that specific information available. It is a lot less than in previous years.

Dr GALLOP: Will you provide it as supplementary information?

Mr COURT: Yes.

Dr GALLOP: The Treasurer was reported in *The West Australian* on 12 May as claiming that public sector chief executive officers who did not bring in their budgets on target would get the sack. Will he sack any of those public sector chiefs who have asked for new or additional funding?

Mr COURT: They all have performance agreements, and one of the components of those agreements is that they live within their budgets.

Dr GALLOP: Obviously some do not, and what will happen to them?

Mr COURT: Sometimes agencies ask for additional funding for good reason, usually because the Government has increased the programs. We start the beginning of the year with a budget, and a number of things may bring about change. The agencies are in trouble if their requests for additional funding cannot be accounted for. In the Agriculture budget, for example, the dairy industry package has been introduced and such a thing was not even thought of at the beginning of the year. In the course of the year, a program was developed to provide assistance to that industry and that must be budgeted for. If the request is a result of unaccountable actions, the chief executive officers must pay the price; that is what they are paid for.

Dr GALLOP: Will the Treasurer provide all that as supplementary information?

Mr COURT: Yes.

Mrs PARKER: One of the major initiatives for 2000-01 listed at page 1445 of the *Budget Statements* is continued improvement of financial management and reporting by developing a new financial information system. What is the nature of that system and what are the expected benefits of it?

Mr COURT: The system is being upgraded to better handle the implementation of accrual accounting and to enable better reporting throughout the year. Government is a big business and it has gone through a major change in how it presents accounts and reports. There is much more transparency and the new financial information system will allow that.

Mr RIPPER: With regard to the Treasurer's Advance Account and supplementary funding, has supplementary funding been approved to cover the estimated budget overruns in Education, Health and Police? If so, when was that approval for supplementary funding given?

Mr COURT: The formal approvals for supplementary funding occur later as we reach the end of the year.

Mr RIPPER: Has the Treasurer not approved it yet?

Mr COURT: For what area?

Mr RIPPER: Treasury has not approved the supplementary funding for budget overruns in Education, Health and Police?

Mr COURT: The formal approvals for supplementary funding occur when the agency has a better idea of what that supplementation might be. I envisage that in the next three weeks we shall handle the request for supplementation.

Mr RIPPER: Do you propose to approve supplementary funding to cover all the budget overruns in those three portfolios?

Mr COURT: We must see what supplementation is asked for; we do not always agree to it.

Mr RIPPER: If Treasury does not agree to it, how is the budget overrun financed?

Mr COURT: They must work out within their own agency how they will fund it. That is what management is about.

Mr RIPPER: They must fund it from next year's appropriation.

Mr COURT: They must work out how they can manage it within the appropriation they are given.

Mr RIPPER: Why did the Treasurer tell *The West Australian* that the budget overruns were fully financed, when he has not given approval to them and might not?

Mr COURT: Because every year we fully finance them.

Mr RIPPER: That is not the case; in previous years you have forced the Education Department to fund its budget overrun from the appropriation for the following year.

Mr COURT: There are a number of ways in which agencies can be asked to fund the overruns. If they ask for supplementation and it is agreed to, it will be provided.

Mr RIPPER: Is there any prospect that the Education, Health and Police budget overruns for this financial year, totalling \$51m, must be financed from the appropriation for 2000-01?

Mr COURT: The way the accounts are presented now makes this question irrelevant. Under the cash basis, the figures could be fudged from year to year but with accrual accounting that is not possible. If there is an outstanding liability at the end of the year, it must be reported. The previous Government could fudge the figures with the cash budget under which it was operating, but it cannot be done under an accrual system. The question is irrelevant.

Mr RIPPER: I am talking not about how it is reported but how it is financed. If it is not financed by supplementary appropriation, it must be financed by the agency.

Mr COURT: If there is a liability, the department must explain how it will finance that.

Mr RIPPER: The Treasurer told *The West Australian* that the overruns were fully financed through supplementary funding, and now he is saying that is not necessarily the case.

Mr COURT: I said that we normally wait until the end of the year to find out what supplementation is required and what will be agreed to.

Mr RIPPER: You might not agree to full supplementation, so they might have to find it from their own resources.

Mr COURT: Of course we might not because we do not know what requests will be made. With Education and Health, monthly reports are made so we have a pretty good feel of the situation as we track those agencies, and we get an accurate result. This used to be done at the end of the year, but now it is done every month.

Mrs PARKER: At page 1435 of the *Budget Statements* reference is made to the economic outlook as part of the significant issues and trends. The last dot point on the page refers to the longer-term initiatives to reduce greenhouse emissions which could threaten investment in energy intensive projects and impact on the economy of the State. Will the Treasurer comment on that and the efforts the Government has made to protect our economic growth from that negative impact?

Mr COURT: In Western Australia the resources sector is a strong part of the economy, and energy is becoming an increasingly significant part of it from both an investment and revenue perspective. Our concern with the direction taken by the Federal Government is that the Kyoto protocols have simplistic targets that do not take account of the economic growth that will take place in this country, particularly in energy-related industries. We could be in the ludicrous situation in which we want to sell clean gas to China, but if we did so the targets set for carbon dioxide emissions in Australia would be blown to smithereens. If we are not allowed to do that, and the Federal Government directs that we must live within the targets, we cannot export clean fuel. Our competitors, none of whom is part of the Kyoto protocols, would get the business. It would be ludicrous. The situation for value-added products is similar. If we value-add with low-emission technology, we should be given a plus, not a minus.

More of the steel production for Europe and Asia will be done in countries such as Australia which will produce slab steel, and the value will be added in Europe and Asia. We will do much of the energy intensive work, but we shall do it with low-emission technologies. Under the Kyoto protocols, Australia will be penalised. That is ludicrous. The Government has told the Federal Government that it wants to be part of a global plan to lower emissions, and replacing coal with gas in countries such as Taiwan and China is a positive step forward. However, under the current measuring arrangements Australia would be penalised. That is our concern. We are simply asking for commonsense in the debate.

[12.20 pm]

Mr RIPPER: Are you prepared to give non-government members of Parliament a briefing on those issues?

Mr COURT: Yes.

Mr RIPPER: When will Standard and Poor's undertake its next review of Western Australia's credit rating? Its media release of October last year said that it would be concerned about the appropriateness of the State's AAA credit rating if the financial trend continued in the 2000 fiscal year, rather than reversing as the forward estimates indicated. Given that the trend in cash deficits and increasing debt is continuing, is the Treasurer worried about the future of Western Australia's AAA credit rating?

Mr COURT: The Government has set overall fiscal targets that it lives within.

Mr RIPPER: You abolish the targets when you find you cannot live within them!

Mr COURT: The ratings agencies assess those targets. Standard and Poor's sends people over here to do a midyear assessment. It follows the fiscal situation on a regular basis, but July is the normal time for such an assessment.

Mr RIPPER: Standard and Poor's said that there will be a problem if the fiscal trend continues. The trend in cash deficits and debt is continuing. Is the Treasurer worried about that?

Mr COURT: The Opposition wants to home in on the cash deficit figure these days.

Dr GALLOP: No, it homes in on a number of figures.

Mr COURT: There might be a massive cash surplus by the end of this year. One never knows. What would the Opposition say then?

Mr RIPPER: I understand that Treasury gave an assurance during its presentation to the ratings agencies last November

that the budget and forward estimates would not deteriorate against the published outcomes. The forward estimates for the operating balance, cash balance and debt figures have since deteriorated significantly. Is the Treasurer concerned that the assurance Treasury gave to the ratings agencies in November is not being realised? Could that cause the ratings agencies to be concerned about this State's credit rating?

Mr COURT: The ratings agencies would see a significant improvement midyear and further improvement in this year's outturn since the last budget.

Mr RIPPER: The forward estimates have deteriorated.

Mr COURT: Can I finish my answer? I repeat the first part: The agencies would see a midyear improvement and an improvement in the end-of-year outturn. However, their main interest is the long-term trends. They would see Western Australia as a State that has debt levels in the acceptable range. Those levels are not like the levels of the previous Labor Government, which were around 20 per cent of the gross state product. The agencies also look at asset sales. This Government has used asset sales to retire debt. The agencies see that as responsible. We have already indicated that the proceeds from the sale of Westrail freight will be used solely for debt retirement. The agencies will look at how we deal with the proceeds from the sale of AlintaGas. Those are the sorts of issues that the agencies follow. They also look at the future of the economy; whether it is about to fall into a big hole. They followed the Asian downturn very closely. One of the reasons the agencies were so slow in giving back our AAA credit rating was because of the effect the Asian downturn might have had on the State. They look at a number of different factors, and I think they would see a reasonably positive outlook for this State.

Mr RIPPER: Why did Treasury give the assurance in November that the forward estimates would not deteriorate against the published outcome? Was that unwise, given what has happened? What other assurances did the Western Australian Treasury give to the ratings agencies?

Mr COURT: The member keeps talking about assurances made by Treasury. The Government must comment to the ratings agencies.

Mr RIPPER: Why did the Government give that assurance? Was it unwise? What other assurances has the Government given to the ratings agencies?

Mr COURT: This current financial year has shown a significant improvement. The four-year outlook is also very responsible. That is a good message for the ratings agencies.

Mr RIPPER: What other assurances did you give them?

Mr COURT: That we would continue to provide good government in this State.

Mr RIPPER: Did the Government give them assurances about the detail of that good government?

Mr COURT: You can see it all around you.

Mr RIPPER: I am fearful for the State's future.

Mr BARRON-SULLIVAN: We all are. An item on page 1 455 and another on page 1 453 of the *Budget Statements* relates to state superannuation liabilities. A considerable amount of money is being put into pegging back the State's previously unfunded situation. What would be the ramifications if the allocations were not made? Further the forward estimates for the Government Employees Superannuation Act for 2002-03 and 2003-04 show a plateauing effect. Could the Treasurer explain?

Mr COURT: Actuarial advice is that the State's liability under the Government Employees Superannuation Act starts to flatten out and then decline as the number of people in the scheme decreases. The West State Super scheme was previously unfunded. I know the Leader of the Opposition says it is okay to have unfunded schemes, but this Government believes it would be irresponsible to not fund the accruing liabilities. That is why these figures are in the budget. The Government is providing funding of \$130m this year, and that will increase to almost \$200m. When this funding initiative was introduced, the unfunded liability in the West State Super scheme was increasing steadily. It was estimated that if left unchecked, the liability would increase from \$500m at 30 June 1997 to \$2.3b by 30 June 2007. There would be a massive blowout in the unfunded liability in just 10 years. The Government is now funding that each year.

Dr GALLOP: A Labor Government will continue to do so.

Mr COURT: However, the Labor Government did not start it.

Dr GALLOP: Are you aware that the Public Accounts and Expenditure Review Committee produced a bipartisan report on that subject in 1992?

Mr COURT: You were in the Government. It did not fund the superannuation schemes.

Mr KOBELKE: Is any money allocated in the budget to cover superannuation costs for training enterprises? A special payment of \$60m was made in the 1998-99 budget to retire the liabilities of the Water Corporation. Is that brought to account? Are such payments part of the government payments figures?

[12.30 pm]

Mr COURT: The figures on page 1458 under "Recoveries - Superannuation Board Charges".

Mr KOBELKE: So that is what has come in from government agencies?

Mr COURT: Yes.

Mr BARRON-SULLIVAN: The Premier has just given a graphic illustration of how the unfunded liability would have blown out had the Government not introduced this current policy. What does that really mean? Had the situation been allowed to continue for 10 or 15 years, what would it have meant to the people on the street? Is that taken into account in the assessment of the State's overall economic situation?

Mr COURT: With accrual accounting all the liabilities are taken into account: Superannuation liabilities, accrued leave, sick leave, etc. We are here talking just about the scheme where the guaranteed surcharge has to be paid. In the past the benefits were increasing and the expectation was that a future generation would pay out. We were hoping that our children would make enough money to pay taxes to pay out an ever-increasing superannuation liability. For example, when privatising agencies, such as Westrail, one only has to look at the component of superannuation liability to see how large they are. Over the years the liabilities just build up in these agencies. Previous Governments did not fund it. We have made a decision that it should all be funded.

Mr BARRON-SULLIVAN: In the future, any gains the State gets through the new GST arrangements could simply be gobbled up through something like this.

Mr COURT: Yes. By doing it this way the existing schemes will peak. The entitlements for schemes that have been closed will peak and then gradually phase out. This new scheme is fully funded. It is not as generous as the previous schemes that were closed.

Mr RIPPER: I refer to page 31 of budget paper No 3 and then claim that as the budget papers are being presented on an accrual government finance statistics basis, it has been necessary to adjust the definition of the financial targets. I note that the Government has, in effect, abolished the target of achieving a general government underlying cash surplus. It is no wonder that target has been abolished, because the Government cannot meet it. How can this target become unnecessary, even though the new GFS statements still contain the cash deficit figure? Is the Government really claiming that underlying cash surpluses should no longer be a target for any Government? If so, is the Premier also claiming that borrowing year in and year out should be considered the normal operation of government?

Mr COURT: We have set ourselves a net debt target which manages that issue. If the member just wants to concentrate on the cash deficit -

Mr RIPPER: The Government had it as a target. Let us not assume that it is totally inappropriate to have it as a target.

Mr COURT: The problem is that if we have a massive cash surplus, then, under the way in which the Opposition keeps concentrating on this figure, one would have to be crying out from the hilltops what a fantastic Government it is because it has a big cash surplus.

Mr RIPPER: A privatising Government.

Mr COURT: I have indicated that only in four years of this Government - the only four years since the early 1960s - have we had cash surpluses in the total government sector.

Dr GALLOP: We are talking about general government.

Mr COURT: I just said in the total public sector. For four years in the general government sector we had significant surpluses. We did not say that our budget was in surplus. In those years we said that we had a balanced budget. If we have a \$1b cash surplus at Christmas, we are not going to run out -

Mr RIPPER: That will not be an underlying cash surplus though, will it? "Underlying" is what the Government's target said - the target that it has abolished.

Mr COURT: Our net debt targets are what we want to achieve. To go from 20 per cent of GSP down to 8 per cent is not a bad move.

Mr RIPPER: Is the Premier saying that an underlying cash surplus is not a concern for any Government?

Mr COURT: Yes it is.

Mr RIPPER: Is it not an appropriate target for any Government?

Mr COURT: As I have said, the cash position is up and down every year. We now measure on an accrual basis in order to level out and to get rid of those ups and downs. Even when we were doing it previously, we never said that a big cash surplus meant we had a budget in surplus. We never used that as a measure. The member knows that.

Dr GALLOP: Who made the decision to get rid of that target?

Mr COURT: In relation to our budget targets?

Dr GALLOP: Yes.

Mr COURT: The Government makes those decisions.

Dr GALLOP: In line with a Cabinet decision?

Mr COURT: In line with what are the national accounting standards.

Dr GALLOP: That is not true. The Premier keeps saying that. The Premier keeps misinforming the public of Western Australia about that issue. The cash statement is on all the previous statements. It is part of the presentation.

Mr COURT: A capital works program is up and down like a yo-yo. The member knows that. The cash figure is irrelevant.

Dr GALLOP: That is not the point. Notice how the Premier shifts the argument. That was not the interjection I made. The Premier's statement that the cash is not part of the presentation under an accrual basis is wrong. They do it in the Commonwealth, they do it in all the other States and it is done here.

Mr COURT: The member is not talking about presentation but about targets. The member asked the question about targets.

Dr GALLOP: It is a target in New South Wales and it is a target in the Commonwealth.

Mr COURT: It is not about presentation.

Dr GALLOP: The Premier knocked it off here because it did not suit his purposes. It is part of the underlying dishonesty of the Premier's financial management and it should not be happening. It will not happen under a Labor Government because we will insist on objective standards and we will not tell fibs to the people about the figures.

Mr COURT: Let us be realistic. A Labor Government sent this State broke and the member was the assistant Treasurer.

Dr GALLOP: Rubbish.

Mr COURT: The Labor Government blew \$1.5b and we are still in the courts trying to get the money back.

Dr GALLOP: That is another piece of misinformation. The Premier cannot tell the truth. He has forgotten how to tell the truth.

Mr CHAIRMAN: Order! This is a committee process - not a screaming match from one side to the other. We will get back to orderly questions.

Mr MINSON: I note with some relief that at last we are going to get rid of the financial institutions duty from 1 July. I wonder whether the Premier could clarify its exact economic cost? I know it is part of the GST reshuffle, but I would like to know the figure.

Mr COURT: The financial institutions duty is abolished from 1 July next year, not this year. The revenue will be about \$135m. That was part of the negotiations on the GST package. We estimate that the bank accounts debits tax will go in 2005.

Mr MINSON: What is the figure for BAD?

Mr COURT: BAD is \$105m and FID is \$135m.

Mr MINSON: So together they make up nearly a quarter of one billion dollars.

Mr COURT: Yes.

Mrs PARKER: The budget papers contain a few references to the sale of assets. I refer to page 1436 of the *Budget Statements* where there is a comment under "Public Utilities" in the section entitled "Significant Issues and Trends". At the bottom of page 1444 there is reference to the Rail Freight Sale Task Force and the AlintaGas Sale Steering Committee. Will the Premier comment on the value of the State's assets over the past five or so years? What is the value of the State's assets now, with the privatisation program that is being undertaken, compared with what it was in the past?

Mr COURT: I do not have a specific list of the assets. I have net worth figures which include assets and liabilities. I can provide estimates if the member wants me to. The balance sheet figures for net worth from 1994 to 2000 have increased from \$15.5b to \$32.2b. Assets and liabilities include things like superannuation liabilities and debt levels. I will get separate figures for the State's assets.

[12.40 pm]

Mrs PARKER: Has there been a significant increase in net worth over that period?

Mr COURT: It has doubled.

Dr GALLOP: With regard to the Government's objective of providing economic support for the State, I refer to an article in today's *The Australian Financial Review* which states that State Cabinet has approved the entire \$192m cost of the new Oakajee port at Geraldton, and that the move represents a huge boost for Kingstream Steel Ltd. Where in the budget papers is the reference to that commitment of \$192m to build a new port at Oakajee?

Mr COURT: The agreement Act that went through the Parliament contains certain obligations, including the provision of the port.

Dr GALLOP: This was to be a private build-own-operate port, was it not?

Mr COURT: That is exactly what we are doing at present. We are looking at a number of different options, similar to what we did with the prison at Wooroloo. A lot of people want to build that port, and the debate that is taking place is about whether, if the project proceeds, it will be a build-own-operate port or whether the Government will build it. Although preliminary works have been done in buying land and different things, which are part of the budget, at this stage a decision has not been made about whether it will be a private project or a government project. We will need to assess what is the best financial decision for the Government on that infrastructure.

Dr GALLOP: The article states that Mr Barnett is in Europe and is saying that the Government has agreed to this and it is part of the support that is being provided.

Mr COURT: The Parliament has agreed to it.

Dr GALLOP: The amount of \$192m?

Mr COURT: The Parliament has agreed in the agreement Act to the provision of the port and some rail and road infrastructure.

Dr GALLOP: The Premier may recall that the matter of state support was referred to the Public Accounts Committee for assessment. Has Cabinet made a specific decision to meet the \$192m cost?

Mr COURT: No. Cabinet has not made a specific decision about how the port will be funded, but Cabinet and the Parliament have agreed that a port will be provided.

Mr RIPPER: The article states also that the Government's latest financial commitment has been confirmed in a letter which Kingstream plans to use in critical negotiations with European financiers in July. Has the Government given Kingstream a letter to the effect that the Government will meet the entire \$192m cost of the new Oakajee port; and where in the budget papers is provision made for this \$192m?

Mr COURT: I have just said -

Mr RIPPER: Is *The Australian Financial Review* report wrong?

Mr COURT: I have just said this Parliament has agreed to an agreement Act under which the Government has certain responsibilities.

Mr RIPPER: Has the Government give Kingstream a letter?

Mr COURT: The Government would give anyone a letter to say that those commitments have been made in an agreement Act and will be met.

Mr RIPPER: Where in the budget is provision made for this \$192m?

Mr COURT: As I said earlier with regard to the port at Oakajee, we have purchased significant land and budget provisions have been made. I think most of the land has now been purchased. How a port will be funded and whether it will be owned by the Government or the private sector are decisions that we have yet to make, but we stand by our obligation under the agreement Act to provide those facilities.

Mr RIPPER: Has provision been made in the budget or in the forward statements for that \$192m?

Mr COURT: I have said we have already outlaid moneys with regard to that port.

Mr RIPPER: Is that \$192m provided for in the forward estimates?

Mr COURT: No, because we do not know how much the port will cost.

Mr RIPPER: It is not provided for in the forward estimates, is it?

Mr COURT: I have said the Government has already outlaid moneys in the budget for the port.

Mr RIPPER: Do the forward estimates provide for that \$192m for the Oakajee port?

Mr COURT: I have said a decision has not been made.

Mr RIPPER: So the forward estimates do not provide for the \$192m?

Mr COURT: I just said we have not made a decision about whether the port will be owned and operated by the private sector or the Government. It was the same last year with the new prison at Wooroloo. That prison was not in the budget and was to be a privately built and operated prison, but during the year we made a decision that rather than have the prison privately funded, we would fund that project, because we had a lower cost of finance, so we changed our capital works program around and we funded the privately operated prison that is being built. So those decisions will not be made by government until we know the best option. With regard to meeting a commitment, yes, the Government has a commitment,

and a future Government will also have that commitment. It is in an agreement Act that has been passed by this Parliament, and the Government will honour it.

Mr RIPPER: I am suffering from frustration, because the Premier has still not indicated whether the cost of the port, which *The Australian Financial Review* says has been confirmed in a letter which Kingstream plans to use in negotiations with European financiers, is in the forward estimates.

The CHAIRMAN: He has said it is not.

Mr RIPPER: So Kingstream is going around Europe with a letter from the Government claiming funding that is not provided for within the Government's forward estimates?

Mr COURT: Kingstream or anyone else can have a letter from the Government saying that under the agreement Act, the Government of the day will provide those facilities. We do not put something in the estimates until we have determined what the project will be. We need to determine what sort of project it will be and whether it will be privately-owned or government-owned, or whatever; and when that decision is made - and I hope we do need to make a decision quickly -

Dr GALLOP: The Premier has said there is a commitment by the State of Western Australia to \$192m. Where in the budget papers can that liability be found?

Mr COURT: No-one has said a figure of \$192m.

Dr GALLOP: The Premier has said there is a commitment, which has been passed through this Parliament, of \$192m.

Mr COURT: There is a commitment to build a port if the project goes ahead.

Dr GALLOP: The Premier has been parroting on about accrual accounting. Let us get a bit of accrual accounting truthfulness in the budget. Where in the budget papers is the commitment to Oakajee?

Mr COURT: I do not know how to handle this person -

Dr GALLOP: Is there a commitment?

Mr COURT: I just gave the example of the new prison at Wooroloo. What would happen if the new port at Oakajee was built by the private sector?

Dr GALLOP: The Premier said it is a commitment under the state agreement Act. Where is it in the budget papers?

Mr MINSON: Mr Chairman, point of order. On the grounds of monotonous repetition, I seek the call for a question.

The CHAIRMAN: There is no point of order. The estimates committee is for questions and answers, not general debate.

Mr MINSON: I notice from page 1444 that the State's banking business has been transferred from the Reserve Bank of Australia to the Commonwealth Bank. Why has that been done?

Mr COURT: We put the Government's banking business out to tender, and the Commonwealth Bank came in with the cheapest tender. The developments that we are making in e-commerce are an important part of that. The Reserve Bank has now closed its operation here and in other States. It is just a sign of the times. Banks like the Commonwealth Bank are better equipped to provide e-commerce services that governments want these days. The Under Treasurer informed me it has been a very smooth transition.

[12.50 pm]

Mr RIPPER: In order to clarify the matter of the Oakajee port, will the Treasurer give a commitment that the Government will table the letter which was given to Kingstream which Kingstream is now proposing to use in negotiations with financiers?

Mr COURT: I have no difficulty with that but I will answer the question. The Government will not make a commitment in forward estimates until the company makes a commitment to the project. The agreement Act was written in such a way that the company must do certain things before the Government makes a commitment to its part of the resources.

Dr GALLOP: Yes, but it is a potential liability to the State.

Mr COURT: As soon as that company makes a commitment, the Government must make a commitment. There are two ways of doing that. I know the Opposition has made public comments opposed to the project.

Dr GALLOP: What did the Treasurer say?

Mr COURT: I said the Opposition has made public comments opposed to the project.

Mr KOBELKE: We have not.

Dr GALLOP: That is another bit of misinformation spread by the Treasurer. He has a complete inability to tell the truth.

Mr COURT: Hang on, let us get this straight.

Dr GALLOP: What is wrong with asking questions? This is what we are doing.

Mr COURT: No, this is not about asking questions. The member for Armadale -

Dr GALLOP: She did not.

Mr COURT: - has been critical of this project. That is all I am saying.

Dr GALLOP: That does not mean we are opposed to it.

The CHAIRMAN: Members, let us get back to asking questions.

Mr RIPPER: The Treasurer was answering a question.

Mr COURT: I will finish the answer. Under the agreement Act, when the company has made a commitment and has proceeded to a certain point, the Government has an obligation. At that point we will have to bring the matter into account. There are two ways of handling a port project, similar to the exercise we have gone through for a private prison. If a port is built by the private sector, we would probably provide an annual recurrent subsidy to that port. If the port is built by the Government, we would fund it, and there would be agreed-to rates for the trade that went through that port, particularly with this project. They are the types of decisions the Government will make. However, in answer to the question about when it becomes a liability on the books, the agreement Act indicates that it becomes a commitment that we must meet when the project is committed to and the company has carried out certain parts of the project. At that point we will have an obligation to deliver our side of the goods. That is all public knowledge and has been the subject of debate in this Parliament.

Mr RIPPER: When that point is reached, if the Government were to build the port itself, would it add to the capital works budget or would it simply re-order priorities in the forward estimates of capital works? Alternatively, if it is to be built by the private sector, will the Government add to recurrent expenditure listed in the forward estimates or will the Government simply re-order priorities in the existing forward estimates?

Mr COURT: If it were to be built by the private sector, I believe a relatively small subsidy would kick in when the project got under way. That is something we would address in the normal budget process.

Mr RIPPER: In existing forward estimates?

Mr COURT: No, hang on. Members opposite do not understand budgets and forward estimates. The Government starts off with a budget but changes occur during the year and the whole idea of a budget process is to report those changes to this Parliament. If we decided to build the port, it would be a terrific issue to have to address as it would mean this State would become a significant steel producer. It would be a lovely issue to have to address in a capital works program and I assure members we would find a way of doing it.

Mr BARRON-SULLIVAN: I refer to the continued participation in the sale of Westrail's freight business and of AlintaGas on page 1445 of the budget papers. What will be the impact on the net worth of the State of the sale of those two facilities? Clearly, the budget outcomes have not been predicated on financial revenues from the sale of those two assets. Other budget papers indicate the net worth of the State in the next four years will increase from more than \$32b to more than \$35b. Is it still the case that the net worth of the State will continue to increase or what are we looking at in the next few years?

Mr COURT: The effect of asset sales on net worth will depend on whether the asset is sold for more than its book value. Westrail has a very high level of debt which is why we said that any Westrail proceeds will be used to retire debt. The proceeds are not likely to retire the entire debt, therefore there will still be outstanding debt on it. If AlintaGas is sold for more than book value there would obviously be an increase in net worth. If those proceeds were to be used to retire debt or replace it with another good asset, it would add to the net worth. However, if we use the moneys only on recurrent spending we will go backwards.

Mrs PARKER: On page 1436 of the *Budget Statements*, reference is made to the first home owners scheme under the heading "Commonwealth-State Relations". What does the Treasurer anticipate will be the impact of that scheme on the building industry and on low income earners? Can the Treasurer provide any information on the level of interest already in the early advertising of that scheme?

Mr COURT: Yes, the housing industry has been running hot in this pre-GST environment. One of the problems about that is there has been a great deal of pressure on tradespeople and some costs have been driven up. It would be advantageous to first home buyers if the heat came out of the housing market, and if they got the \$7 000 first home owners' grant at a time when the pressure was coming off prices as it would be a good time to build. However, there has been a bit of a hiatus period because first home owners do not get the \$7 000 until they sign a contract after 1 July. Therefore, no-one has been ordering new homes in the past few months and sales have been very low. The industry is now in a funny situation where builders continue to have a shortage of qualified tradespeople, but they are not selling any new homes and they have a large backlog of homes currently being completed. We estimate that there will be a bit of a fall back after 1 July. The first home owners scheme will mean that \$120m will flow into the housing market next year - that will buy a lot of homes. I believe a large number of first homes will be ordered in the first few months of the financial year which will lift what otherwise would be an expected downturn in the housing industry.

Mr RIPPER: I refer to Treasury's responsibility for the preparation of the budget papers which show the capital works program for the forthcoming financial year but not for the out years. In view of the fact that individual coalition members are purporting to announce capital works projects to be funded not in 2000-01 but in the out years, will the Government table its capital works program for each of the out years in the forward estimates?

Mr COURT: Those figures are not split but are shown by agency. Each agency has its own priorities and obviously capital works programs change a lot, Main Roads being the best example. Although we try to adhere very much to plans that have been announced, delays and reasons for a change in timing of projects always occur. We supply broad estimate figures for the next financial year and I believe that is appropriate so that we can commit to some projects in the forward years.

Mr RIPPER: The Treasurer will not table the forward estimates of capital works?

Mr COURT: No.

Sitting suspended from 1.00 to 2.00 pm

Mr BROWN: I understand that Treasury has made funds available in the out-year 2003-04 for the purchase of the Pyrtton site from the Disability Services Commission. Is that right, and where is it found in the budget papers?

Mr COURT: We think it is in the Justice budget.

Mr BROWN: The Director General of the Ministry of Justice said that this allocation is not in his budget, but in Treasury's, as he would not pay the \$4.5m for the site.

Mr CHUK: It is found on page 373 in volume 1 of the *Budget Statements*. Towards the bottom of the page is an abnormal item of \$4.5m flowing into the Disability Services Commission funded by way of appropriation.

Mr BROWN: So it is not from the Ministry of Justice budget.

Mr CHUK: That is correct.

Mr BROWN: What is the purpose of funding it so late from the Disability Services Commission's point of view?

Mr COURT: It is an internal government transaction.

Mr BROWN: So, no real money is involved?

Mr COURT: It is an appropriation which will come across.

Mr CHUK: The Disability Services Commission planned to develop this asset in time. In its five-year plan, the commission determined to bring in money through the proceeds from this sale.

Mr BROWN: Of \$6m.

Mr CHUK: It was valued at one stage at \$6m. This process is trying to keep the commission whole. Therefore, the \$4.5m will come in at a time when the commission otherwise expected to receive proceeds from the land sale.

Mr BROWN: When was the decision made to provide the \$4.5m in these out years?

Mr COURT: I cannot comment on when the decision was made to put it in the budget. A significant increase in funding has been provided to Disability Services with its second five-year plan. Its overall budget, as the assistant Under Treasurer said, involves a schedule and the commission wanted some asset sale proceeds flowing. We are helping the commission to meet that schedule in its overall program. I believe it has had some asset sales previously.

Dr GALLOP: I refer to page 1437 of the *Budget Statements* which outlines that an objective of government is to ensure that new resource investment projects are given proper infrastructure. I seek some clarification from the Premier on the matter raised before lunch about Oakajee. I sent questions to the Premier's office at lunchtime to give him an idea of the questions to be asked.

Mr COURT: I have not seen any questions as I was at the reconciliation event.

Dr GALLOP: Has Cabinet made a decision on the Oakajee port, as was reported in *The Australian Financial Review*? If yes, what was that decision and when was it made?

Mr COURT: I am not aware of what *The Australian Financial Review* contains. The Leader of the Opposition said that Cabinet had agreed to \$178m, and I said that the Government has an obligation to build the port only if the project is committed to by the proponents and the Kingstream project proceeds. I do not know what the Leader of the Opposition is getting excited about.

Dr GALLOP: I am not getting excited. Reference is made to a cabinet decision in today's paper.

Mr COURT: I hope the project proceeds. Cabinet will proceed with the Oakajee port if the company commits to the project; the government must do so under the agreement Act which passed Parliament. Decisions on the format by which the Government will build the port - be it government-owned or privately owned - will be made after we are given advice on the best options.

Dr GALLOP: I outline why this is an important question: Today's article in *The Australian Financial Review* reads -

Mr Barnett said yesterday that he had won Cabinet approval for the Government to fund and build the new port in the State's mid-west.

It later reads -

The Government had originally planned to call for third party tenders to build, own and operate the port . . .

Mr Barnett said that it could be a drawn-out and complex process, a potential obstacle to the project.

The Premier said today that a decision has not been made, but Mr Barnett stated that the decision has been made.

Mr COURT: Does the Leader of the Opposition accept that we have an obligation to build the port if the project is committed to?

Dr GALLOP: If certain conditions are met. What are the triggers?

Mr COURT: I understand that they are in the agreement Act, a copy of which I do not have in front of me.

Dr GALLOP: I have one here. What is the Premier's understanding of the triggers?

Mr COURT: The company must commit to the project and reach a certain stage, and the government must then meet its obligations, including those relating to the port, railway, roads, et cetera. As the Leader of the Opposition knows, I have excused myself from the major cabinet decisions regarding Kingstream. Although I do not have a conflict of interest, it might be perceived that a conflict exists. The Government has no commitment to the port until the company makes its commitment. I am advised that the company must have \$100m-worth of investment on the ground as part of the commitment to the project before we kick in.

Dr GALLOP: Why is Mr Barnett saying in today's paper that the Government has adjusted its core plan to suit the project, as it does not appear to be consistent with the agreement?

Mr COURT: I want to correct something: If what I said about the decision to build or own the port is not right - I need to refer to Cabinet on the decision - I have not been privy to all the decisions. I will check and I will inform the Leader of the Opposition by the end of the estimates hearings.

[2.10 pm]

Dr GALLOP: As part of today's proceedings, will the Treasurer table the letter that the Government has given to Kingstream?

Mr COURT: Yes, I said that this morning. I will try to have the information on the cabinet proceedings before we finish.

Mr RIPPER: What productivity dividends have been applied to agency budgets for the financial year 2000-01? Will the Treasurer give us the amounts of the key portfolios of Education, Health, Police, Justice, Family and Children's Services and Disability Services? Will he at a later stage table the full list of productivity dividends applied to each agency budget? What assumptions have been made about productivity dividends for the forward estimates for each of the out years?

Mr COURT: I am advised that there is no productivity requirement in the areas the member has mentioned. Across government our overall objective is for agencies to be able to meet half of their wage increases from productivity improvements.

Mr RIPPER: That is the only productivity requirement, is it?

Mr COURT: Yes.

Mr RIPPER: Does that mean that the Government has abandoned the productivity dividend policy which was a feature of the forward estimates produced during the election campaign?

Mr COURT: I have just said that agencies must meet half of the wage increases with productivity improvements; in other words, they must meet the cost from within their operations.

Mr RIPPER: Is there any productivity dividend element in the forward estimates at all apart from that salary increase?

Mr COURT: No. We have a lot of areas to cover in about 40 minutes.

Dr GALLOP: I have a number of questions dealing with the question of budget forecasts, mid-year review, state debt, cost of budget promotion, forest industry structural adjustment program funding, state development fund, stamp duty on goods and services tax inclusive of prices, services and contracts expenditure, stamp duty revenue, employee entitlements and privatisation. Would it be possible to give the Treasurer these questions and have them answered as part of supplementary information? They are all very straightforward, factual questions.

Mr COURT: We will answer them as best we can.

The CHAIRMAN: I believe the questions should be read into *Hansard* for the sake of clarity.

Dr GALLOP: I refer to the forecasts in the 2000-01 budget compared to those published only four months ago in the mid-year review.

- (1) Can the Treasurer explain why in February the Government was forecasting operating surpluses of -
- (a) \$76m in 2000-01;
 - (b) \$264m in 2001-02; and
 - (c) \$313m in 2002-03

yet the budget shows that the Government is now forecasting much smaller operating surpluses of \$42m in 2000-01, \$46m in 2001-02 and \$92m in 2002-03?

- (2) Can the Treasurer explain why the forecasts have deteriorated so much?

I refer to the forecasts in the 2000-01 budget compared to those published only four months ago in the mid-year review.

- (1) Can the Treasurer explain why in February the Government was forecasting cash surpluses of -

- (a) \$6m in 2001-02; and
- (b) \$102m in 2002-03

yet the government budget now forecasts cash deficits of \$226m in 2001-02 and \$178m in 2002-03?

- (2) Can the Treasurer explain why the forecasts have deteriorated so much?

I refer to the forecasts in the 2000-01 budget compared to those published only four months ago in the mid-year review.

- (1) Can the Treasurer explain why in February the Government was forecasting total public sector net debt of -

- (a) \$5 706m as at June 2001;
- (b) \$5 460m as at June 2002; and
- (c) \$4 930m as at June 2003

yet the Government is now forecasting net debt of \$5 999m as at June 2001, \$6 125m as at June 2002 and \$6 195m as at June 2003?

- (2) Can the Treasurer explain why the forecasts of net debt have deteriorated so much?

- (1) I refer to page 28 which shows total public sector net debt increasing -

- (a) from \$4 663.1m in June 1999 to \$5 403.8m in June 2000;
- (b) from \$5 403.8m in June 2000 to \$5 999m in June 2001.

Can the Treasury provide a list of the projects that are being funded by these borrowings, plus the level of borrowings for each project?

- (2) I refer to page 28 of budget paper No 3 that shows the projects level of net debt in WA increasing from -

- (a) \$1 181m in June 2001 to \$1 379.5m in June 2002;
- (b) \$1 379.5m in June 2002 to \$1 577.5m in June 2003

Can the Treasury provide a list of the projects that are being funded by these borrowings, plus the level of borrowings for each project?

What are the government estimates of total public sector net debt as a share of gross state product as at 30 June 1998, 30 June 1999, 30 June 2000, 30 June 2001, 30 June 2002, 30 June 2003 and 30 June 2004?

I refer to the community newspaper budget wrap around and associated advertising of the 2000-01 state budget.

- (1) What was the total cost of the promotion of the 2000-01 state budget?

- (2) What did this promotion include?

I refer to page 1436. Under the heading of "Significant Issues and Trends" is the claim that government assets will be sold where that is government policy.

- (1) Do the forward estimates contain any expected revenue from any sale of government assets?

- (2) If so, what are these?

- (3) Is Treasury currently doing any work on developing proposals for the sale of any government business?

- (4) If so, what are they?

I refer to page 65 of budget paper No 3 which claims that \$263m will be received from assets sales in 2000-01. What assets are expected to be sold in 2000-01 and what is the expected revenue?

I refer to page 1458 that claims that the State Government is expecting \$5.9m in FISAP funding from the Commonwealth. Can the Treasurer explain why this money is not shown as an outlay in the commonwealth budget papers under specific purpose payments?

I refer to page 1459 and in particular the state development fund. How much has been spent from this fund thus far and for what purpose?

I refer to page 49 of budget paper No 3 that discusses the government policy regarding stamp duty on goods and services tax inclusive prices.

- (1) Given that many insurance policies already have a GST incorporated, has the Government already collected extra stamp duty due to the application of stamp duty on GST inclusive prices?
- (2) If yes, how much is expected to be collected in 1999-2000?
- (3) If no, can the Treasurer explain how this extra revenue has not already been collected?

I refer to page 1446 that shows a significant increase in the expenditure on services and contracts from \$11.9m in 1999-2000 to \$57.4m in 2000-01. What is the explanation for such an increase?

I refer to page 45 that shows taxation revenue for the State Government. How much is expected from stamp duty on workers compensation from the years 2000-01 to 2003-04?

I refer to the statement of financial position on page 1447 which shows the liability of employee entitlements increasing over the forward estimates. Can the Treasurer explain the increase in this liability?

[2.20 pm]

Division 4: Anti-Corruption Commission, \$9 959 000 -

Ms McHale, Chairman.

Mr Court, Premier.

Mr W.K. Mann, Chief Executive Officer, Anti-Corruption Commission.

Dr GALLOP: I refer to the claim on page 123 of the *Budget Statements* that the average cost of each allegation assessed has increased from \$68 697 in 1999-2000 to \$87 727 in 2000-01. Reference is made in the *Budget Statements* to the increasing seriousness and complexity of complaints received as the basis for that increase, but perhaps a further explanation might be gained.

Mr MANN: The increase in the average costs, as stated in the *Budget Statements*, reflects the increasing seriousness and complexity of complaints. In practice, it means the commission is having to devote more staff and resources to each allegation. The Leader of the Opposition would be aware that the budget papers provide for an electronic surveillance unit. A portion of that unit's costs are allocated to each allegation on an averaging basis.

Dr GALLOP: Page 123 of the *Budget Statements*, under the heading "Major Achievements for 1999-2000", states that a significant number of briefs of evidence have been forwarded to the Director of Public Prosecutions for consideration. How many briefs of evidence have gone to the DPP and how many of those have led to cases being initiated in the courts?

Mr MANN: I do not have the exact figures of all cases that have gone to the DPP. I will provide that as supplementary information. I can report that currently a number of cases are before the courts. Those cases involve over half a dozen public officers who have been prosecuted. They collectively represent over 20 separate charges.

Mr RIPPER: What proportion of the budget of the Anti-Corruption Commission is devoted to matters involving the Police Service?

Mr COURT: I cannot answer the member's question because I am not allowed to know what is going on inside the commission. I will ask the CEO.

Mr MANN: The commission does not keep exact figures on the costs devoted to complaints involving police, but it would be a significant proportion of the commission's budget. It would probably be in excess of half the budget.

Mr RIPPER: I am trying to get an approximate figure. Is 60 or 70 per cent of the Anti-Corruption Commission's work devoted to the Police Service?

Mr COURT: He just answered that.

Mr MANN: A good guide to that is the number of complaints the commission receives that relate to members of the Police Service. Again, that is a significant proportion. From memory, it is over half.

Mr RIPPER: Is that figure published somewhere?

Mr MANN: Yes, it is in the annual report of the commission.

The CHAIRMAN: Are there any further questions?

Dr GALLOP: We have a lot of questions, but I doubt we would get a lot of answers on this topic. We will give it a miss.

Division 5: Government Projects Office, \$25 302 000 -

Ms McHale, Chairman.

Mr Court, Premier.

Mr I.K. Johnston, Chief Executive, Government Projects Office.

Dr GALLOP: Will the Premier tell us about the creation of the Government Projects Office. It is obviously a new office

within government to manage projects. What brief has been given to the office? What is the reasoning behind its establishment?

Mr COURT: The Government Projects Office has now been made a part of Treasury. It is a Treasury operation.

Dr GALLOP: Is it the same as what it was before, but it is now a part of Treasury.

Mr COURT: It is exactly the same, but the CEO now reports to the Under Treasurer. The reason it is kept separate is for accountability purposes so that the Opposition would be able to ask the same questions.

Dr GALLOP: I refer to the average cost per project. In last year's budget, the targeted cost per project was \$137 000. Page 639 of this year's *Budget Statements* shows an increase in that cost to \$263 285. Will the Premier indicate the reasons for that increase.

Mr JOHNSTON: The main reason is the expenditure on the development of the master plan for the Fremantle waterfront. Most of that expense was in the past financial year. The planning costs are included as part of that project management fee rather than the capital costs, which will be included in future years for the building of the maritime museum.

Mrs PARKER: On page 640 of the *Budget Statements*, under the heading "Major Achievements for 1999-2000", reference is made to the commencement of stage 1 of the redevelopment of the Midland railway workshops and the management of the site. What further involvement will the Government Projects Office have in the redevelopment of the Midland railway workshop site? Are time frames in place?

Mr COURT: Yes, this office is transferring the work that it was doing across to the Midland Redevelopment Authority. A few small things must be done in that regard. The redevelopment authority is now up and running. As the member is aware, among other things, the police will be a part of the people who will be going onto that site. I had the privilege on Friday of attending a successful luncheon at the old workshops. Nearly 800 people were there, and it was terrific. There is a long way to go, but there always is with these projects. The issue of contamination and other issues must be addressed. Like all of these projects, it requires money up front before the Government starts to get a return on it. It will be a turning point for Midland. Quite a bit of work was done. A cabinet subcommittee looks at land-holdings that fall between agencies, such as Sunset and Heathcote. This project is now being handled by the redevelopment authority. With all the local enthusiasm, in 10 years people will look back and wonder why it was not done sooner.

Mr BARRON-SULLIVAN: What is the building schedule for the new maritime museum at Fremantle?

Mr COURT: The contract will be let within the next month and then building will start. To build and fit-out the building will take around two years. It will be a substantial building. It will have a full museum fit-out in it. It will take approximately two years.

Mr BARRON-SULLIVAN: Roughly what was the scope of the budget?

Mr COURT: It is \$35m.

[2.30 pm]

Dr GALLOP: Continuing on that same subject, \$20m was allocated last year, but only \$4.5m was spent. Is there any reason for that?

Mr JOHNSTON: I guess that some of the planning for it took longer than we had estimated. Some of the studies, such as societal risk, took some time to carry out. We are probably about six months behind what we would have been.

Dr GALLOP: I refer to page 646, which shows that \$100 000 was received in project management fees. Will the Premier explain where those fees come from? What are they?

Mr JOHNSTON: For sites such as Sunset and Heathcote, which are effectively Health Department sites, the department pays a management fee to us for some of the management of those sites on its behalf. We are still doing work for the Midland Redevelopment Authority while it is getting its full staff on board, and again we receive some fees from it.

Dr GALLOP: Is the Government Projects Office managing the Hillview site in East Victoria Park by some chance, or is that still with the Health Department?

Mr JOHNSTON: That is still with the Health Department. We have looked at it with the department.

Mr COURT: We have looked at it. I think the Leader of the Opposition raised this matter in the budget last year.

Dr GALLOP: I did.

Mr COURT: As a result of that, I got the chief executive officer to do some work on it. What it boils down to is that a large part of the site is open space. There are some heritage buildings. It is a question of trying to get some balance whereby we keep open space, find a suitable use for heritage buildings and perhaps allow a small amount of development or something like that. The Town of Victoria Park was considering whether it wanted the site, and the feedback it has given us is that the expense to it would be too great. These things all look terrific, but they must be done properly. The buildings at Heathcote have been properly restored, and quite an expense was involved. Most of the site is now open public space. However, we still must sell some land to pay for it. If the Leader of the Opposition wants to put forward a proposal for that land and if he wants to meet with Mr Johnston, we are only too willing to facilitate that.

Dr GALLOP: One of the models that could be considered for that site is the model that was used in Midland, to which the Premier referred earlier, for the old technical and further education college, which is a self-funding arrangement for the use of the buildings. My concern at Hillview involves the heritage building. The longer it goes without any use and upgrading, the harder it becomes to upgrade it.

Mr COURT: We are prepared to cooperate. The Leader of the Opposition may want to meet with the CEO on site and talk through the options.

Dr GALLOP: I will.

Mr COURT: As a result of what the Leader of the Opposition said last time, we put a great deal of effort into it.

Dr GALLOP: I believe that the problem for the council is not only the issue of purchasing the site of itself, which is fairly expensive, but also it understands that it must manage the buildings and upgrade them, and the two put together make it a bit too hard for it.

Mr BARRON-SULLIVAN: I refer to page 645 of the *Budget Statements*. I say this slightly with tongue in cheek, but during debate in this Chamber I recall comments by opposition members that the Government does not look after seats held by opposition members. There is a significant amount of funding here for a contribution to Rockingham City for landscaping and engineering services, and I wonder whether the Premier could give some background on that?

Mr COURT: We had an agreement about some joint funding, but Mr Johnston will explain that.

Mr JOHNSTON: The State and the City of Rockingham have an agreement to do some road improvement works in the city centre. It is a \$4m program over four years, which the State is jointly funding with the city.

Mr COURT: Before we proceed with this division, I said that I would give the Leader of the Opposition an answer on the Kingstream matter. Although I do not participate in the Cabinet decisions on this, the situation is basically as I said. The Government is looking at two options; that is, the option of build, own and operate, or the option of the Government's fully financing it. As far as the budget goes, the Government will have to commit to the terms of the agreement. If the project is committed to and Kingstream puts a certain amount on the ground, we have certain time frames by which we must deliver. At that point we would make a decision about how it would be funded.

Dr GALLOP: *The Australian Financial Review* article has got it wrong.

Mr COURT: I have not seen that article. However, there is a letter.

Dr GALLOP: No, the article says there is a Cabinet decision.

Mr COURT: The letter verifies the fact that the Cabinet, one way or another, will provide a port if the project is committed to, so that is no different from the agreement.

Dr GALLOP: The article goes further. It says that Mr Barnett had won approval for the state funding as opposed to the build, own and operate option. The Premier is telling us today that no decision has been made on that.

Mr COURT: No. On both, the forms are still open.

Dr GALLOP: That is not what it says in the article.

Mr COURT: I am sorry about that. I said I would provide that information.

Division 6: Governor's Establishment, \$2 028 000 -

Ms McHale, Chairman.

Mr Court, Premier.

Mr K. Skipworth, Official Secretary, Governor's Establishment.

Mr F. Fiorillo, Acting Deputy Official Secretary, Governor's Establishment.

Mr MINSON: I am interested in the bottom paragraph on page 652 of the *Budget Statements*, which sets out a major initiative for 2000-01 as being to continue to pursue rationalisation of boundaries for the government domain with assistance from the Department of Land Administration. I am a bit puzzled about what that is. Will there be a change to the Government House grounds, or to what does that relate?

Mr COURT: That is a very good question, and one that I cannot answer.

Mr MINSON: I just do not want to see another Council House put on the other side of Government House.

Mr COURT: I think the summer palace was to be shifted there, but I will check.

Mr SKIPWORTH: The boundaries around the government domain comprise several rather difficult situations. For example, at the north boundary of the domain at St Georges Terrace, the fence is one metre inside the Perth City Council road reserve. Many years ago the Perth City Council agreed that that should be rectified. That needs to be rectified along with other boundary amendments. For example, the north-east corner of the boundary is also Government House land, but

it has been truncated near the Perth Concert Hall site. The western boundary has several discrepancies as well in that there is a B class reserve down the driveway adjacent to the Council House laneway. Most of that is owned by Government House, and those boundaries there should be rationalised. There is a cottage on the south-west corner of the domain, and it is on Supreme Court land. The Supreme Court land will remain so, because that may be required for future extensions. That cottage is on Supreme Court land, though visibly within our boundaries. The other discrepancy is that the eastern one-third of the government domain is a reserve dedicated for public buildings. That is the Perth Concert Hall side of the tennis court at Government House. They are areas that DOLA is looking at rationalising with us.

[2.40 pm]

Mr MINSON: The part that interests me is the western part of the tennis court which I assume will go to Government House will not be used for public buildings.

Mr SKIPWORTH: The land at the eastern side of the tennis court towards the Concert Hall has been reserved for public buildings for a long time. Obviously, for physical reasons it must be rationalised into our boundaries. DOLA has been looking at this situation for some years. Hopefully it will be dealt with in the next couple of months.

Mr MINSON: When will the new Governor move in?

Mr SKIPWORTH: The plan is that he will move in on 18 August.

Division 7: Office of the Auditor General, \$7 192 000 -

Ms McHale, Chairman.

Mr Court, Premier.

Mr D.D.R. Pearson, Auditor General.

Mr R. Turnbull, Manager, Finance and Budgets.

Dr GALLOP: I refer to page 132, output 1 - Reports of matters of significance. How many inquiries are currently being conducted by the Auditor General and on what topics?

Mr PEARSON: Approximately 12 audits and reviews are in progress. I hope to finalise four reports in the next month: The routine examination of the tertiary education sector - the annual debrief on the financial statements and performance indicator audit of the universities and TAFE colleges; a review of funding arrangements in not-for-profit organisations - that is, the competitive tendering and partnership arrangements; and two follow-up examinations from earlier performance reports on the bus reform process and the Joondalup Health Campus. They are in the final stages of due process, so I hope to submit them within the next four weeks. More broadly, other examinations have not progressed that far, so I cannot give assurances about the likelihood of significant issues arising. Those examinations relate to the administration of management facilities contracts across the public sector; the follow up on the amnesty and collection of certain weapons in compliance with the gun control policy; and a range of lesser reviews such as motor vehicle usage, the justification of operational use and the management of the fleets, management of artwork across the public sector in areas other than the Art Gallery -

Dr GALLOP: I believe that some artwork is being produced in the prisons.

Mr PEARSON: My review is not extending that far.

We are also examining Internet security and the operation of trust accounts in the Department of Transport, and the administration of legislation by some agencies for aspects of compliance, such as dangerous goods provisions and so on. We are also examining broader administration of trust accounts by the Public Trustee.

Dr GALLOP: I refer to page 129 and the mission statement. Has the Auditor General encountered problems in obtaining information from public servants in developing his reports? Does he believe that his powers need to be strengthened to ensure he can get all the information required?

Mr PEARSON: No significant difficulties have arisen in obtaining information in a practical sense. We experience the occasional transactional problem, when a public servant does not appreciate the Auditor General's right of access. There might be an initial denial of access, but to date we have always been capable of sorting that out very quickly.

Recommendations made by the Royal Commission into Commercial Activities of Government and Other Matters and the Commission on Government that would reinforce the right of access remain on the record. However, in practical terms, I have not experienced any problems.

Dr GALLOP: Has the increasing use of contracting out within government posed any problems in accessing information about expenditure of public moneys and accountability?

Mr PEARSON: No, it has not. Commercial-in-confidence or intellectual property provisions have never caused problems in accessing information. It has been a consideration in reporting in only one case. In that case I did not consider it to be a major issue in the sense of having to focus on it.

Dr GALLOP: That Joondalup Health Campus report is about a contract between the Government and a health provider. It is a form of contracting out.

Mr PEARSON: Yes, it is a contract. While most contracts have not been made public, there has been no restriction on access and the private sector groups have been cooperative.

Dr GALLOP: Is the legislation vague or inadequate in that area?

Mr PEARSON: I have not found it so, and I have not had my access provisions challenged.

Mr RIPPER: Can the Auditor General comment on the timeliness with which agencies provide financial statements, annual reports and performance indicators for certification?

Mr PEARSON: There is room for further improvement, but I must acknowledge significant achievements over the years. I am able to complete my audit of about 80 per cent of financial statements and performance indicators within eight weeks of receipt. That is an achievement for the public sector because, in the early 1990s, it was not possible to complete the audit of over 25 per cent of agencies within five months of year end. The performance is particularly good with larger commercial organisations. Generally, the larger departments and statutory authorities are completing statutory requirements within a reasonable time. We have a couple of notable exceptions with larger agencies that are still experiencing difficulties with end-of-year reporting. The only other problem area is with some small agencies in which the reporting obligations appear to be a challenge.

Mr RIPPER: Is the Auditor General saying that, to the extent he encounters accountability problems, lack of compliance and slowness in providing information, this tends to be a problem with smaller rather than larger agencies?

Mr PEARSON: I was referring to the submission of their formal annual financial statements and performance indicators. Problems with timeliness in accessing information tend to relate to the form in which the organisation keeps information. Sometimes when we ask for management or performance information it does not exist and has to be developed.

The CHAIRMAN: I note that there is no projected increase in the scope of inquiries; in fact, the number of examinations of smaller agencies will decrease. How are targets set?

Mr PEARSON: Is that in relation to financial statements and performance indicators?

The CHAIRMAN: I refer to the number of major audits and the matters of significance.

[2.50 pm]

Mr PEARSON: The figure for the number of major audits is consistent at 50; whereas the figure for smaller audits reduces from 204 to 193. That reduction is accounted for in the main by two developments. I think nine hospitals have been rolled into two health services and the Fire and Emergency Services reorganisation has merged three organisations into one, so it is a matter of consolidation.

Division 11: Office of the Public Sector Standards Commissioner, \$2 554 000 -

Ms McHale, Chairman.

Mr Court, Premier.

Mr D.W. Saunders, Public Sector Standards Commissioner.

Dr GALLOP: I refer to output 1 at page 1148 on compliance, monitoring and assistance. The output description reads -

This output involves the evaluation and modification of Standards, monitoring of compliance and reporting on compliance to Parliament.

I presume this output is underpinned by the Public Sector Management Act. What is the ambit of the work of the Public Sector Standards Commissioner? Where does the commissioner come into the equation in relation to the minister, the chief executive officers and the public sector agencies?

Mr SAUNDERS: I have jurisdiction from chief executive officer down. The employer of chief executive officers is the Premier.

Dr GALLOP: Do inquiries you initiate or any inquiries conducted under your Act deal only with public servants?

Mr SAUNDERS: We are able to interview ministers, which we have done and they have cooperated.

Dr GALLOP: Are you in a position to make findings on the role of ministers?

Mr SAUNDERS: No, nor any member of Parliament.

Dr GALLOP: How many inquiries are being conducted by the commission?

Mr SAUNDERS: We are conducting both small and large inquiries. I will provide that as supplementary information.

Dr GALLOP: Perhaps the commissioner could provide a break up of the number of inquiries among agencies.

Mr SAUNDERS: Do you mean figures relating, for example, to unsuccessful applicants for a job seeking a breach of standard application or all inquiries?

Dr GALLOP: I mean everything.

Mr RIPPER: To what extent do public sector agencies now have codes of conduct to supplement the public sector-wide code of ethics? Do you see a need for changes to the codes of conduct already in existence or to the code of ethics?

Mr SAUNDERS: Every public sector body that has a chief executive officer now has a code of conduct. I am not sure of the number of boards and committees. We send out a template code of conduct. A number have adopted it or advised that they have their own. I am sure some boards and committees do not have a code of conduct, even though, technically, they are a public sector body. All the main agencies have one.

The code of ethics has been in place now for up to five years. We are presently looking at revised standards and we will examine the code of ethics after that, later this year or early next year.

Mr RIPPER: Where does the work of the public sector standards finish and the work of the Anti-Corruption Commission start? Is overlap with these two commissions possible?

Mr SAUNDERS: Yes. The ACC deals with corruption, illegality and serious improper conduct, which is defined under the Act as conduct that would render a person liable to dismissal. That immediately introduces an area of uncertainty because what constitutes a dismissable offence these days is sometimes difficult to define. My office is interested in examining improper conduct, which covers a wider ambit than serious improper conduct. It extends from perhaps the raising of an eyebrow to something that is just short of criminality.

Mrs PARKER: Under significant issues and trends at page 1146, reference is made to the diversity improvement plan endorsed by the Premier in 1999. How has that plan affected the employment rate of people from culturally and linguistically diverse backgrounds and mature workers referred to in the list in the first dot point?

Mr COURT: I answered a question earlier this morning on some of the public sector training initiatives. It covered a special program to encourage more Aboriginal people into the Public Service. I think I said 102 Aboriginal people were recruited in the past year, but I will check that. We put out a profile of the program for the Public Service, although it is not for the current year. Some positive improvements have been achieved in some areas, such as the number of women in State Emergency Service positions and the like. Although the proportion of women has more than doubled during our term of government, it is still not acceptable.

We have been encouraging all of the agencies to make it easier for people with disabilities to gain employment. I use my office to set an example.

Mr SAUNDERS: The focus of this is the chief executive officer diversity forum. A group of some of the more senior chief executive officers work closely with the Director of Equal Opportunity in Public Employment, Maxine Murray. They meet regularly and have a diversity implementation plan which is starting to get results and we are all encouraged by it. They have a real will to see something occur.

Mrs PARKER: Will those results indicating the improvements through that plan be published?

Mr SAUNDERS: Yes, the director publishes annual figures and a profile of both individual agencies and the whole sector.

Mr COURT: Would the member for Ballajura like us to provide the latest information?

Mrs PARKER: Yes, please.

Mr COURT: We will provide that as supplementary information.

[3.00 pm]

Division 37: Western Australian Tourism Commission, \$35 137 000 -

Mr Bloffwitch, Chairman.

Mr Court, Premier.

Mr S.R. Crockett, Chief Executive Officer, Western Australian Tourism Commission.

Mr R. Wilson, General Manager, Operations, Western Australian Tourism Commission.

Mr McGOWAN: How much of the commission's budget is directed towards consultants in this year and in the forward estimates?

Mr COURT: I do not have a breakup of the amount that will be spent on consultants. It will be provided as supplementary information.

Mr MINSON: Can the Premier outline the expenditure of government tourism dollars in the regions, and the importance of regional tourism in the overall process of carving up the tourism budget?

Mr COURT: Mr Crockett will run through the regional programs.

Mr CROCKETT: We have two primary means of allocations to the regions. One is providing marketing support to the regional tourism associations. That is focused on intrastate and interstate marketing. The total fund is of \$1.4m, and the

local and regional levels decide how that is spent. That is distributed on a formula to each of those regions. In addition, for the coming financial year \$1m has been allocated to the tourism development fund to be applied specifically for regional infrastructure and product. The major proportion of the commission's remaining money is spent on regional promotion. For example, nine of the current series of 12 Elle commercials are regionally based. All the media and production associated with those commercials has been focused directly on the regions. By and large well over three-quarters of the money is being spent in regional areas by the nature of the commercials we are using.

Mr MINSON: Regional tourism will not work to maximum effect unless tourism and transport work together to provide bus services, airline routes and sub-routes which serve regional centres that do not necessarily hub out of the metropolitan area. Can the Premier give me a thumbnail sketch of how tourism works with transport?

Mr CROCKETT: The member is right. The access issue is paramount. We have a close relationship with the Department of Transport and Ministry for Planning. In addition, we have a joint industry development strategy with the Department of Land Administration, local government and the Department of Conservation and Land Management that highlights all the primary tourism roads that are a priority within the State and sets a development time frame. In addition, we work closely with Transport through the regional airports development scheme and in identifying what operators and wholesalers can work in that area. Recently there was a combined effort between Transport and Tourism to open Broome as an international air service. The member will be aware of the Ansett service between Bali and Broome which has just commenced. We are working jointly to build on that. Across the gamut the relationship between government departments is close. We are now seeing the results of getting that in place.

Mr MINSON: Over the past decade, Kalbarri has consistently been one of the most visited places outside the metropolitan area; yet it is having great difficulty getting anything done about its airport. We have overcome the difficulties that arose over native title and excision of land from a national park. Now after a decade we are confronted with an unsealed airstrip. I am alerting you to it in the hope that you and the Premier might take it up with the Department of Transport. However, I have had talks with the airlines which are likely to service it, and their bottom line is that they will not service Kalbarri with a gravel strip. I ask you to bear in mind where Kalbarri sits in the overall strategy. Even without the airport, it is consistently one of the most visited places in Western Australia; it beats Broome from time to time. I just draw your attention to that and ask for your help.

[3.10 pm]

Mr COURT: The member has written to me about the sealing of the strip. We have made some good steps forward. Getting a good site for the strip was a major step and a decision has been made to build a gravel strip of a certain length. The other strip was totally inadequate for the growth in that area. By having the regional airport development scheme in place, we have been able to significantly lift the quality of facilities right across the State. When Kalbarri reaches that stage, it will be a major step forward. The member's concerns about the sealing have been taken on board, and we will do what we can with the allocation of those moneys. We are keeping that program going because it has enabled us to seal and put lights on a lot of strips.

Another area in which Mr Crockett might want to comment on is the way in which the new technology will be used with all the different regional facilities to provide information about the transport available to get people to various places. With the very limited knowledge which has been on-line to date, people in Europe who have been trying to book trips have not appreciated that long distances are involved. They may want to take a bus trip from Perth to Darwin, but it does not say that it is a three-day exercise. The technology is providing a lot of useful information.

Mr McGOWAN: What will the Tourism Commission be spending on staff travel, advertising and its capital budget for this financial year and for each of the four forward estimates? What will the capital budget be spent on and what is each amount for in that capital budget?

Mr COURT: Page 1375 refers to the advertising budgets, and the travel costs come under staff salaries and related costs. We would need to separate that, so we will provide the travel costs as supplementary information. Capital works is referred to on page 1379.

Mr McGOWAN: I was interested in the splits in capital works. It seems that virtually everything refers to the convention centre and the Rottne Island Authority. Is money going into any other capital item?

Mr COURT: No.

Mr McGOWAN: I recall that there was a signage program. Is that program not included?

Mr CROCKETT: There is a signage program, but it is not counted as capital because its maintenance, etc is recurrent expenditure. It does not come as a capital cost, but there was a signage program of approximately \$200 000 per annum.

Mr McGOWAN: Can I be provided with the details of that program; that is, the four forward estimates, what is going in every year and where it is going?

The convention centre is referred to on page 1379. On what date does the commission expect to announce the successful bidder? Has the \$10m which will be set aside for the sports stadium been included in the Tourism budget or in the Sport and Recreation budget.

Mr COURT: The \$10m is in the Tourism budget. Obviously, I cannot give the member the exact date of the

announcement. The process has been going on for some time, but we hope to announce the successful party around the first week in July.

Mr McGOWAN: I was originally told that it was 20 June, so that date is wrong.

Mr COURT: No-one would have told the member that date with any certainty, because the matter has not gone to Cabinet. It is working towards the first week in July.

Mr McGOWAN: When the successful tenderer is announced, will an agreement be signed or will it be signed at some point after that?

Mr COURT: When the announcement is made, the legal work will then be put in place. I presume the contracts and the like will take a few weeks.

Mr McGOWAN: I know there is a process involved, but have there been any requests for any additional funding above the \$110m plus land? Is the \$110m plus land an absolute limit on the amount of government support that will be given to this project, or are other types of government support being considered for this project?

Mr COURT: The process is subject to very strict probity conditions, etc. However, no requests have been put to Cabinet for any additional funding. The Government has stated its position and the tenderers will have to remain within those parameters.

Mr McGOWAN: It is an absolute and complete limit of \$110m plus the land, and there will be no further government assistance.

Mr COURT: That is what we have said. That is what is available.

Mr OSBORNE: I will ask some questions about the Elle campaign, because I have always had an interest in it. Page 1355, under the major initiatives for 2000-01, refers to a significant increase in advertising to the core markets of Victoria and New South Wales. My understanding is that the Elle campaign was directed to the international, not the interstate, market. Is that the reason that an extra \$500 000 is being sought in this budget - to continue the campaign to the interstate market? We all know that it has been enormously successful. If it has been successful and if we are continuing it with another \$500 000 this year, what is the extra purpose of the Partnership 21 budget appropriation?

Mr COURT: The chief executive officer will explain that. He also might explain some of the cooperative advertising that is done, for example, in promoting these packages in London. We have been very fortunate with the Elle campaign in that Elle is probably one of the most high profile women in the world today, and she is assisting us with this program.

[3.20 pm]

Mr CROCKETT: As the Premier has said, the campaign has been extremely successful. The reason for the additional \$500 000 in the campaign next year is to principally flag the repositioning of the nature-based tourism product in WA, particularly in the intrastate market. We have had exceptional returns on the intrastate market. We have had strong growth of Western Australians travelling more in Western Australia, and that has been one of the least recognised successes of the Elle campaign. That has led to substantial volumes which have allowed us to have more infrastructure. The \$500 000 next year will help build on that. We are seeing a big return from that. The difficulty is that there are many opportune markets and the amount of money in each market is allowing us to increase that amount. We cannot spread any further and we think we will get better returns from the intrastate market with the additional campaign. The campaign itself is an integral part of Partnership 21 and, although it is the next five-year business plan for the industry, the Elle campaign remains a core part of that. Partnership 21 is not in any way taking over the Elle campaigns, but the existing advertisements are still contracted to 2002. It was a good position. We started with five years' worth of commercials. They will continue, but of course in the next two-year period we must be mindful of what we do post-2002. Partnership 21 is setting up the industry for that 2002 period and beyond, particularly with developments in online technology, support for regional events, and making sure we get the message out about the new nature-based product.

Mr McGOWAN: Does the department expect to renew the Elle Macpherson campaign after it expires in 2002, or will it look for a different campaign? It has been said by various people, including writers in the business pages of *The West Australian*, that the Elle Macpherson campaign has been quite successful. What criteria are used to judge the success or otherwise of this campaign? Mention was made of intrastate tourism. How does the department know that tourists are travelling around Western Australia as a result of that campaign? Is any particular measurement or survey used to determine that the campaign is the reason for the growth in intrastate tourism? Can the department provide by way of supplementary information a list of the places in which the latest Elle Macpherson campaign has run, and on what occasions? I have asked some questions about this, but I have not been able to determine the full extent of advertising. International campaigns seem to be run principally in the United Kingdom and Singapore.

Mr COURT: The best criterion is that when the advertisements are run in London for a package deal to WA, the offer sells out straight away. The Agent General in London contacted the WA Tourism Commission and asked that we extend the courtesy of informing him when the advertisements will be run because his office switchboard is jammed after each advertisement. I know a few car dealers who would love that instant response to advertisements! The beauty of those campaigns is that we get cooperative support from organisations such as British Airways. Those organisations are very much involved; by ourselves we would be completely lost in that market. The other reason the campaign has been good value is that every time this issue is raised we get a huge amount of media coverage at no cost.

Mr CROCKETT: As I mentioned, the contract for the current series of commercials runs until 2002. Obviously, on the basis of the success of that campaign, we would like to continue Elle's involvement. We have had recent meetings with her management to that effect. Those discussions are ongoing, but after five years of one commercial it will need to be different in some way, shape or form. We have not yet determined that because it is too early in the cycle. We need to do that closer to the 2002 period because customers' views change.

The Premier is absolutely right about the measurement of success; at the end of the day it is about the number of people who respond to the advertisements, and we measure that formally. It varies from market to market, but in the United Kingdom we run an annual independent survey of consumer awareness which is generated by our commercials after a period of advertising.

Mr McGOWAN: Does the department have statistics which indicate the number of people who came to Western Australia on the basis of the Elle Macpherson campaign?

Mr CROCKETT: The second part of the measuring process is the direct sales response. The primary objective of these campaigns is to measure not the direct sales response, but the direct consumer response. The direct response on the Elle campaign is a telephone number response. We measure the number of people who ring that number and book a trip. In the first campaign in the UK 6 000 people directly responded to the telephone number and booked a trip. That translated to about \$8m of expenditure in Western Australia. Many people see the campaign, but do not ring that particular number; they may ring their local travel agent and book direct or whatever the case may be. It is a highly conservative estimate of the number of people who responded, but we track all direct bookings for each campaign we run.

In addition, in Australia the Roy Morgan holiday tracking survey tracks the desirability of Western Australia as a holiday destination in the country. Those figures are published, but in general over the past four years Western Australia has moved from the fourth most desired destination to the second, after Queensland. We also track direct bookings and do the same in the intrastate market. Those figures are published in the annual report.

Mr McGOWAN: Can you provide supplementary information on where the campaign is run?

Mr CROCKETT: Yes. In a general sense, it has been run in the United Kingdom, Singapore, Malaysia, Indonesia, Sydney, Melbourne, Adelaide and Western Australia.

Mr McGOWAN: By way of supplementary information, will you provide details of how much was spent in each market? I have previously asked a question about the United Kingdom and television advertisements in that country. Can you provide that information in relation to the other markets?

Mr CROCKETT: Yes, we can. As the Premier said, I stress it will be the net amount to the WA Tourism Commission, but substantial amounts are spent by the partners - the airlines, wholesalers and retailers. Our figures are generally speaking between one-third and a half of the amount spent on the campaign.

Mr MINSON: Mention was made some time ago about online services in the tourism area. I see a huge future for this technology if people's interest is stimulated through an Elle advertising campaign, and there is an Internet contact address through which much can be done. Is the department developing that technology in the tourism sense for overseas purposes? Secondly, is it user-friendly for travel agents and so on, so that when someone clicks on an item they have access to further information and booking services? Thirdly, some of the countries in the list of countries in which the advertisements are shown are not English speaking. I am surprised that Germany, France and other European countries are not included. Are the Internet sites multilingual?

[3.30 pm]

Mr CROCKETT: Your statements about the online world are absolutely right. A large number of Internet transactions involve travel, so clearly consumers are using it for this purpose. Partnership 21 is built around repositioning the industry to take advantage of the online capacity, not just in an Internet sense but in a total communication sense; that is, Internet, telephone and through the traditional distribution system of retail travel agents and wholesalers. In many cases now the virtual retailers are emerging. Underlying that plan is a two-way phenomenon, but I think Western Australia will lead the world in this area. It works from the consumers' point of view, and we are endeavouring to give consumers access to all information on products, whatever medium they go through. More importantly, from the ground up, the information is provided from the operators themselves.

We are targeting the 2 000-odd operators in Western Australia to provide their information to that database, so that they can either get the consumers to come to them direct, or they can provide that information to the traditional distribution systems. It is critical that it be user-friendly, and the plan is that travel agents in the United Kingdom, Germany or wherever will have access to the entire database of Western Australian product and will be able to get information direct if they so choose. That will be a fundamental step forward for the destination.

Our current Internet site has foreign languages on it, and that will evolve increasingly as we move into retail outlets. Many commercial transactions are done in English, and most of that information will remain in English, but a great deal of the motivational information has been translated and will continue to be translated.

Mr MINSON: Last time I was in Europe and Asia, most of the people who spoke to me about Western Australia and Australia said they wanted to come here because of ecotourism and because they wanted to be able to look as far as the eye can see, without haze and other forms of pollution, and without buildings and people. It was their dream to come here to

see that sort of landscape. If we could sell Western Australia in the way that Mr Crockett has just outlined, we could tap into many of those countries in which people do not have the opportunity to see the horizon.

Mr McGOWAN: Page 1355 of the *Budget Statements* sings the praises of the Winter Breaks campaign and states that campaign will continue with fees priced to encourage participation by more operators. However, the Winter Breaks brochure that was distributed to virtually every household in the State indicates that 35 of the accommodation providers will increase their prices above the 10 per cent GST on 1 July, in some cases by up to 7 per cent above the GST. In light of that, will the Tourism Commission be taking any action to try to limit price increases to the 10 per cent GST increase?

Mr COURT: The Winter Breaks program puts out special packages.

Mr McGOWAN: Yes, backed by the Tourism Commission, and 35 of the packages in that brochure -

Mr COURT: Is the member saying those rates will be more expensive after 1 July?

Mr McGOWAN: Yes. Two rates are published in the Winter Breaks brochure: A pre-1 July rate and a post-1 July rate, which includes the GST.

Mr COURT: There is a seasonal factor. The reason for the Winter Breaks program is to encourage the use of those facilities in winter. I used to be in the boating industry, and we always held a boat show in winter to try to bring forward the selling season for boats. The Winter Breaks program is done for a specific season and offers special packages. Those packages should not be compared with deals in a non-package period.

Mr McGOWAN: The package period is over winter, and the last time I looked, July was in winter, yet on 1 July, 35 of those providers - and I expect there will be more in the future - will increase their prices by up to 17 per cent. Page 1355 states that fees will be priced to encourage participation, yet prices will go up on 1 July. Does the Tourism Commission propose to contact those businesses that have indicated they will put up their rates by more than 10 per cent on 1 July to ensure that they have reasonably priced fees for people who want to take advantage of these packages?

Mr CROCKETT: That statement on page 1355 is aimed at encouraging participation by more operators. It refers to the cost for operators to get into the brochure, not the cost of the product to the consumer. We are endeavouring to keep the cost to operators low.

Mr McGOWAN: In any event, the point remains that many of these operators will put up their prices way above the 10 per cent GST.

Mr CROCKETT: I cannot comment on the GST.

Mr COURT: I got some prices for hotels in Sydney during the Olympic Games, and they are in cloud-cuckoo-land. I would not want to compare the prices in Sydney now with the prices in September.

Mr OSBORNE: I return to our discussion on Partnership 21. Tourism operators have spoken to me about the cost of being involved in Partnership 21 and the fact that small operators will have to pay the same amount as large operators, I do not believe small operators should get a discount, because the cost for the commission will be the same regardless of whether it is a small or a large business. What will be the benefits to regional tourism operators of getting involved in Partnership 21, and how much will Partnership 21 cost the taxpayers of Western Australia? I am very impressed with the "be touched by nature" program, whereby visitors will be able to get involved in improving tourism products in the regions. Has the commission assessed the improvement that we can expect in regional tourism product as a result of the "be touched by nature" program?

Mr CROCKETT: The member is absolutely right. The delivery of Partnership 21 will be a critical element for our industry in the future, particularly in the next five years as online technology is developed. Cost is an issue, and in our budgets we have estimated \$4m over the next five years to build the infrastructure for an online product, particularly a regional-based product, which is typically isolated from this sort of trading. That money will be spent primarily in the areas of data connection to the visitor centres in regional areas, and also to put in place the infrastructure for what we are terming a virtual call centre. This will allow operators either in their own business or at their local visitor centre to enter their data and the details of their product, their pricing structures and anything they like, on a daily basis and to update it on a daily basis, and it will be distributed from their local centre to the worldwide distribution centres. That is one of the many benefits. Another benefit is that it will allow us to institute a virtual call centre, whereby any consumers in Australia who have an inquiry will be diverted to the area about which they are making that inquiry, which will give those consumers direct access to the product. Consumers typically talk to large-scale travel agents or people who do not have intimate knowledge of our regional areas. The virtual call centre will enable them to talk to people who have intimate knowledge and to get information that is more precise. It will also provide a single entry point, at which people will pay once to become a member of the visitor centre, the regional tourism centre and the WATC cooperative campaigns. We have also negotiated with the Australian Tourist Commission so that every product on the WA database will now also be on the Australian Tourist Commission's database.

Mr OSBORNE: Would a property like Kerriley Park, which gets the majority of its business off the Internet from places like Singapore, also need to pay to get involved?

Mr CROCKETT: All operators in Western Australia will be on the network, free of charge, with their names and business addresses. If they wish to enhance their site with photographs, rates and those sorts of elements that are more commercially focused, there will be a charge of approximately \$535, with some discounts for people who have quality assurance, etc.

There is a further level, if they want to run more detail, of \$1 000. I stress that all of that is optional but every operator will have a name, address and contact number on there; therefore, every product will have access to all of those systems we are talking about.

[3.40 pm]

Mr COURT: What we are saying is everyone will be online but they must commit themselves to wanting to use it effectively.

Mr OSBORNE: What will be the cost of Partnership 21 to taxpayers? Can the officer comment on the expected improvement in the regional tourism product as a result of the "be touched by nature" program?

Mr CROCKETT: Partnership 21 will cost \$5.1m in addition to current funds in the next four years. There is a real opportunity for business to contribute to preserving and enhancing the natural product they will see in the touch packages. We have conducted a pilot study in the south west which, on its economic model, indicated that about \$1m additional funds per annum should be made available to help renovate the area that we were looking at. That will have a significant impact if that is repeated around the State.

Mr BROWN: On page 1349, in the third dot point under the heading "Focused on international markets", reference is made to Japanese visitors. Can I have, by way of supplementary information, a breakdown of visitors from Japan to Australia and visitors from Japan to Western Australia for the past five years? The reason I want that information is that it is true, on my reading of the statistics, that most Japanese visitors tend to visit the Gold Coast in Queensland. That tourist industry collapsed following the Asian economic crisis. We do not have anything like that number of visitors to Western Australia; however, I would like to have those figures.

Mr COURT: There has been some good news in that the Japanese market has started to lift again.

Mr CROCKETT: Generally Japan has been a very good story for Western Australia. There was a 7.4 per cent increase in visitors to Western Australia last year but visitor nights increased by 35 per cent on the previous year. Generally, Australia has had a dramatic decline in Japanese visitation. Western Australia is the only State that has had an increase in Japanese visitors in that period. It has been a very positive story for the State. Last year we ran a joint campaign with the Australian Tourist Commission in Japan for the first time to which the council contributed \$4m for a purpose-built commercial about Western Australia. We will see the flow-through effects of that next year, I expect.

Mr BROWN: Was that the Elle Macpherson commercial in Japan?

Mr CROCKETT: No, it was a purpose-built commercial that the ATC produced.

Mr BROWN: Was that the knockabout campaign, or whatever it was called?

Mr CROCKETT: No, the purpose-built commercial was shot here in Perth. We did not shoot a Japanese commercial with Elle in it at the time.

Mr BROWN: In any event, can I have the raw data by way of supplementary information for each of the past five years?

Mr CROCKETT: Yes.

Mr BARRON-SULLIVAN: There is mention in the budget papers in a couple of places of the convention centre. I do not need to refer to a page as my question will be based on what is in there generally. The budget papers point out some of the more direct benefits relating to the construction and end stages. What is not contained in the budget papers, though, is an indication of the scheduling of the whole project. I understand that it is at the stage of choosing a tenderer; however, I am interested in the scheduling of the overall project and tied in with that, when are we likely to see some of these benefits? One of the obvious benefits of the project is employment. I am interested to know, as part of that, when the construction phase will start to heat up and when we will start to see the benefits flow through. What does the Premier anticipate is a reasonable schedule?

Mr COURT: A great deal of time is taken up in getting to the point of choosing a party. However, from that point on it is all go. Construction will commence pretty much straightaway as much of the planning has been done. I will ask Mr Crockett to provide more of that detail. However, the reason that we are going through such an extensive process is that taxpayers are providing a great deal of resources, either by way of money or land, for this project and we must ensure that their investment is properly secured and that we get the performance we want from the centre. The timing could not be better as far as a competitive environment is concerned. There is a big downturn in construction in Melbourne and Sydney and the companies are very keen to work on a major project such as this. For our money we will get a very modern, sophisticated, state-of-the-art facility. I will ask the CEO to provide information on the timing.

Mr CROCKETT: As the Premier said, we anticipate an immediate start as soon as the financial close and contracts are resolved, which should not be too long after the preferred tenderer is announced, given that most of the work in this process has been about confirming its design. The detail of that design will by and large be completed at the successful tenderer stage so there will not be a big lag as may normally occur after such an announcement. It is estimated to create about 2 000 jobs during the construction period, which will obviously be a very significant project in its own right. We anticipate completion in the 2002-03 financial year, probably early 2003. The centre itself will have a full-time employment level of around 600 ongoing; that will be the beginning of its economic value. The pre-feasibility economic studies that were conducted and have been confirmed now by the proponents indicate that economic value to the State will be between \$1.5b

to \$2b in its first 10 years. Much of that is spin-off value from people attending conferences who tend to travel pre and post-conference and do a lot of shopping. There will also be spin-offs into the hotel accommodation sector to accommodate the large numbers of extra visitors and significant increases in air capacity. The ramifications to the economy in the community will be dramatic in the sense of the services that will need to be provided to cater for those large numbers of people coming into Western Australia.

Mr BARRON-SULLIVAN: I presume the bulk of the draw on the \$109m or thereabouts provided for in the budget papers will occur towards the end of the project.

Mr CROCKETT: It will depend greatly on the way in which the proponents have structured their financing and the funding of their construction period. That is one of the negotiable issues about which we are talking to the proponents.

Mr McGOWAN: My question relates to the mention throughout the budget papers of an icon event and an emotional icon to attract people to Western Australia. Given that we have lost a few icon events recently, with the loss of the Heineken golf tournament and the Whitbread Round the World Race, can the officer explain what searches have been made for an icon event and what is the so-called emotional icon referred to on page 1348? I have heard rumours about Western Australia not holding on to the Hopman Cup and events such as Rally Australia. Therefore my three questions are: What work has been done; what is the emotional icon; and is there a question over the Hopman Cup, Rally Australia and the like?

Mr CROCKETT: The emotional icon referred to on page 1348 relates to Brand WA. We believe there is a competitive advantage for the State in that rather than presenting the State as a destination with physical attractions such as nice beaches, good forests and those types of things, we are endeavouring to grab an emotional position with the consumer, and that is part of the touch package I was talking about. The emotion will be to get them closer to the environment. We want them to experience all things that Western Australians know are great about this State, which is more an emotional state than a physical presence. Therefore, that is the emotional icon of Brand WA.

Mr McGOWAN: What are the ideas and what will occur? I saw mention of it in the Partnership 21 document and I have seen it in the budget papers.

Mr CROCKETT: With the emotional icon of Brand WA?

Mr McGOWAN: Yes.

[3.50 pm]

Mr CROCKETT: The main thing is that the new advertising campaign focuses on emotional positioning rather than physical objects. The touch packages will ensure people are involved in the environment. It is about people being actively involved with learning, self-discovery, feeling and being part of the environment, rather than just looking at it saying "What a wonderful place." The touch package is the primary initiative of the emotional icon.

We lost the Heineken Classic which was here for 10 years extremely successfully. As sponsors sometimes do, they decided to move on. It is to be expected. The State has an incredible record of hanging on to events for a considerable time. The Adelaide grand prix and the New South Wales motorbike event are part of a long history of events lasting for a short time. We are confident that the major events of Rally Australia and the Hopman Cup will stay here; they are contracted to do so in the short to medium term.

Mr McGOWAN: Have they requested more money?

Mr CROCKETT: Both events are contracted, and they have not made that request under contract. Our day-to-day effort is attracting new major icon events for the State. We spend a lot of time on that area. We have worked for 12 to 18 months on a number of events in the pipeline and we hope they will come to fruition shortly.

Mr McGOWAN: Is it confidential?

Mr CROCKETT: We do not want it too much in the public arena as competitive States will try to secure these events. We keep it close to our chest as other States are very competitive about stealing events and we do not want to leave that opportunity open.

Mr McGOWAN: The Premier might need to provide supplementary information. What was the cost to the WATC or the State of bringing the HMAS *Perth* and the HMAS *Swan* projects to fruition?

Mr CROCKETT: We will provide that as supplementary information. The HMAS *Perth* for Albany was at a minimal cost as it was underwritten. The successful tenderer for the boat chose it.

Mr COURT: We will provide that supplementary information; that is, the total cost associated with the HMAS *Swan* and *Perth*.

Mr OSBORNE: My question relates to output 8, "Tourism Product and Business Development", on page 1372 of the *Budget Statements*. The major initiatives for 2000-01 refer to product and infrastructure being developed. I asked before about the "be touched by nature" packages, and the CEO provided some information on the financial benefits in the development of tourism products in the regions. I am interested in a prior question: Why has the Tourism Commission believed it necessary to introduce the touch packages? The papers talk about three packages which will be developed, I presume as pilots. Can some detail be provided on the three pilots?

Mr CROCKETT: The need for the packages arose from consumer research. We found a lot of potential visitors, national and international, to Western Australia have a desire to experience nature in its pristine condition. As someone mentioned earlier, it is an overwhelming motivator, particularly in Europe, for people to travel. People no longer want to see the environment; they want to be part of it, to understand it and to be part of the community. We position the packages to deliver on consumer desires. Once the packages are on the ground, we feel confident that we will be able to market them aggressively and improve our visitor numbers dramatically. We need the product on the ground. We have tried three prototypes in the past three months, one of which was in the south west old-growth forest, one in Shark Bay, and the third was in the City of Perth wetlands with the reintroduction of the black swan. All three were successful. We have had strong visitor responses and a strong response from industry. Our ultimate objective is that most tourism products in WA will have some form of touch component.

Mr OSBORNE: How do these compare to tourist packages CALM has run for several years in which people are invited to undertake environmental observation tours? One can go overseas on archaeological digs. I presume the commission drew on CALM's experience; if so, to what extent?

Mr CROCKETT: They are similar; in fact, many of the touch packages will be administered and managed by CALM, which has been integral because of its obvious role. Some of CALM's environment-type experiences will fit the nature touch package. The difference is that many of the CALM packages are specific to enthusiasts, whereas these packages will appeal to the general visitor, if there is such a person.

Mr McGOWAN: The WATC administered the contract and made arrangements with contractors for the Barrack Street redevelopment. Can the Premier provide supplementary information, from the analysis conducted, on whether that project will generate funds for the State?

Mr COURT: The Leader of the Opposition asked that question this morning, when I said that we have had some initial assessments which show a net benefit from the project. More current work is being done on some projected cash flows and the like. When that information is available, and we have looked at it, I will make it public.

Mr McGOWAN: Was that with the WATC?

Mr COURT: In the Ministry of the Premier and Cabinet hearing this morning I said I would provide that information. I oversee the committee handling the project, for which Mr Crockett has responsibility as the CEO.

Mr McGOWAN: In relation to Rottneest Island, which comes under this division, can you provide information on the Caroline Thomson family camping area? Are the cabins being removed, and will alternative accommodation be provided in that area? It has been the subject of some debate.

Mr COURT: We will provide supplementary information.

Mr MINSON: A few years ago the lion's share of growth in tourism was nature-based or so-called ecotourism. Is that still the case, or do we have a shift back to the more conventional tourist who comes here to have a look around?

Mr CROCKETT: The latest figures indicate that one-third of the world's tourism receipts are nature-based. It was the fastest growing sector last year and that trend is continuing and, if anything, getting stronger.

Mr BROWN: Can the Premier provide as supplementary information the degree of change to the overseas tourism profile in Western Australia compared to that of other States? Our tourist profile tends to be very different from that of some other States. For example, the number of Korean tourists who come here is different from those heading to the eastern States. I will be interested in a breakdown of the tourism profile over three or four years of the major tourist groups coming to Western Australia and those going to the eastern States. Queensland was affected by the drop in the number of Korean tourists when the Asian crisis hit but we were hardly affected because we get about 14 Korean tourists in this State. In the UK the pound is very strong, so it was cheaper for them to come here. Is it possible for the commission to provide those profiles?

Mr COURT: As supplementary information, yes.

[4.00 pm]

Division 39: Sport and Recreation, \$24 738 000 -

Mr Masters, Chairman.

Mr Marshall, Parliamentary Secretary.

Mr R. Alexander, Chief Executive Officer.

Mr P. Duffy, Director, Corporate and Business Services.

Mr G. Moss, Chief Executive Officer, Western Australia Sports Centre Trust.

Mr D. Smith, Finance Manager, Western Australia Sports Centre Trust.

Mr K. Watson, Coordinator Statewide Services, Recreation Camps and Reserve Board.

Mr BROWN: On page 1270 is a reference to the enhanced lifestyle of Western Australians through their participation and

achievements in sport and recreation. The Parliamentary Secretary will know that a number of Western Australian football league clubs are in financial straits.

Mr OSBORNE: None that matter.

Mr BROWN: I hope that is recorded in *Hansard*. It would be a sad day for Western Australia if some of those clubs were to fold. Has the Government given any consideration to this matter? Are funds available to assist those clubs which are in need of financial assistance? If so, what is available; and if not, will the Government set some money aside or find it in the budget for that purpose?

Mr MARSHALL: The budget contains \$1.5m for Subiaco Oval and \$300 000 for the Westar Rules football league. I understand the member's concern for Westar football because there is no doubt that since the introduction of the Australian Football League and the two major sides of the West Coast Eagles and the Fremantle Dockers, the attendances at local matches of the Westar football league have decreased dramatically. As the person who was the instigator in setting up Peel Thunder Football Club and who showed the need for such competition in the outer perimeter of the metropolitan area and the countryside, I know what the member is getting at when he speaks of funding for a football club. Peel is the first country club in 100 years of football in the local competition, and it is struggling to survive. The West Australian Football Commission is there to assist because Westar is an integral part of the future of elitism in football. That is why we started Peel Thunder embracing the Rockingham region. Many youngsters in that area were not getting their chance to realise their ability. A couple of players from Rockingham have joined the team. Two players from Peel Thunder were in the state side this year - Rod Tregenza and Dean Buscans. They were playing in the colts for Peel Thunder three years ago. It is very important that we look after the nursery of football in Western Australia. Members will find that the people around that area still support their club. It is important that we have this country enrichment scheme to send top-line sports people out into the country to get the best out of it.

[4.10 pm]

Mr BROWN: I would like an answer to my question. I am keen that some of these clubs do not fold. I am talking to some of them now.

Mr MARSHALL: Which clubs?

Mr BROWN: I am not interested in mentioning people. When I talk to them do I tell them that there is no money in the budget for this and that they should not waste their time applying? Alternatively, do I tell them that there is money but that they need to apply for it in a particular way? Is there money; if so, how do we get it? It is not a difficult question.

The CHAIRMAN: Is the member asking for money for administrative support for these clubs?

Mr BROWN: I am asking what is available. It is not a difficult question. When I go to the Department of Commerce and Trade budget sessions, I ask whether money is available to help businesses undertake marketing. The minister will say there is money and points out where it is mentioned in the budget. He tells me how businesses should apply and so on. I am asking the same about football clubs.

Mr MARSHALL: The member has a point. John Kennedy, one of the all-time great footballers in Victoria, spoke at an event last year at which he made a comment that I had not considered in all my years in sport. He said that a champion team with average directors may never win. However, an average team with champion directors could win a premiership. The member is asking which section we prop up in football - the players or the administrators. If we have good administrators, there is no need to ask for funds. The top administrators of football in Western Australia are in the Western Australian Football Commission. It is getting over \$4m a year from the Dockers and the West Coast Eagles. It is up to the commission to establish priorities to support clubs in difficulty. It has already done that. I do not believe it is a government responsibility to do that when the commission - which was set up very well by the Labor Party - should support those clubs.

Mr BROWN: So the answer is no.

Mr ALEXANDER: The answer is not "no". The Ministry of Sport and Recreation through the sports lottery account gives the Football Commission \$300 000. It also gets in excess of \$4m from the Dockers and the West Coast Eagles. It has very strong revenue streams. It also gets \$1.5m a year for Subiaco. That is committed, but the \$300 000 is not. The commission determines, through negotiation, where it spends that money. If the commission's priority is Weststar Rules, it can spend it in that area. We give money to a state sporting association based on its priorities. If it determines that that is its priority, it can use that money in that area.

Mr BROWN: Leaving aside the money from Subiaco, there is no other money.

Mr ALEXANDER: In that case, the answer is no.

Mr MARSHALL: Why should there be?

Mr MINSON: The parliamentary secretary mentioned the country enrichment scheme. I refer to page 1267, which makes reference to enhanced lifestyle through participation and achievement in sport and recreation and various other line items. Can the parliamentary secretary elaborate on this country enrichment scheme? I know it is popular in country areas. The people there would like it continued and extended. I wrote to the Football Commission recently in support of the Morawa Football Club in its request for a star footballer to go there to do some coaching and to speak and encourage. The CEO of the commission responded that it was a good idea, but that it would like help in getting more money.

Mr MARSHALL: This is one of the major innovations through sport and recreation programs in the past two years. We recognise that country sports need champions coming to their areas to give them a higher profile -

Mr MINSON: All the champions have been going one way.

Mr MARSHALL: Tennis West brought Evonne Goolagong to the State. The Government sponsored that visit to the tune of \$6 500. It included the Kimberley region and the south west. A one-day cricket game was played in Kalgoorlie between Western Australia and Victoria. In addition, an interstate football game was played at Kalgoorlie between Western Australia and Tasmania. That game attracted one of the biggest crowds to attend a sporting event in that area. A country enrichment scheme-sponsored game was played at Esperance. The crowd was not very large. Peel Thunder played West Perth - the lowliest-ranked side playing the premiership side - and 8 000 attended that match. If the game had been played at Joondalup, the crowd would have been 3 000 and if it had been played at Rushton Park it would have been 2 000.

The Wildcats have become a rejuvenated side this year, primarily because of the owners and the Australian players in the side. They are taking the game back to the people. Instead of being a highfalutin side, they are coming back to the grassroots, going to the country and to shopping centres. There is always time to speak to youngsters and sign an autograph. In today's climate, we often find champions too busy to do that, so the youngsters do not follow them. The Wildcats went to the mid west and the Kimberley region and everyone fell in love with basketball. Basketball is very popular in the country because it is played in the evening out of the heat and under lights. People can finish work and meet as a community as they do at church. It plays a very important role. This long weekend they will start in the south west and go to the great southern, the central south area and then to the goldfields. They will be in Mandurah on the holiday on Monday and already they have a sellout crowd.

That innovation has been marvellous for the State. I have heard youngsters from various country areas in which I have coached asking whether I knew the Australian squash champions had been at Kalgoorlie last month. It was fantastic for them and everyone now wants to play squash. If youngsters meet someone they have seen only on television and realise they are flesh and blood and they can be like them, they are enthused and we will have many potential champions. We must keep in mind that 70 per cent of the Australian public is inactive. The Ministry of Sport and Recreation's major role is to encourage participation. If we can get champion teams going into the country and getting youngsters participating in various sports as a result of being enthused by these champions, we will be on the right track.

Mr MINSON: Is it left up to the Football Commission, the West Coast Eagles and the Wildcats to finance that, or is the Government making a contribution?

Mr MARSHALL: It is a part-funding situation. At this stage, \$150 000 a year is put aside by the Government. Last year \$152 000 was spent and \$408 000 was the total for the trips.

[4.20 pm]

Dr CONSTABLE: I have two very fine surf-lifesaving clubs in my electorate. What is the grant to Surf Life Saving Western Australia and how does this vary from last year?

Mr ALEXANDER: Last year \$341 000 in total went to surf-lifesaving. We are negotiating this year's figure at the moment.

Dr CONSTABLE: Is there something in this budget that is indicative of the starting point?

Mr ALEXANDER: Yes; the amount is \$100 000, and money also comes out of sport lotteries account.

Dr CONSTABLE: That is a drop from \$341 000 last year?

Mr ALEXANDER: No, it was \$300 000 last year.

Dr CONSTABLE: Why has there been a drop from \$300 000 to \$100 000 in an area that is not just sport and recreation but a community service? I am not sure that it belongs in this division as it is a community service. I cannot believe its budget has dropped that much. That is a huge drop. An allocation of \$300 000 is not much to start with but \$100 000 is literally nothing to an organisation like that.

Mr ALEXANDER: It has dropped in this budget, but extra money is taken out of the sport lotteries account. That is being negotiated at the moment.

Dr CONSTABLE: Where do I find the sport lotteries account in these budget papers? For the past few years Surf WA has been pushed from pillar to post. Until two or three years ago, its funding came out of a grant in the Premier's budget area, then it was Sport and Recreation and now it is being pushed somewhere else. It must be difficult for Surf WA to plan if it has to negotiate for the financial year beginning 1 July in 31 May. Why is there not some way to give some certainty to an organisation like Surf WA.

Mr ALEXANDER: Negotiations are occurring that will give Surf WA that certainty. Surf-lifesaving gets \$41 000 for its sport component from the sport lotteries account, and \$100 000 is provided out of the consolidated fund in this budget.

Dr CONSTABLE: For what purpose?

Mr ALEXANDER: It is for its operations for water safety. The minister is currently negotiating what amount will go to surf-lifesaving from the sport lotteries account.

Dr CONSTABLE: Surf WA will get \$41 000 from the sport lotteries account for its competitions.

Mr ALEXANDER: For the sport component.

Dr CONSTABLE: It is getting \$100 000 for its operations in its community service-type operation, but there is still a shortfall of \$200 000 from last year. It is the end of May and it has a month to go to put its planning in place for the next financial year. It is a bit tough to put an organisation like Surf Life Saving WA in a situation like that, when other sporting bodies do not seem to be in that situation. I hope the Government will see fit to give it an adequate amount of money.

Mr ALEXANDER: I can assure the member that the minister is starting negotiations with \$41 000 in the sport lotteries account and \$300 000.

Dr CONSTABLE: Only \$100 000 is allocated in the budget. I think we are playing with numbers.

Mr ALEXANDER: We are not playing with numbers, but with where the money comes from.

Dr CONSTABLE: It is difficult for Surf WA to plan if it does not know where the money is coming from and whether it will get it.

Mr MARSHALL: The minister's brief is that he is presently viewing the situation in the context of the original \$300 000 allocation.

Dr CONSTABLE: I was just led to believe the original allocation was \$100 000. It is \$300 000 in this financial year, but we are talking about what happens in the next financial year. They are basically being given the runaround. The minister has four weeks to sort it out.

Mr OSBORNE: A major initiative for 2000-01 is supporting sport and recreation organisations in expanding coach education and officiating in education programs. Recently the minister assumed responsibility for functions which were previously undertaken by the coaching foundation. How will that work in conjunction with this new support provided in these budget papers and with responsibilities that have already been taken over from the coaching foundation?

Mr MARSHALL: An extensive range of professional development workshops has been organised for coaches. They will be facilitated by Damian Condon of the Ministry of Sport and Recreation, who is a former East Fremantle footballer now playing for Subiaco, and Pam Glossop, an outstanding hockey player. They organise workshops for coaches in the metropolitan and regional areas. That is operating successfully. The management of the regional coach education program, which is for part-time coaching coordinators, is also being undertaken in eight regional centres. The district CEO of the Ministry of Sport and Recreation will employ educators of coaches. Once the coaches are enthused and the appropriate knowledge is filtering down into the participation area, we will get more enthusiasm for participants to continue on in the game. We also fund a coaches' recognition program. For many years coaches went about their jobs without receiving any recognition. Although a certificate and a dinner may seem small reward, that brings all the coaches together on one night. That initiative is surprisingly successful and is appreciated by both professional and amateur coaches. They all get together and that certificate is an important part of the night for them. That night also provides an opportunity for networking. Coaching communication seminars and workshops are conducted at all levels, particularly level 1 and 2, which are the easiest levels to pass. Level 3 is an international coach, and too few coaches will reach that. It is important to train good level 1 and level 2 coaches. That is another initiative that has improved sport at all levels throughout Western Australia.

We have held three elite coaches' lunches and there have been talented guest speakers: Damian Drum, coach of the Dockers, Jill Macintosh, the national women's netball coach, and Ken Judge, a former East Fremantle and Hawthorn footballer who is now the coach of the West Coast Eagles. They have been great motivators to the elite coaches. Those lunches have enabled the leading coaches of Western Australia to get together, and be motivated by talented speakers. More than that, they have been able to exchange advice on sport psychology and science and to find out what is occurring in different sports.

Mr OSBORNE: Is Bernd Stange involved in that?

Mr MARSHALL: He came to one of the first dinners. I am amazed with this fellow. About 15 months ago he needed an interpreter, and now when one listens to him on the television he speaks perfect English, and is revelling in the Australian way of life. He is a great motivator and a great coach. That is an example of the challenge of coaching. He has learnt another language as well as imparted his knowledge of his sport.

I attended a recent breakfast to recognise sporting officials who have been accredited for the Olympics. At that breakfast there were 68 volunteer administrators and sports officials from various sports who will be going to the Olympics. Since then more have been picked, and there will be even more.

The Alcoa coaches in residence program is a program of long standing which brings top coaches from overseas. In 1963 I attended an Alcoa coaches in residence course. I went to one in the eastern States three years later as an Australian coach. It was the same program, and it was probably copied from Western Australia. The information I received in those courses in those days was invaluable. The turnaround for sport in WA was when we approached it in a more scientific way. The participation levels in Western Australia have not only increased, but also Western Australia has some of the highest participation rates in Australia. Western Australia produces its share of elite athletes and champions.

[4.30 pm]

Mr McGOWAN: My question is about an issue of some moment in Western Australia at present; that is, laws to prevent scalping. Five years ago the Opposition proposed that some laws be enacted to deal with scalpers.

Mr MARSHALL: What page is this on?

Mr McGOWAN: It relates to general sport and attendance at sporting events.

Mr MARSHALL: Quote the page number. The member is trying to make something out of nothing.

The CHAIRMAN: The member is drawing a fairly long bow.

Mr McGOWAN: With respect, Mr Chairman, the parliamentary secretary talked for 15 minutes about items completely unrelated to the budget. The ministry is spending large sums of money on community information and initiatives dealing with issues of concern to the community. Scalping is an issue of concern to the community. I thought the Ministry of Sport and Recreation would deal with this issue because it is one of the most important concerns in the community, certainly today. Will the parliamentary secretary do anything about it or not?

The CHAIRMAN: The member for Rockingham will have heard my statement at the beginning of this session, in which I clearly indicated that the questions asked must relate to a specific aspect of the budget papers. He has failed to indicate any direct reference, but I will leave it to the parliamentary secretary to respond if he so chooses.

Mr McGOWAN: The output descriptions and measures in the *Budget Statements* deal with advice from the Ministry of Sport and Recreation to the Government on a range of issues. I am sure that at some point advice must have been given about laws against scalping.

The CHAIRMAN: I am not ruling the question out of order, but my judgment is that the member is drawing a fairly long bow. I leave it to the parliamentary secretary.

Mr MARSHALL: I would like to know why the member for Rockingham is so intent on asking this question. Would he like to relate it to a specific area? He said it has been going on for years. I have been in sport for a lot longer than he has, and something must have happened recently that has made him think about this. About the only places I have seen scalping are at Wimbledon and perhaps the grand final of the AFL. What about Western Australia?

The CHAIRMAN: If no specific question is asked, I will move to the next question.

Mr McGOWAN: I have asked whether the Government has received advice and whether it will do anything about it.

Mr MARSHALL: To the best of my knowledge, it has not come to the department's attention, but that is a matter for the Ministry of Fair Trading.

Dr CONSTABLE: I refer to the expenditure of \$450 000 on sports facility planning listed at page 1277 of the *Budget Statements*. I am very keen to know whether one of the areas that might be looked at is a new athletics stadium, given the universal recognition that Perry Lakes Stadium is past its use-by date. Will a replacement for that stadium be considered within the next year, what venues are being considered and how much would a replacement stadium cost?

Mr ALEXANDER: That amount of \$450 000 comprises \$150 000 for sports facility planning, and an amount for computer hardware and information technology upgrades.

Dr CONSTABLE: Will some of the \$150 000 be spent on planning a new athletics stadium?

Mr ALEXANDER: It is not specifically for planning a new athletics stadium; it is planning for regional and international facilities throughout Western Australia to ensure all the facilities are well planned. It is for a needs analysis to be carried out on where facilities are required and what are the best facilities, so that the standard remains high. It is to ensure good planning throughout the State.

Dr CONSTABLE: Let us assume that the Perry Lakes Stadium is past its use-by date. How much would a replacement state facility, rather than a local or regional facility, cost?

Mr ALEXANDER: It would cost between \$8m and \$10m to replace the athletics stadium.

Dr CONSTABLE: I have heard an amount of \$19m mentioned.

Mr ALEXANDER: It depends on what is built and whether it is a boutique stadium or replaces Perry Lakes Stadium holubolus, with a grandstand seating 5 000 people, and surrounding seating to accommodate 20 000 people. At the moment it appears it is not necessary to build a stadium with seating capacity between 25 000 and 30 000, because athletics does not attract that sort of crowd. If there were a major athletics event in WA, such as the Commonwealth Games, it would be held at either the WA Cricket Association ground or Subiaco Oval. When planning an athletics stadium, consideration would be given to something similar to the boutique stadium in South Australia, which has between 2 000 and 3 000 seats, with surrounding banks that enable temporary seating to be erected. If the Grand Prix were held in Perth in late December, which is when it is normally held, temporary seating would be used in the stadium.

Dr CONSTABLE: Where are the likely venues for such a stadium?

Mr ALEXANDER: A couple of venues have been investigated; one is Curtin University and the other is a Town of Cambridge reserve between the Ministry of Sport and Recreation and the Challenge Stadium. Discussions have taken place with the Town of Cambridge and Curtin.

Dr CONSTABLE: When do you expect an outcome?

The CHAIRMAN: I remind members that they must direct their questions through the Chair to the parliamentary secretary. I would be grateful for a proper debate.

Dr CONSTABLE: Given that Perry Lakes Stadium is well past its use-by date, when does the department hope this project will get off the ground?

Mr ALEXANDER: Certainly we are negotiating with the Town of Cambridge at the moment and I hope it will happen within the next two years. We would like it to be sooner, but Perry Lakes is still operational and it depends on negotiations with the Town of Cambridge.

Dr CONSTABLE: Do you consider the Perry Lakes Stadium to be a local, regional or state facility? For what was it built?

Mr ALEXANDER: It was built for the Commonwealth Games in 1962, so it was an international facility, but it is owned and operated by the Town of Cambridge.

Dr CONSTABLE: Was it built by the State Government originally?

Mr ALEXANDER: Yes, with a major contribution from the Perth City Council at that time.

Mr BARRON-SULLIVAN: I refer to page 1272 of the *Budget Statements* at which mention is made of the community sporting and recreation facilities fund. However, I hope the parliamentary secretary will provide a broad answer because my question touches on the question asked by the member for Churchlands. Obviously, the Ministry of Sport and Recreation has a commitment to ensuring the provision of good quality sporting and recreational facilities throughout the State. I have always regarded the community sporting and recreation facilities fund as the flagship program in that area. We have just heard about the state sports facility planning program. Will the parliamentary secretary detail what is happening with the community sporting and recreation facilities fund, and what other measures are in place in the ministry's budget in relation to the provision of sporting facilities?

[4.40 pm]

Mr MARSHALL: There is no doubt that the CSRFF initiative has been wonderful for sporting facilities in Western Australia. More facilities have been built in the past four years than in the previous 15 to 20 years, because of the equation. If a project costs, for example, \$450 000, the State Government, local government and the community will each contribute a third - \$150 000. It is surprising that although this equation is enabling more facilities to be built, because the community and local government are involved, greater, and sometimes personal, interest is being taken not only in the building of the facilities, but also in the way they are maintained. Approximately \$8m a year is allocated to this fund and at the last close of applications, 175 out of 318 applications were approved. The member may ask how one gets approval. The applications, when submitted, are ranked by the local government and if an application has a priority ranking, it goes to an independent committee. Because they are priority ranked by local government, which should know best what it wants to build in the area, where possible those applications are approved.

I will give the member an idea of what has been built using this fund: The netball courts at Geraldton, a swimming pool at Merredin, a speedway at Newman and in Mandurah a brand new international hockey stadium. Last year money was allocated to construct a wet, synthetic hockey surface exactly the same as the surface being used at the 2000 Olympics. Until recently, it was the only surface of its kind in Western Australia but now two more have been constructed in South Perth. In addition, the stadium in Mandurah received more money to construct lights and complete a grandstand. It will be a great asset for hockey to have an international stadium at the gateway to the south west in the centre of a huge development in the Rockingham, Safety Bay and Kwinana area. The numbers of people playing hockey have already doubled. Because of the lights, they can play at night and with the junior developments they have something to be proud of. That is a small example of what the community sporting and recreation facilities fund is doing for facilities in that area of Western Australia. There is also the development of a statewide facilities plan out of which arose the Bunbury Aquatic Centre valued at \$3m. A joint provision of shared use of sport and recreation facilities review is in progress in Western Australia to examine policy and process changes to planning and operations to achieve significant improvements in facility development and usage.

Another small item that has been catered for in the budget is \$120 000 of CSRFF funds to assist regional groups to complete their facility plans and to help develop them for the purpose required in the area, mindful of existing facilities nearby. We do not want duplication of facilities, and criticism has been made of many swimming pools and tennis courts being built too close together. In expanding areas, such as the member for Mitchell's electorate, which is one of the fastest growing regional areas in Western Australia, there is a definite need, with all the young families moving into the area, for more sporting facilities, particularly junior ovals and so on. This allocation in the budget is for those projects to be investigated. However, with all that in mind, the Government should be congratulated on the sporting facilities that are now available in this State.

Mr BARRON-SULLIVAN: Was the CSRFF fund copied from another State or are we unique?

Mr MARSHALL: No, to the best of my knowledge it was an innovation of Western Australia and it is the envy of all the other States.

Mr BARRON-SULLIVAN: It does work very well.

Mr McGOWAN: I will ask a range of questions that are all related to spending by the State, but the parliamentary secretary

may have to provide me with answers by way of supplementary information. In this year's budget in each of the forward estimate years, how much is the Government spending in the Sport and Recreation and Sports Centre Trust budgets on consultants, travel, advertising, capital expenditure and other projects?

The CHAIRMAN: The parliamentary secretary may wish to put the question on notice or he may try to answer it now.

Mr MARSHALL: I must take the question on notice as two chief executive officers from different departments are involved.

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

Mr MARSHALL: Yes.

Mr McGOWAN: I have another question that will require supplementary information. Can the parliamentary secretary provide me with a list of committee members on sporting bodies, in whose appointment the ministry might have had some involvement, and their salaries?

Mr MARSHALL: I have no problem with supplying that by way of supplementary information.

The CHAIRMAN: A commitment is made.

Mr McGOWAN: I have one last question concerning the State Equestrian Centre which is more directed towards the Sports Centre Trust. As the parliamentary secretary knows, considerable concern has been expressed by members of that sport about the future of their centre. Under the capital expenditure of the Sports Centre Trust, will the Government take some action to assist those people by perhaps acquiring that centre or guaranteeing its future as the people involved in that sport are very concerned?

Mr MOSS: The Sports Centre Trust has had only an informal approach from the Equestrian Federation of Australia (WA Branch). It has not been an agenda item at any board meeting. That informal approach was made to me three to four weeks ago. Therefore, the Government, through the Sports Centre Trust, has not yet addressed that situation.

Mr McGOWAN: The Government has not made a decision whether it will support equestrian sports or try to retain that facility in public hands?

Mr MOSS: I cannot answer that on behalf of the Government.

Mr ALEXANDER: It is my understanding that Minister Moore will meet with members of the Equestrian Federation shortly. If my memory serves me correctly, there is currently a 20-year lease on the State Equestrian Centre. He will also have discussions with the federation and the Shire of Swan to ensure that the Equestrian Centre remains dedicated to equestrian riding.

Mr McGOWAN: Beyond the 20-year period?

Mr ALEXANDER: That was the intention of the negotiations in trying to support equestrian riding but, obviously, that cannot be guaranteed.

Mr BARRON-SULLIVAN: I missed the first few minutes of this division and if the following question has already been asked, please say so and I will read it later in *Hansard*. I am particularly keen to hear the detail about the drugs in sport education strategy referred to on page 1269. I notice also in the coming financial year it is intended to expand that strategy. I would like some background on it: What are its aims, where it is up to and how it will be expanded.

Mr MARSHALL: The Ministry of Sport and Recreation, Healthway and the WA drug agencies have each contributed \$100 000 to drug awareness in sport. A committee has been formed to ensure that the money is well spent. I will call on Mr Alexander to enlarge on that program.

Mr ALEXANDER: The money goes to the Sports Medicine Centre of WA which is conducting an education program on drugs to ensure that Western Australian athletes and young people are aware of the likely problems with drugs. That education program, which we believe is very well resourced and very necessary, is proceeding.

[4.50 pm]

Mr BARRON-SULLIVAN: Who is the program aimed at? Is it aimed at elite sports or at the school level?

Mr ALEXANDER: We are trying to obtain a balance. Part of the program is aimed at the school level. We must get in early so that young people understand the problems and difficulties that drugs can cause. An education process also exists for the development squads and the elite level.

Mr McGOWAN: The Government is constructing a motorsports complex in Kwinana. What steps have been taken to ensure that people who want to use that facility have free, open and equitable access? Have any arrangements been made with potential operators for access once the facility is constructed? Are the steps required under the national competition policy being undertaken to ensure free, open and equitable access for all operators?

Mr MARSHALL: The environmental conditions are being addressed by the Kwinana motorplex strategy plan.

Mr McGOWAN: I did not ask about the environmental conditions. I am asking about access for potential operators.

Mr MARSHALL: No agreement has been made with any private operators.

Mr MOSS: The Government has decided that the Western Australian Sports Centre Trust will own and manage the facility on behalf of the Government, in the same way it manages Challenge Stadium, Arena Joondalup and the Midvale Speeddome. The trust is negotiating a non-exclusive licence with the current operators of Ravenswood International Raceway and the old Claremont Speedway for the staging of speedway and drag-racing events. We will also discuss the use of the facility with various other motorsports bodies. We are endeavouring to encourage wide community use of the facility for local sport and recreation and entertainment-style commercial events, such as motorsport expos. The complex will be a public facility and the trust will manage it as such.

Mr McGOWAN: You said that the Western Australian Sports Centre Trust is negotiating a non-exclusive licence for certain groups. Are those groups the operators of Ravenswood International Raceway and Claremont Speedway?

Mr MOSS: Yes.

Mr McGOWAN: Have the times at which those operators will have access to the facility been determined, and a lease rate established? It would be difficult to work out the rate operators must pay if the process is not opened up to tender.

Mr MOSS: The licence agreement will specify the times when the operators will have use of the facility.

Mr McGOWAN: What are those times?

Mr MOSS: They have not been determined yet. Those times will be based around the major speedway and drag-racing activities that take place each year. It will be similar to the licence the West Perth Football Club has for the use of Arena Joondalup. The Westar Rules competition fixtures are released each year, and dates are then set aside for the club to use the facility.

Mr McGOWAN: Will the operators have rights of renewal, or will the times be determined by agreement between the parties?

Mr MOSS: The term has not been established, but the agreement will contain an option to renew. The specified-use conditions - race days - will be determined on an annual basis, based around the speedway and drag-racing calendars.

Mr McGOWAN: When is the agreement expected to be finalised?

Mr MOSS: I hope to finalise it within the next couple of months.

Mr McGOWAN: Will the terms of the agreement be made public?

Mr MOSS: It will be a commercial licence agreement. I am not sure of the extent of the agreement that could be made public. The specified times will be publicised, as the speedway and drag-racing operators will advertise their nominated event days. I am also speaking with the Western Australian speedway commission and various speedway clubs about their access for training and competition use.

Mr McGOWAN: Does that mean that the agreement the State will enter into may not become public? Will the public not know how much was offered for the use of the facility?

Mr MOSS: I cannot say how many details of a confidential licence agreement can be made public. It will be a commercial arrangement between the Western Australian Sports Centre Trust and the motorsport operators. The revenues generated from the licensees will go towards fully maintaining the venue, providing a sinking fund for future maintenance and providing a return to the motorsport industry.

The CHAIRMAN: Members, we have only five minutes left and there are two further divisions to consider. However, I am still happy to continue with questions on division 39.

Mr McGOWAN: Can you guarantee that the fees that will be received from the operators of Ravenswood International Raceway and Claremont Speedway and other organisations will meet the cost of the facility? Will the capital expenditure on this facility be paid back?

Mr MOSS: The Government does not intend for the capital expenditure to be paid back. It made a decision to commit \$16m to build the facility to support the Western Australian motorsport industry, as it has done with a number of major sporting facilities in this State. However, it will make no further contribution towards the running costs. Those costs will be met by revenue from the licensing agreements with the two operators and other activities.

Mr McGOWAN: Do those costs include maintenance?

Mr MOSS: Yes.

Division 38: Recreation Camps and Reserves Board, \$275 000 -

Mr Masters, Chairman.

Mr Marshall, Parliamentary Secretary.

Mr P. Duffy, Director, Corporate and Business Services, Ministry of Sport and Recreation.

Mr G. Moss, Chief Executive Officer, Western Australian Sports Centre Trust.

Mr D. Smith, Finance Manager, Western Australian Sports Centre Trust.

Mr R. Alexander, Chief Executive Officer, Ministry of Sport and Recreation.

Mr K. Watson, Coordinator Statewide Services, Recreation Camps and Reserves Board.

Mr BARRON-SULLIVAN: The information contained in division 38 indicates that the Recreation Camps and Reserves Board assists the Ministry of Sport and Recreation by providing recreational programs and low-cost accommodation. What is the range of prices and accommodation available, and are those programs well patronised?

Mr MARSHALL: The Ministry of Sport and Recreation's camps provide competitively priced accommodation. Options range from tent sites at Bickley for \$5 a night to dormitory accommodation at the Point Walter Recreation and Conference Centre for \$22 a night. The ministry believes its charges for the accommodation and recreation programs are affordable. This year, nearly 20 000 people participated in activity programs at Ern Halliday Recreation Camp. The camps are going very well. Running camps is a huge responsibility in today's climate, so it is important that Western Australia's recreational camps remain involved in the areas of sport and recreation.

Division 40: Western Australian Sports Centre Trust, \$5 631 000 -

Mr Masters, Chairman.

Mr Marshall, Parliamentary Secretary.

Mr P. Duffy, Director Corporate and Business Management, Ministry of Sport and Recreation.

Mr G. Moss, Chief Executive Officer, Western Australian Sports Centre Trust.

Mr D. Smith, Finance Manager, Western Australian Sports Centre Trust.

Mr R. Alexander, Chief Executive Officer, Ministry of Sport and Recreation.

Mr K. Watson, Coordinator Statewide Services, Recreation Camps and Reserves Board.

The CHAIRMAN: We have only two minutes for this division.

Mr McGOWAN: The Western Australian Sports Centre Trust runs a number of venues: Challenge Stadium, Arena Joondalup, the Midvale Speeddome and, shortly, the international motor sports complex in Kwinana. The trust seems to have bent towards operating swimming facilities, such as the Challenge Stadium and Arena Joondalup. These are state-standard swimming facilities that provide a high level of coaching and activity for people who want to achieve in that field. The centre section of Perth and the northern suburbs of Perth are dealt with. Is there a prospect the minister might consider putting some funds into the southern suburbs of Perth? There is a proposal for an aquatic centre in the Rockingham area.

[5.00 pm]

Mr MOSS: The sports centre trust has no plans at this stage to be involved in any major state-funded aquatic or sporting facilities in the southern suburbs. If the Government made that decision and directed the trust to be involved in the management of those facilities, it would become involved.

Mr McGOWAN: Does the Government have any intentions in that regard?

The CHAIRMAN: It will have to be a one word answer. Time is up.

Division 56: Fire and Emergency Services Authority of Western Australia, \$32 907 000 -

Mr Masters, Chairman.

Mr Prince, Minister for Emergency Services.

Mr R.J. Mitchell, Chief Executive Officer, Fire and Emergency Services Authority.

Mr W.E. Hewitt, Executive Director, Business Services, Fire and Emergency Services Authority.

Mr T.M. Murphy, Executive Director, WA Drug Abuse Strategy Office.

Ms S.D. Davies, Management Officer, WA Drug Abuse Strategy Office.

Mr B.E. Matthews, Commissioner, Western Australia Police Service.

Mr D.H. McCaffery, Acting Deputy Commissioner, Western Australia Police Service.

Mr B.J. Brennan, Deputy Commissioner, Operations, Western Australia Police Service.

Mr J. Frame, Director, Human Resources, Western Australia Police Service.

Mr R.G. McDonald, Director of Finance, Western Australia Police Service.

Mr PRINCE: It is my proposal to deal with the Fire and Emergency Services Authority and the Western Australian Drug

Abuse Strategy Office between now and 6.00 pm, if that is possible and to complete those divisions so these people can go and we can spend the rest of the evening on -

The CHAIRMAN: Minister, we can start with division 56 subject to the committee's approval, but the timing of when it finishes is up to the committee.

Mrs ROBERTS: The Opposition is happy to oblige. We do not want to keep the Fire and Emergency Services Authority or the drug strategy people here until 9.45 pm tonight. I am concerned though that, because the drug strategy has been included in this time slot, the time allocated for the Police and Emergency Services vote is insufficient. On that basis, we have chosen not to ask so many questions of the fire service because we prefer to allocate most of the time to the Police Service. I am happy to ask questions of the drug strategy people first. I note that you have said, Mr Chairman, that the time given to these votes is up to the committee. We would like to see both of those items dealt with by 5.30 pm.

The CHAIRMAN: We will aim for that time if that is the committee's wish.

Mrs ROBERTS: I note on the page 557 of the *Budget Statements*, under recurrent spending, item 83, the amount provided to fund outputs for the year has diminished from \$24m in 1999-2000 to only \$14m in 2000-01. Item 84 on the same page states that total recurrent services is down to \$30m from some \$40m. The grand total shows that is down from about \$42m to nearly \$33m. What service will be diminished? Does this mean there will be a loss of FTEs and a loss of services?

Mr PRINCE: No, it does not mean that at all. The apparent reduction - I say an apparent reduction because in real terms, the money which funds the Fire and Emergency Services Authority, which includes the Fire and Rescue Service, the State Emergency Service, Sea, Search and Rescue and others, has not diminished; indeed it has increased. The method of accounting for the cost of emergency service provided for events like cyclones is to account through the Fire and Emergency Services Authority budget. In the past financial year we had, for example, cyclones Vance, Elaine and Rosita - in other words, some major storm events which consumed an enormous amount of money.

[5.10 pm]

Mrs ROBERTS: Does the minister have early weather forecasts?

Mr PRINCE: It must be said that for the season 1998-99, the meteorological people were pretty good. They forecast that it would be the worst cyclone season ever, and they were right. For 1999-2000, they forecast initially that it would be similar and then revised that forecast. They were about right on the number of cyclones. The problem with forecasting them is not so much that cyclones will form, nor necessarily their severity, but what track they will take. For example, cyclone Rosita, which is the latest one that passed over the coast just south of Broome, was not expected to do that, in the sense that all the tracks that had been seen before had taken a cyclone much further south before it crossed the land. The fact that it turned right or left and went straight across the coast at that point was highly unusual, and the predictability was very low. However, I diverge somewhat. The amounts of money that were spent that make up that extra \$10m went largely on roads, some \$8.9m; business assistance, \$440 000; and other forms of assistance, \$100 000. That makes up \$9.4m of that \$10m.

Mrs ROBERTS: I am sorry, did the minister first mention roads?

Mr PRINCE: Yes. It is extra money that comes in as a result of an emergency of that nature which destroyed roads. The money must be accounted for in some fashion. It flows through the Fire and Emergency Services Authority of Western Australia's budget for that purpose. The rest of the difference is made up in the other costs that FESA incurred in the emergency response. I will ask Mr Mitchell to amplify this if he will. The actual budget amount for the Fire and Emergency Services Authority has gone up from the current financial year to the next financial year, and a method of accounting for those extraordinary items is to run them through the FESA budget.

Mr MITCHELL: The roads, etc, are basically funded through the natural disaster relief arrangements, and they are accounted for in the FESA budget through supplementary funding. The FESA budget has gone up by nearly \$2m. An amount of \$500 000 was special funding for the Year of Volunteers. It is the International Year of Volunteers next year. There has been additional money for the Mandurah, Albany, Bunbury and Geraldton fire services. On top of that are the normal cost escalations - wage rises and so on.

Mr BARRON-SULLIVAN: I draw the minister's attention to page 564, which refers to the incorporation of Volunteer Sea Search and Rescue into the authority. Can the minister give us a bit of background on why that was done, what it entailed, what are the benefits of doing that and basically the point that has been reached in that program?

Mr PRINCE: I am pleased to say that Volunteer Sea Search and Rescue started in Albany in the early 1970s. It was largely an initiative of a police inspector who was there at the time with a number of boating enthusiasts who had reasonable-sized pleasure craft - some of them were fishing boats as well. It was in response to a number of tragedies that had occurred in and around the Albany coastline; that is, people falling off rocks as well as people getting into trouble when they went recreational fishing. Therefore, a loose association was formed. From there, the idea has seeded elsewhere. I have no doubt that others will say that they did the same thing at about the same time, and that is true. Most of the sea search and rescue relates to people who are recreational boaters, and most of them are people who go fishing in relatively small boats. There has been a proliferation of sea search and rescue units in the past 25 years around the coast. In terms of numbers, most of them are basically on what is called the metropolitan coast; that is, roughly from Two Rocks down to south of Mandurah, Bunbury and places like that. They are also in Port Hedland and Karratha. Basically, they are in areas where

there are reasonable numbers of people and boat launching ramps - areas that people frequent on a weekend, or perhaps on a holiday basis, to go fishing. They are all voluntary groups.

Some years ago the Government started - maybe Mr Mitchell will be able to give the exact date - to provide funds to a limited extent. There are two associations to which these groups belong. I think they are incorporated under the Associations Incorporation Act. Roughly speaking, one association is in the metropolitan area and the other is in the non-metropolitan area, but that is a very generalised statement. The two associations were clearly concerned about the proliferation of people who were using the sea, the number of call-outs they were receiving and their degree of organisation. They were also concerned about the standardisation of radio call signs, radio frequencies and matters of that nature. It must be said that the water police have always been supportive of this in the metropolitan area, and especially, as it were, between Fremantle, Rottnest Island and that general area up to and including Hillarys.

That happened on an ad hoc basis, with a large amount of support from professionals, and it worked reasonably well. However, it was about time there was some form of umbrella-type organisation so that the differences, for example, with radio frequencies and call signs and other problems were sorted out, as well as there being some standardisation of training, accreditation of training and standardisation of equipment to some extent in so far as that was relevant. The decision was made a couple of years ago to approach the Volunteer Sea Search and Rescue people to ask them whether they would come under the umbrella of FESA, which was the logical place for them to be. After extensive consultations and a report written by Mr Waters - it is an excellent report and he is now the project officer for this - those people have gradually been brought under the FESA umbrella.

In addition to that, in the current financial year I had a discretionary fund of \$1m, which I was able to allocate to any place in my portfolio. I chose to give it to Volunteer Sea Search and Rescue, which has lifted its funding. That has been continued into the next financial year, and it has helped with a variety of matters. The grants have mostly been small. For example, in Albany a direction finder and some new global positioning system equipment was required, which amounted to a few thousand dollars only. The same tends to happen elsewhere. The result has been good, although it must be said that it has not been without friction in bringing those people under FESA's umbrella. Some strong personalities are involved in the organisations, which is undoubtedly their strength, but it presents one or two minor problems in getting an organisation that will be a coherent whole to work. Mr Mitchell may wish to add more about its origins and background.

Mr MITCHELL: The minister has covered it reasonably well. It all stemmed from a report which was prepared in consultation with all of the marine rescue groups. It has come together reasonably well. There are now some 35 units up and down the coast. We are moving on from the stage of just being managers of grants and funds into developing training standards with the associations and groups to achieve national accreditation standards. The general thrust is to make the units more appropriately skilled in a uniform sense, rather than the variation that currently occurs.

Mrs ROBERTS: Last year the minister said that the budget was predicated on the new fire service levy, which he abandoned at some point last year. Looking through these budget papers, the only reference that seems to come close to something like that is on page 558, under the significant issues and trends, where it says that a major review is being undertaken into the funding of emergency services with the view to introducing a fair and equitable system across Western Australia. Who is undertaking that review, what is the cost, when does the minister anticipate it being completed, and when does he anticipate a new funding arrangement being in place?

Mr PRINCE: The member is right. The whole question of a fire service levy was abandoned in May last year, so that local authorities, which were to be the collectors, were given sufficient warning. It was after that that I discussed at length with the board of FESA - Mr Mitchell is the CEO - where to go from there, because it is the view of government that we should have a hypothecated levy system that deals with emergency services. I am not talking necessarily about the career services, but particularly the volunteer services, whether it be the Fire and Rescue Service, bushfire brigades or the State Emergency Service - not the Volunteer Sea Search and Rescue, which is a different exercise. A number of different models operate around Australia. South Australia has one which we have looked at and do not favour; Queensland has a different system and so on. The work was commenced some months ago. Mr Mitchell will be able to advise who is doing it. It is being done internally within the Fire and Emergency Services Authority. I am not sure exactly what is the position on reports.

[5.20 pm]

Mr MITCHELL: The funding review is being undertaken and supervised by a subcommittee of the board of the Fire and Emergency Services Authority and has two dedicated people working on it. It has included within it representatives from the Western Australian Municipal Association and the Insurance Council who are working through the issues. It is a complex issue in that the previous proposals related to permanent fire service districts only, whereas we are considering a broad-based statewide scheme. We are around halfway through the review and at this stage we are preparing a report for that subcommittee of the board to review and provide guidance to the small group looking at it. The cost of this review will be around \$150 000. I expect a final report later in the year. I could not be more specific on the timing.

Mr MARSHALL: A significant issue and trend states that the Fire and Emergency Services Authority continues to expand its services in line with increasing population needs. In 2000-01, an allocation of \$1.66m will establish a permanent fire brigade at Mandurah. Is there a formula for population needs that determines when a station is built?

Mr PRINCE: It is not so much population as workload. The Mandurah area has a truly superb volunteer Fire and Rescue Service which in the past 12 months has answered well over 500 call-outs, which is more call-outs than some of the permanent stations in the closer metropolitan area. That is an unreasonable burden on volunteers. They have done a superb

job, but they are more than ready to hand over the task to permanent firefighters. That is why the new fire station is being built in Mandurah. It will be staffed by permanent firefighters, which will mean some transfer of funding between the Fire and Emergency Services Authority and the Fire and Rescue Service of Western Australia. We have received the cooperation of career firefighters to move some staffing positions to Mandurah. In addition, as the local authority is now within a designated fire district it is required to contribute - that is the way the law works - and will contribute a certain amount from its rates. The Insurance Council contributes the balance, which is the levy on the stamp duty side of one's insurance premiums. I am sure the member for Dawesville is fully insured, so he will be pleased to know he will in part pay for the permanent fire service that will be in place soon. There is no formula in relation to population; it is related to the number of call-outs.

Mr MARSHALL: What effect does the appointment of permanent officers have on the volunteers who have provided years of voluntary service which, as the minister stated, has been exceptional; for example, the Falcon volunteer fire service?

Mr PRINCE: If the parliamentary secretary had asked the question 10 years ago, the answer would have been different. By and large it is welcomed. I can give a number of examples - Albany is one - of a mixed career and volunteer fire service. Many areas, although not in middle urban areas of the metropolitan area but on the urban fringe and out into the country, operate with a mix of permanent and volunteer staff. With one or two exceptions, that is working extremely well and, if anything, that lifts morale. The volunteers in Mandurah have sought, in effect, a permanent service. It is above and beyond the call of duty for any volunteer doing that sort of work to be called out three and four times a week. That necessitates a permanent service. The volunteers are still there; they can still be called upon. They are still part of the service and the training. The effect on the neighbouring volunteer services should also be highly positive.

Mr MARSHALL: Is volunteer participation increasing or staying around the same level?

Mr PRINCE: It is static. The Fire and Rescue Service has approximately 2 500 volunteers. They tend to be people who have some connection with each other - often a family connection or marriage. They tend to be a close-knit group. We could always do with more members if the member for Dawesville is prepared to volunteer.

Division 9: Western Australian Drug Abuse Strategy Office, \$13 526 000 -

Mr Masters, Chairman.

Mr Prince, Minister for Emergency Services.

Mr T.M. Murphy, Executive Director, WA Drug Abuse Strategy Office.

Ms S.D. Davies, Management Officer, WA Drug Abuse Strategy Office.

Ms ANWYL: The capital works program on page 388 relates principally to sobering-up centres. Does the minister see this as the appropriate place for detoxification and/or rehabilitation facilities, given the emphasis placed on sobering-up centres?

Mr PRINCE: No.

Ms ANWYL: If not, where should they be located? We have a crisis in youth accommodation in many parts of the State including the metropolitan area. One of the key issues is an acute lack of services for young people who abuse substances. Does the minister see that as being within the province of this office and, if so, what moneys are being spent on that issue in this budget?

Mr PRINCE: The answer in a general sense is no, I do not see the Western Australian Drug Abuse Strategy Office as a service delivery agency. When the office was established as a result of negotiation between the member for Ballajura, who was then the minister responsible, and me as the then Minister for Health, we debated where the sobering-up shelter funding and program should go. It had been partly in Health and partly in the Alcohol and Drug Authority. It is one of those things that gets tacked onto Health because nobody knows what to do with it. After discussion and debate, we decided for want of anywhere better that it best sits with the Western Australian Drug Abuse Strategy Office. I am not in a pure sense happy with that. However, it is probably better there than anywhere else. That is the only capital program that WADASO should handle that is in the nature of service delivery. When one talks about detoxification, whether rapid detox or any other form, that is largely a health exercise; it should be delivered by health professionals. It should be done in health facilities, and consequently it should be handled under the Health budget. WADASO should be part and parcel of the planning for that. A lot of collaboration exists between Health and WADASO on these subjects. In like fashion, when we talk about facilities for the homeless, particularly homeless youth, I agree with the member for Kalgoorlie that WADASO should be part and parcel of planning for that, but not the delivery agency for the service. Those things should be handled by those whose mission statement it is to handle housing for the homeless, whether that be under the Ministry of Housing or perhaps Family and Children's Services and possibly even under Health - it depends on the type of individual one is talking about. It is not right and proper for WADASO to grow into service delivery, because it should be about development and planning and the holistic connection and coordination across departments. It has done that very well.

[5.30 pm]

Mr MURPHY: With respect to services for the homeless, WADASO has inherited funding for non-government organisations, and funds a number of supported accommodation assistance program services which are joint commonwealth-state funded services. Two of those are specifically for youth, through the Wanneroo Accommodation and

Support Services and Swan Emergency Accommodation. They are designed to help those agencies better cope with the alcohol and drug problems of their clients.

Dr CONSTABLE: My question relates to the outcome listed at page 381 of the *Budget Statements*, to reduce the extent and impact of drug abuse. What is the estimated number of heroin addicts in Western Australia?

Mr PRINCE: On the information I have to hand, it is between 15 000 and 50 000.

Dr CONSTABLE: How many people every year seek treatment for their heroin addiction?

Mr PRINCE: Taking into account the methadone program and the number who seek detoxification, it must be more than 5 000.

Dr CONSTABLE: How many people are treated each year, or each week, at the central drug unit in East Perth, seeking rapid detoxification for their addiction to heroin?

Mr PRINCE: More than 1 000 annually.

Dr CONSTABLE: What is the cost of that for each person?

Mr PRINCE: About \$1 200 a person.

Dr CONSTABLE: What is the success rate? I know the minister does not have the exact figures, but we need to know what this outcome is about.

Mr PRINCE: That is a very difficult question to answer. A number of people go back a number of times, and some many times.

Dr CONSTABLE: Are they included in that figure of 1 000?

Mr PRINCE: Yes. If people are treated once and come off the drug, is that classed as a success? However, if they relax and go back on the drug, and then are treated again is that a second success? When they have done this five times and do not return, is that a success?

Dr CONSTABLE: The 1 000 people a year who are treated in rapid detoxification equates to 50 a week.

Mr PRINCE: The Health Department is doing that.

Dr CONSTABLE: Who is treating them and where are they being treated? I am asking specifically about the East Perth program.

Mr MURPHY: The central drug unit is a facility provided by the Health Department. A similar number of people are detoxified through the Salvation Army's service in Perth which is funded through WADASO.

Dr CONSTABLE: That is 1 000 a year through the Salvation Army, or 50 a week.

Mr MURPHY: Yes.

Dr CONSTABLE: What is the treatment?

Mr MURPHY: Is the member talking about residential detoxification? That is a specific detoxification service.

Dr CONSTABLE: What is the cost of that?

Mr MURPHY: Through the Salvation Army it is about \$850 a person. In some ways success from detoxification is measured by the number of people who go on to continuing treatment, rather than the number who stay drug free.

Dr CONSTABLE: Is the continuing treatment methadone?

Mr PRINCE: No, that is not detoxification. Methadone is an alternative narcotic; it is not detoxification at all.

Dr CONSTABLE: There are 2 000 people a year so far in detoxification programs in the two groups we have talked about.

Mr MURPHY: Yes, approximately.

Dr CONSTABLE: How many people are treated in the naltrexone program, and how many are funded by the State Government?

Mr PRINCE: First, I must correct the member; it is not a program.

Dr CONSTABLE: How many people are being treated at the Subiaco clinic run by George O'Neil?

Mr PRINCE: The Health Department runs a naltrexone treatment through Next Step, and there are 250 patients in that program at the moment.

Dr CONSTABLE: Where are they treated?

Mr PRINCE: At the central drug unit. Dr O'Neil has been providing a treatment service as a trial since 1997.

Dr CONSTABLE: How many people does he treat each year?

Mr PRINCE: He has run an approved clinical trial and also an unapproved clinical trial. He has approximately 150 patients at present. I was at a seminar with him on Thursday night, and his figures vary between 1 500 and 2 000 since mid-1997, for whom he has provided 3 000 detoxification treatments. Quite a number come back, and one young woman who spoke at the seminar last Thursday has gone back for detoxification five times.

Dr CONSTABLE: That may also be happening with other programs.

Mr PRINCE: Yes, that is the point I am making. People must be careful when talking about the figures because as Dr O'Neil clearly says - and many of his clients have said - some of them come back over and over again. He has dealt with, say, between 1 500 and 2 000 patients, for whom he has provided more than 3 000 detoxification treatments.

Dr CONSTABLE: What is the government funding to his program in the current financial year, and what funding will be provided to his clinic in the next financial year?

Mr PRINCE: An amount of \$600 000, including 220 in-patient costs.

Dr CONSTABLE: To whom?

Mr PRINCE: The Australian Medical Procedures Research Foundation for evaluation of his trial.

Dr CONSTABLE: In what year was that given to George O'Neil's program?

Mr PRINCE: It is spread over a number of years. This is for evaluation of his clinical trial program, which is under way through the University of Western Australia, and it includes about \$1 000 for each participating patient. Dr O'Neil also charges \$3 600 a patient for treatment and re-treatment. He incurs additional payments through Medicare, and patients pay something or nothing. That varies enormously.

Dr CONSTABLE: How much from that fund of \$600 000 is spent on each patient?

Mr PRINCE: About \$1 000. He made a submission for commonwealth funding in the first round of the national illicit drug strategy in early 1998, and applied for about \$1m. He was not successful, partly because the money was not available, and because of doubts about whether he could be funded as a private practitioner and whether the program could be funded at all because at that time naltrexone was not registered for use. He applied in the second round of submissions to the national illicit drug strategy late in 1998 and, again, was not successful. He is not a currently funded agency, and there are still doubts about whether he can be funded as a private practitioner. There are doubts about funding the program, because naltrexone is still not registered.

Dr CONSTABLE: Was WADASO in a position to support his application to the Commonwealth, and did it support his application?

Mr PRINCE: That sums up the position we put to the Commonwealth.

Dr CONSTABLE: How many patients are in the trial being funded at \$1 000 a patient?

Mr PRINCE: We funded 220 patients for the trial.

Dr CONSTABLE: When did that trial begin?

Mr PRINCE: He started in 1997.

Dr CONSTABLE: When did the funding begin?

Mr PRINCE: He is starting now with this one.

[5.40 pm]

Dr CONSTABLE: How many people are on the methadone program in Western Australia?

Mr PRINCE: At the moment 3 000.

Dr CONSTABLE: What is the estimated cost for the next financial year?

Mr PRINCE: About \$1 000 per patient.

Dr CONSTABLE: It is important to know this and that is what we are here for.

Mr PRINCE: Yes.

Dr CONSTABLE: What is the waiting list for the methadone program?

Mr PRINCE: Nil.

Dr CONSTABLE: The numbers do not add up. Going back to the detoxification programs, 5 000 people a year are saying they want to get off heroin and it appears about 2 500 to 3 000 are being treated through this funding. What is the waiting list for the Salvation Army program and the central drug unit program?

Mr PRINCE: It is virtually nil.

Dr CONSTABLE: Is the minister sure about that?

Mr PRINCE: Yes.

Dr CONSTABLE: I have heard it is several months.

Mr PRINCE: No.

Dr CONSTABLE: The numbers do not add up, if there are 5 000 people a year wanting to get off heroin and only 2 500 are being treated.

Mr PRINCE: I will ask Mr Murphy to explain that and I will then talk about Dr George O'Neil and naltrexone.

Dr MURPHY: There are a number of other services and not every drug-dependent person goes through detoxification. Every drug-dependent person has experience of detoxifying himself with or without support from general practitioners on a formal or informal basis. The member asked about specific services and the approximate numbers refer to people who use those services. However, a number of people enter other day treatment and residential services without going through detoxification.

Dr CONSTABLE: If some people are doing it on their own, does that mean that they cannot get into a program and that is the only alternative for them?

Mr PRINCE: No, many of them choose to do it on their own and choose not to go near a program. Seriously, they do. I will briefly talk about naltrexone which has been around for in excess of 30 years. It was developed and used during the late 1960s for people who were chronic alcoholics. It has been used extensively in the United States, the United Kingdom and elsewhere. It is registered in Australia for use in the prevention of relapse and maintenance treatment for alcohol and opiate dependence. It is not registered for rapid or accelerated detoxification for which Dr O'Neil has been using it. It is listed in the pharmaceutical benefits scheme for alcohol dependence only, not for opiate dependence. The pharmaceutical benefits scheme and therapeutic goods clearance are administered by the Commonwealth and the State has no ability, much to my disgust, to do anything about that other than lobby, talk and so on.

Dr CONSTABLE: Does that mean the State believes it should be recognised?

Mr PRINCE: I put that position very strongly to Dr Wooldridge as commonwealth Minister for Health on a number of occasions, both personally in meetings and also in writing, I think, but certainly at ministerial council meetings.

Dr CONSTABLE: Is the minister supportive of using naltrexone for heroin detoxification?

Mr PRINCE: Yes. Naltrexone costs \$6 per dose per day. Patients can receive naltrexone from the Health Department's Next Step Specialist Drug and Alcohol Service at no cost. As I said, 250 patients are being treated now in the Health Department's Next Step program. That is a clinical trial to compare modes of naltrexone treatment that includes rapid induction onto naltrexone as well as other things. There is a doctor in Tel Aviv who strongly advertises an ultra-rapid detoxification. He anaesthetises people, uses naltrexone and other drugs to detoxify them, charges them about \$US10 000 and sends them home. He might charge more these days, as that was two to three years ago. Dr O'Neil was doing similar things in a small way back in 1997.

Dr CONSTABLE: But not charging or not charging like that?

Mr PRINCE: Not charging as such. Naltrexone was available then only as an orphan drug, which is a drug available to be imported into Australia under a particular section of therapeutic goods. The Government has supported Dr O'Neil in a trial as the Commonwealth will not allow pharmaceutical and therapeutic registration without a clinical trial. As the former Minister for Health, I have negotiated over the years with Dr O'Neil extensively, as does the current Minister for Health, and as has Mr Murphy to try to gain permission for Dr O'Neil to run a clinical trial with control groups and all the rest of it - originally he was doing it through St John of God Hospital - so that we could have a set of scientific data which was capable of peer review and we could then use it to say, "Now do this." So far that has not happened. However, fortunately, or unfortunately, whichever way one looks at it, that is what must happen. If members think that members of the scientific establishment are somewhat conservative about this matter, the answer they always give to me when I raise it is, "Thalidomide." They say the scientific method requires us to do this. Dr O'Neil has sought various aid from the State Government. There is no doubt that the Government would be at risk if it funded a program other than a trial using naltrexone for a purpose for which it is not registered. Naltrexone is not a magic solution. It does not work for everybody. A number of people wind up with multiple treatments. The effect of the drug is such that it can be overcome; people sometimes stop taking it. As George and many other people say, the secret to success is largely in the support network that is built around a person. The best support network is the family and George proselytises, and so do I, that this is the secret to success of getting someone off drugs, whether it be through naltrexone or any other way, but certainly through naltrexone. The number of times that people relapse is largely related to the lack of a support network and the fact that they still live within the same group of people who are the peer pressure group who got them into drugs in the first place. They really must make that huge separation, as many of his clients who have done that testify.

There are problems with liability. As a state, we simply cannot fund him for a program using a drug which is not approved. We cannot do that. If we can get the trials run with clinical proof accepted by the scientific community, we will pay the

\$150 000 for therapeutic goods clearance so that fee hurdle will be overcome. However, until we run a trial which has the scientific evidence, we cannot ask for therapeutic goods clearance because the Commonwealth will not give it.

I have spoken about Dr O'Neil's applications under the national drug strategy. The effectiveness of naltrexone is interesting. International research indicates that it is characterised by a high drop-out rate of 15 to 20 per cent. People continuing treatment at 12 months is considered unusual and Dr George O'Neil's published reports indicate something similar. He published a trial report in March 1999 which indicated the average duration of treatment is four months; 21.5 per cent are in treatment for more than six months; and 4.1 per cent are in treatment at 12 months. He also said that the rates of illicit drug use while on naltrexone, compared with methadone, are interesting. People on naltrexone and taking other opiates show up as 2.9 per cent; on methadone, 17.1 per cent. However, people on naltrexone who also take amphetamines show up as 22.3 per cent; on methadone, 3.7 per cent. The difference is that an opiate does not work with naltrexone but it does with amphetamines. Therefore, a person can still take amphetamines and still be on naltrexone and get whatever it is by way of pleasure from amphetamines by still being on naltrexone. People who take benzodiazepines when on naltrexone show up as 67.7 per cent; on methadone, 25.7 per cent. People who take cannabis and naltrexone show up as 46 per cent; on methadone, 21 per cent. In other words, there is a variation but those figures indicate that a significant number of people on naltrexone are using other drugs. Poly-drug use occurs anyway. People on methadone use other drugs. Dr O'Neil said in some later presentations since March last year that the cumulative abstinence rates - that is, people who lapse and are retreated - are well over 50 per cent and perhaps as high as two-thirds. On the basis of that research, there is absolutely no doubt that naltrexone has a potential role as a maintenance medication with selected, highly motivated people, but particularly with a support network surrounding them. There are other drugs that can be used such as long acting methadone, buprenorphine and others that are also the subject of clinical trials around Australia, most of which were started in 1998 and which came out of the Minister for Health's ministerial meetings. Even the company that sells naltrexone in Australia, Orphan Australia Pty Ltd, promotes its use for alcohol dependency and not for opiate dependency. Clinical trials on naltrexone are being conducted not only in this State but also in New South Wales, the Australian Capital Territory, Queensland and South Australia. When the people conducting those trials are able to satisfy the scientific community, I hope that we will be able to have naltrexone registered under therapeutic goods. I sincerely hope that what we will be able to do with it is what we have done with methadone, namely have community treatment through selected and trained general practitioners, so that we will be able to say that naltrexone is another alternative way of people defeating addiction, as is methadone, detoxification and so on - there are many ways.

[5.50 pm]

Ms ANWYL: On page 380, outputs for drug abuse strategy coordination, treatment and prevention services show a drop of around \$400 000 from the current year to next year's projected figure. By way of supplementary information, may I have some further information on how those moneys will be spent, so that we can make a meaningful evaluation?

Mr PRINCE: I am seeing whether there is a simple one sentence answer.

Ms ANWYL: There will not be, because the amount is \$13.6m.

The CHAIRMAN: We will give the minister an opportunity to answer.

Mr PRINCE: It is an accrual accounting issue, so we can provide the answer by way of supplementary information.

Ms ANWYL: On page 382, one of the key effectiveness indicators for this current year is an estimated increase in drug use of 2 per cent. I do not want to know the detail of them, but what are the three major, relevant surveys? I would like a copy of the results of those surveys. Are they recent? Which particular area of drug use has increased? I note that the projection is for a decrease of 1 per cent next year. Is that perhaps a little too pessimistic?

Mr MURPHY: Three surveys are held in consecutive years. The first is the national household survey, which has a substantial Western Australian sample; the second is the Australian secondary students alcohol and drug survey, which also has a substantial Western Australian sample; the third is the tobacco, alcohol and illicit drug community survey, which is undertaken only in Western Australia. As I have said, each is undertaken on successive years. The last students survey published was from 1996; the last Western Australian tobacco, alcohol and other drugs community survey was in 1997; and the last national household survey was in 1998. That is when the data was collected. They were published a couple of years later. We are currently awaiting the latest secondary students survey. Those surveys are published and widely available. We will send the member the latest copies.

Ms ANWYL: There is no need. As a member of the Select Committee into the Misuse of Drugs Act 1981, I am fully familiar with those. I presume the department concedes the figure is fairly nebulous and the department does not have up-to-date detail of drug consumption in this State.

Mr MURPHY: I can quote a range of statistics. That is a composite figure for capturing trends in tobacco, alcohol and illicit drug use, showing whether the figures are heading up or down. If the State can achieve a minus 1 per cent rate this year, it will be doing better than national trends. That is an optimistic forecast, as it should be.

Mr MARSHALL: The second last dot point of significant issues and trends on page 379 contains an observation that adult alcohol consumption has declined over recent years. However, there is a significant level of at-risk drinking among young adults and youths. I am told that sales of Carlton Midstrength Bitter Beer are breaking all records nationally. I noticed from yesterday's newspaper that the Swan Brewery has developed a mid-strength bitter to combat Carlton's enormous sales. The number of sophisticated red and white wine drinkers seems to be greater than ever before on the basis of sales. I believe

that youths drink high alcohol mixed drinks. I wonder whether that generalisation can be narrowed a little and whether there are figures for the basis of that statement under significant issues and trends.

Mr PRINCE: Alcohol consumption peaked in this State in the late 1970s when it reached an average of 14.5 litres of absolute alcohol per capita. It had declined to 9.9 litres per capita by 1990-91 when consumption remained fairly stable. The major factor in bringing about the decrease of 31 per cent was probably the development of random breath testing, and the campaign that supported those deterrent penalties for driving with high blood alcohol levels of 0.08 and subsequently 0.05. Alcohol consumption has increased in the past 10 years and at 1997-98 was back up to 12.8 litres of absolute alcohol per capita. Therefore, it had a significant increase, a plateau and then a rise.

It is thought that the major factor in the recent increase is the growing level of alcohol use by young people. There is also a shift in alcohol consumption from beer to spirits and wine, particularly spirit mixes with other drinks, particularly those that are carbonated and sweet. Data from the 1998 household survey, to which Mr Murphy referred, shows that three out of every 10 male drinkers and just over one-third of female drinkers drink at a level which is classed as "drinking at-risk in the past week"; in other words, they have had too much. There are many concerns about alcohol use by young people. Over one-quarter of males and one-third of all female students aged 16 to 17 years are "drinking at-risk in the past week" according to the survey results. I suggest that those who go for mid-strength beer are not representative of the problem. It is representative of what has happened to beer consumption and the way in which beer drinkers have changed. The problem drinkers are young people who are going for high-alcohol mixed drinks and/or wines which are of course also high in alcohol.

Mr MARSHALL: Is a campaign envisaged to educate young people about the dangers of drinking a high level of alcohol?

Mr PRINCE: I appreciate that with the lifestyle the member and I live, we do not get to watch much television. However, I can assure him that many campaigns have been run, are being run and will continue to be run. Some of them have been quite extraordinarily effective. Public health campaigning in this State has become very clever - it is probably the best in Australia, although Victoria would challenge that. From experiences with Quit and other areas, we work up a concept, test it on a focus group, come back to it again, test it on a focus group again, and then run it, followed by something different and so on.

Mr MURPHY: The most recent of the alcohol campaigns aimed at youth was a national campaign supported by the State with funds being put in by the State. It had a significant emphasis on the dangers of young boys drinking spirits.

Sitting suspended from 6.00 to 7.00 pm

Division 55: Police Service, \$440 406 000 -

Mr Bloffwitch, Chairman.

Mr Prince, Minister for Police.

Mr B.E. Matthews, Commissioner.

Mr B.J. Brennan, Deputy Commissioner, Operations.

Mr D.H. McCaffery, Acting Deputy Commissioner, Administration.

Mr J. Frame, Director, Human Resources.

Mr R.G. McDonald, Director of Finance.

Mr S.W. Jones, Director, Asset Management.

Mrs ROBERTS: I will start with some questions of which I gave the minister advance notice. I believe he received a fax yesterday. The first question relates to capital works and refers to page 1069 of the *Budget Statements* which indicates the forward estimates for the capital works program are \$17.7m in 2001-02; \$17.2m in 2002-03; and \$30m in 2003-04. Will the minister provide a list of projects included in these estimates and the associated funding for the projects? What is the projected number of additional police officers who will be recruited from 2000-01 to 2003-04? What is the associated cost of employing these additional officers? What is the average cost of employing a police officer in Western Australia, including salary and other staffing costs? What is the average cost of employing an Aboriginal police liaison officer in Western Australia, including salary and other staffing costs?

Mr PRINCE: I thank the member for some notice of this question; it has enabled the information to be found. I have it here in written form. I am not sure whether I can table it as an answer or if I have to speak.

The CHAIRMAN: Documents cannot be tabled in committee.

Mr PRINCE: I am happy to give the member for Midland a copy of this document.

Mrs ROBERTS: That is appreciated, minister.

The CHAIRMAN: The question has been asked. It would be a good idea if the minister read the answer.

Mr PRINCE: I shall. Other members might like copies as well. Relating to the capital works program - and I will ask Mr Jones and Mr McDonald to amplify the answer to this - under the works in progress and completed works, the figure for

the non-leased and non-standard vehicle replacement program in 2001-02 is \$1m. For the police academy for 2001-02, the figure is \$2.212m. For 2001-02 - the member for Midland would be pleased to hear this - under the police operations support facility the figure is \$15.170m; and for 2002-03, \$13.089m.

Under the heading of new and replacement facilities, the South Perth-Victoria Park Police Station, \$2.650m. By way of explanation, two police stations are to be closed - they are Victoria Park and South Perth - and a new police station is to be built in a different location to take over their functions. That brings us to works in progress and completed works. The total for 2001-02 is \$21.32m and for 2002-03, \$13.89m. Under the heading of new works commencing 2001-02, yet to be allocated, the figure is \$1.708m and new works commencing 2002-03 yet to be allocated, is \$4.119m. Under the heading new works to be completed, commencing 2003-04, yet to be allocated, the figure is \$30m. Land sales, 2001-02, less \$5m. The total figure for the capital works program for 2001-02 is \$17.740m; for 2002-03, \$17.208m; and for 2003-04, \$30m.

In answer to the question about the projected number of additional police officers recruited each year, over the years 2000-01 to 2003-04, the answer is none. As to the second question about the associated cost of those police officers, the answer is not applicable. What is the average cost of employing a police officer in Western Australia including salary and other staffing costs? The estimated average cost of a police officer on an accrual basis is as follows: Including all expenses incurred by the Police Service and attributable to sworn police officers, the average accrual cost is estimated to be approximately \$80 700 per annum, calculated on the current authorised sworn strength of 4 698 police officers. The estimate is inclusive of expenses incurred for salary, other staffing costs and all other costs such as vehicles, accommodation, uniforms, etc that are necessary for sworn police officers to perform their duty.

The estimated average cost of a police officer on a cash basis, including all cash outlays by the Police Service, and attributable to police officers, is estimated to be \$73 800 per annum, calculated on the current authorised sworn strength of 4 698. The estimate is inclusive of cash payments for salary, other staffing costs and all other costs as detailed above.

As to the average cost of employing a police liaison officer in Western Australia, including salary and other staffing costs, the estimated cost on an accrual basis, including all expenses incurred by the Police Service - it is assumed that Aboriginal liaison officers' costs are similar to those attributable to sworn police officers - is estimated to be approximately \$51 900 per annum, calculated on the current sworn strength of 104 Aboriginal liaison officers. The estimate is inclusive of expenses incurred for salary, other staffing costs and all other costs, such as vehicles, accommodation, uniforms, etc that are necessary for Aboriginal police liaison officers to perform their duty.

The estimated average cost of an Aboriginal liaison officer on a cash basis is as follows: Including all cash outlays by the Police Service and based on the assumption referred to immediately above and attributable to police officers, the cost is estimated to be \$45 500 per annum, calculated on the current authorised sworn strength of 104 Aboriginal liaison officers. The estimate is inclusive of cash payments for salary, other staffing costs and all other costs as detailed above.

I ask members to note that the major difference between the accrual estimate and the cash estimate is that the latter excludes non-cash costs such as superannuation and depreciation. The actual cost of employing individual police officers and Aboriginal liaison officers will be driven by a number of factors: Rank and applicable salary rates and location. Examples are costs specifically applying to country areas, including district allowance, 44-hours allowance, housing costs and transfer costs. Under the heading of duties, for sworn police officers particularly, costs incurred will differ between non-operational officers, general duties officers and specialists such as detectives and scenes of crime officers. Examples of cost differentials are: Overtime, shift allowances, information allowances, plain-clothes allowances, vehicle costs and specialised equipment and consumables.

All this information has been prepared in the time the member allowed, which is fine, and from the available information, but there have been some limitations as a result. Some assumptions have had to be made. This particularly applies to the "all other" costs category where assumptions have been made as to the cost splits between the various employment types; for example, sworn officers, Aboriginal police liaison officers, unsworn officers, traffic wardens and the like. I will ask Mr Jones to amplify on the headings for new works. Mr McDonald prepared these figures, but he does not have any comments to make. However, Mr Jones will comment on the capital side of things.

[7.10 pm]

Mr JONES: The Western Australia Police Service has a wide variety of demands upon the capital program and until we resolve a number of outstanding issues, it is difficult for us to allocate 2002-03 and 2003-04 funding at this stage. It is clearly an issue of achieving a balance between information technology and capital construction projects and we will need to spend a significant amount of time this year on understanding just which of those will be a corporate priority.

Mrs ROBERTS: I have some questions about specific police stations. I understand that there has been a long-promised new police station for Albany.

Mr PRINCE: That is right.

Mrs ROBERTS: Are budget restrictions causing the delay there?

Mr PRINCE: I do not think that it has been long promised. Since I have been the local member, since February 1993, I have said that we need a replacement police station. In the past three or four years I have expressed that view on a number of occasions, both when asked and on my own initiative. That is because I have a view, as the local member, that the current station is a deplorable building. It is truly representative of just about everything I think was ever built in the 1960s;

that is, it is a poor facility and should never have been built. It should be now recorded on film and then demolished. Putting that to one side, there is the question of priority. I have said that to the officers in Albany and elsewhere. It would have been nice, as the local member, to have delivered a new police station as Minister for Police. When one is spending something in the order of \$60m on a training academy and operations centre, both of which have arguably far more importance, not only for the service today but also into the next several decades - particularly a training academy, a place not only where recruits are trained but officers are up-skilled, refreshed and retrained during their working lives - that facility has, arguably, a higher priority than a new Albany police station. The state operations centre will cater mostly for the Perth metropolitan area, in which 80 per cent of people live. It still, nonetheless, has a statewide remit and is of great importance. I trust that the member for Midland will note that it is in her electorate. To some extent I am doing something for her electorate rather than doing something for mine.

The Albany Police Station is located a few hundred metres down the road from the courthouse. The courthouse was completed in the early 1890s. It is a heritage building and is operational but needs to have a fair amount of work done on it as well. Experience of recent times - Geraldton is a case in point - shows that we need to collocate police and Ministry of Justice facilities together and so wind up with a clear benefit by having, for example, one set of cells. At the moment, in Albany, a person who is not considered dangerous but who is in custody may be walked along the road to and from the court or may be driven in a van or whatever the case may be. It is highly inconvenient for the police officers concerned and it is also not good practice and not good security. It will be far better to have the two facilities located on one site so that there is a degree of security and collocation of facilities such as holding cells. I have been discussing at some length with the Attorney General the question of the addition to and rebuilding of the courthouse as well as the police facility alongside. He also has a number of Ministry of Justice facilities scattered around town. The police station in Albany holds only a certain number of people - the traffic people are somewhere else, the regional office is somewhere else, and so on. We want to end up with one complex which will house all the police resources and all the Ministry of Justice resources in Albany. That is a substantial exercise and will probably cost in the vicinity of \$10m between the two. Initial planning has been done and some concept drawings are being prepared. In general terms, the shape of the complex has been determined. The Heritage Council has recently listed two of the houses that sit on part of the land concerned, so that raises heritage considerations that must be worked around, all of which comes to a situation where, as much as I would like to have been able to deliver a police station in Albany this year, it has not been possible. I hope that it will be possible in the next year or so, particularly when the major works of the academy and the operations centre are close to being completed. As Mr Jones has said, there is also the requirement to deal with the information technology capacity and the communications capacity for the police across the State. I am conscious of those priorities.

Mrs ROBERTS: I have a question on the priorities of the police academy and the operational support facility. In January 1999 a Delta update was released which stated that both those facilities would be completed in 2001. Given that the academy has been financed and progress is on schedule, why has the operational support facility in Midland not progressed? I note that the academy is to receive \$32.9m of its \$45m budget this year but Midland will get only \$10.5m, with nearly \$28m of its budget still outstanding.

Mr PRINCE: The academy was delayed somewhat due to the land parcel. It was found that some of the land was on an A-class reserve and it had to go through Parliament in a reserves Bill before we could do anything. That caused a bit of the delay. With regard to the operations centre, I think that Mr Jones is perhaps the most informed.

Mrs ROBERTS: I have one more question on the operations centre which he can answer at the same time. The Premier's budget statement released for the Hills region on 11 May stated that most of this year's allocation towards the four-year \$42m project will go towards the purchase of land and stage 1 of the project. I am anxious to know what the cost of the land is and when stage 1 will be complete.

Mr PRINCE: Is the member trying to help her election prospects?

Mr JONES: There have been some delays with the availability of land. The introduction of the Midland Redevelopment Authority has substantially improved that situation. Essentially the land will not be available for us to construct on the site until probably July of this year. Our intention was to facilitate the delivery of the CADCOM facility this financial year. That means that we will be commencing and probably going to tender in July or August. We hope to be on-site soon thereafter. We have a time frame for delivery of that facility to be completed by February of next year to enable BAE to start fitting out. In terms of the program itself, we have always intended to proceed with CADCOM at the earliest opportunity that we could. Conjointly with the CADCOM facility, we will be finalising design for 1B, which will consist of the forensic facility, the canine and mounted sections and all the other facilities that will go into workshop 3. We hope to be on-site and commencing construction of those facilities in February next year. We would then hope that, given a 10 to 12-month completion period, we will deliver the project by mid 2002. That is dealing with stage 1, which has been funded thus far. The cost of the land is something that is yet to be decided. We are still debating with the Midland Redevelopment Authority the actual perimeter of our facilities - 95 per cent of it is there. There are some issues that need to be resolved in terms of what is below the ground and the remediation costs, and I am willing to provide those to the member once the valuations have been finalised and we have successfully negotiated not only the purchase of the land but also the lease agreement for workshop 3. It was always intended that the funding arrangement would be over a three-year period. The construction program that we have developed will provide for the operation centre to be completed early in fiscal year 2002-03.

Mr PRINCE: CADCOM is an abbreviation for computer aided dispatch and communications.

Mrs ROBERTS: I know that.

Mr PRINCE: I know that the member for Midland knows that. Others in the committee may not know that. It is an absolutely critical component of the re-engineering of the command and control organisation.

Mrs ROBERTS: I am quite anxious to avoid the 20 minutes that we spent on CADCOM at the last estimates committee hearing.

[7.20 pm]

Mr PRINCE: Go on!

Mrs ROBERTS: During the last estimates committee hearing, we spent about 20 or 30 minutes hearing about that. If other members are unaware of it, maybe they could read the transcript of last year's estimates committee hearing.

Mr MARSHALL: The minister would be disappointed if I did not ask this question. I have been looking through the capital works budget for 1997. Over the last two or three years a mobile police van has been placed in the shopping centre in Falcon. As a result of all the research that was collected by the police in that van, it was identified that there was definitely a need for a police station in Falcon. No-one could have envisaged the increased population in that area and the increased traffic of 11 000 vehicles a day five years ago. On long weekends and on public holidays, there are up to 14 000 vehicles. A new primary school called Florida is being built to the south of the Port Bouvard bridge, and a new middle school for secondary schooling is being built at Halls Head. Dawesville is the largest country electorate in Western Australia, and the estuary bridge, which is a hazard, has meant that south Mandurah has been cut off, giving it an identity of its own. Land has been identified by the Police Service for a police station.

Ms ANWYL: Is there a question?

Mr MARSHALL: However, I cannot see any capital works item listing it there. Forgive me if I have missed it. Can the minister tell me what has gone wrong?

The CHAIRMAN: We want sharp questions and shorter answers.

Mr PRINCE: The member for Dawesville has been diligent in pressing this matter, and matters are proceeding. Mr Jones handles matters concerning property and the Department of Land Administration, which, as the member would understand, is the critical part of this. Mr Jones has some information for the member.

Mr JONES: I understand that DOLA wrote to the member on 3 April regarding the alternative methods for acquiring this site - and I can only talk about this site. The Minister for Lands also responded to the member on 5 May, indicating that two options were to be considered. Those options were, first, that DOLA could grant a licence to the Police Service to enter the site and commence construction, with the land purchase to be finalised on completion of construction; or, secondly, that the Police Service pay a deposit for the land, with the balance payable by instalments. In either case, the Police Service would be required to purchase the land at market value.

The regional manager from DOLA has visited the site and agrees in principle with the proposed development by the Police Service. He is currently organising a valuation and has written to a variety of the agencies involved, including those people involved with the native title arrangements, to seek clearance to deal with the land. However, I must point out that the procurement of a parcel of land does not necessarily demonstrate that the Police Service at this time sees the construction of a facility on that site to be of a sufficient priority to warrant it being placed in front of other business that it considers important to the activities it is undertaking. That decision would need to be made at Police Service command level, identifying or recognising, as previously stated, the information technology issues and issues relating to Albany and other stations across the State.

Mr PRINCE: It is progressing.

Mr MARSHALL: I thank Mr Jones for that report. I would like it noted that the purchase of that land would give confidence to all the people in that electorate that they are being noticed and that the incidence of crime in that area will be looked at in the future.

Mr JONES: We have certainly asked for the land to be set aside for police purposes, and DOLA is acting on that.

Mrs ROBERTS: On page 1072, I refer to the output mix for 2000-01 under dot point 3. Reference is made to the increased use of task forces, and there are many other references to that throughout the budget papers. In previous years, I note that I have asked about the cost of the Macro task force. How many police officers are currently engaged on the Macro task force? What was the cost of the Macro task force for 1998-99? From where will the funds come if, during the year, another incident occurs necessitating more resources for the Macro task force? I am also interested in the cost of the surveillance of the chief suspect in the Macro case for 1998-99 and for this financial year to date. How much did the fibre and other forensic analysis done by the Federal Bureau of Investigation in 1999-2000 cost the Western Australia Police Service?

Mr PRINCE: Having discussed the matter briefly with the commissioner, I am happy for Deputy Commissioner Brennan, who is the operational commander, to answer that question. Without knowing what he will say, I proffer the caveat that it may well be his opinion that some of that information should not be made public, and I trust the member will respect that if he says so. I do not know whether he will say that.

Mrs ROBERTS: Certainly. I asked in 1998 what the costs were for the Macro task force, and I was told they were \$880 000, of which the Secure Community Foundation paid \$145 000, so I anticipated that those kinds of figures would be available again.

Mr BRENNAN: The figures I can provide are approximate. First, the member for Midland asked about the numbers of people now on the Macro task force. Currently, between eight and 10 people are working on what we call outstanding serials, which are leads that need to be run to ground and dealt with. That is the current staffing situation. That is being reviewed monthly by the officer in charge of the major crime division. As necessary, that is scaled up or down, depending on the importance of the information. Dealing with the costs for the 1999-2000 year, the figure that comes to mind is that it was in the vicinity of \$300 000 for the Macro task force, and there has been an amount of money from the Secure Community Foundation for a specific forensic specialist whom we brought to this State from America. That was paid for by the Secure Community Foundation. I missed some of the member's questions concerning surveillance.

Mrs ROBERTS: I also wanted the cost of the Macro task force for 1998-99. I appreciate that that exact figure, and maybe the exact figure for 1999-2000, as well as the contribution of the Secure Community Foundation, could be provided by way of supplementary information. The surveillance question I asked was: What was the surveillance cost for the chief suspect in the Macro task force case in 1998-99 and in this financial year to date? Also, it was reported that fibre and other forensic analysis was done by the FBI. I believe material was sent to the United States earlier this year. What was the cost to the Western Australia Police Service?

Mr PRINCE: I am advised by the commissioner and deputy commissioner that they are happy for the gross cost of the Macro task force and the amount of money that has come from the Secure Community Foundation to be revealed, but the break-up is something that they would, for operational and security reasons, prefer not to give.

Mrs ROBERTS: I take it that money was paid to the FBI for that analysis?

Mr PRINCE: I am not sure.

Mrs ROBERTS: Can that be confirmed or not?

Mr PRINCE: It was not paid to the FBI - not this year. Money from that fund was used to bring somebody to Western Australia.

Mrs ROBERTS: There was a report in the newspaper earlier this year that forensic material was being sent to the United States.

Mr PRINCE: It may have been sent to someone who was formerly employed by the FBI and who is now an independent forensic consultant. I am advised that the gentleman concerned was a former officer of the Federal Bureau of Investigation and no money was paid to the FBI.

[7.30 pm]

Mrs ROBERTS: Was no forensic material sent to the United States?

Mr BRENNAN: A forensic officer travelled to the United States and he took certain specimens with him. That is as much as I am prepared to divulge at this stage.

Mr NICHOLLS: I was in the other committee for the commencement of this section so I apologise if this matter has been covered. The second dot point under major initiatives at page 1083 refers to enhancing partnerships with relevant agencies to develop proactive road strategies, including driver education. If the minister will forgive my saying so, that sounds like a laudable rhetorical statement. What does it mean? Will it link with the Department of Transport for driver training programs within schools? Is it done on the basis of a community awareness campaign or is it another activity that will fit into the road safety strategies?

Mr PRINCE: Yes; it is not rhetorical and it has substance.

Mr McCAFFERY: A large number of community initiatives have been brought forward to the Western Australia Police Service by people within the community, some of which stretch into the remote communities where we are buying go-carts to teach young indigenous people how to drive on gravel tracks. Stop signs and give-way signs are erected and 6 and 7 year olds are involved. Some of these initiatives are used to encourage young indigenous people to spend a day at school. Since that program has begun, initiatives have come out of the south west where large community groups are getting together and running training programs on old roads in milling areas. Hyundai Automotive, for example, with a number of major community groups, is running a RoadWise driver education program. Hyundai supplies the vehicles to the WA Police Service.

Mr NICHOLLS: Is this part of a structured driver training program? I am leading to the go-cart initiatives because there is a wide benefit from progressing that initiative. Is the Police Service developing that or is it assisting in conjunction with another group?

Mr PRINCE: Safer WA encompasses many things. The basic tenet of Safer WA is local solutions to local problems. I know of a scheme which involves three-quarter size sprint cars in Derby. They are not the full size sprint cars; they are smaller ones for teenagers. A chap in Derby has built them and wayward youth in the area are encouraged to go to him and he teaches them to drive competitively. If they misbehave they are not allowed to be there. That is not only driver training

but also proactive policing by a non-police officer aimed at redirecting young people out of what would be otherwise criminal behaviour into more constructive pursuits. That is an example that perhaps should be under the umbrella of Safer WA. What Mr McCaffery was referring to is similar but not necessarily under the umbrella of Safer WA. If the potential exists for that sort of local solution, it works.

Mr NICHOLLS: I am very supportive of local solutions. I am leading up to the issue of drag-racing. A recent article in the newspaper was about the police breaking up local, organised activity involving drag-racing on public roads. I wonder whether we have placed too much emphasis on using a big stick to get drivers to drive safely or to get home the road safety message and in doing so have missed many opportunities to develop awareness and skill levels such as braking distances, speed and controlling vehicles on gravel roads, particularly among people under the official driving age.

Road safety could be better enhanced by putting more emphasis on programs such as the go-cart programs and others that remove young people from the road after they get their licence, but before they have sufficient experience to allow them to learn the skills in an environment that is fun but does not place them in danger of hurting themselves or other road users.

Mr PRINCE: I understand the thrust of the question asked by the member for Mandurah. I will ask Mr Brennan to tell you what is happening in the Joondalup district. Someone will tell you about Tango 1 and I will encourage Grant Dorrington to speak to you.

Mr NICHOLLS: I look forward to hearing from Grant.

Mr PRINCE: The member must listen to him.

Mr NICHOLLS: I will always listen to him.

Mr PRINCE: Road awareness education starts in primary school and continues through to secondary school. The member for Mandurah is referring to a vastly more structured or detailed experience of a practical nature with a vehicle before a licence is obtained. That is coming in by way of changes to the licensing system, much to the chagrin of my 17-year-old son, who does not have his licence yet, and who will be caught by the system. I agree with it. A number of individual things are being done around the place.

Mr BRENNAN: A number of problems were occurring at Joondalup with local youth; they generally stemmed from boredom and involved fast, powerful motor cars, exceeding the speed limit, leaving "doughnuts" on the road and playing up generally due to antisocial behaviour, and this was causing disruption at Joondalup. A program was organised whereby Barbagallo Raceway in Wanneroo was hired and all those young people were invited to go there to race in controlled conditions and test their cars. They are also given safety messages that they take on board.

Tango 1, the vehicle that has been sponsored by General Motors-Holden's Automotive Ltd also appears there. If the youngsters do well in their heats they are allowed to challenge Tango 1.

The member for Mandurah is right, a progressive education scheme is important and it can involve even children with pushbikes. In some of the towns in our outlying regions there is a battery of pushbikes. If the youngsters behave themselves they get to ride the pushbikes. If they do not go to school, they are not allowed to ride them.

This progresses to young people who have just got their drivers licences and have powerful motor cars so they can learn in a controlled environment the right things to do as opposed to the wrong things. The Joondalup project is current, it is working and it is extremely popular. It began with only a handful of people, but I understand it has almost reached the stage where some youngsters are being told they cannot be accommodated, but they can watch and come to the next meeting. It is a successful initiative and well intentioned.

[7.40 pm]

Mr NICHOLLS: It is building on the Blue Light disco concept.

Mr BRENNAN: It sort of does, if one goes back that far.

Mr NICHOLLS: It is getting the police involved in a constructive way.

Mr BRENNAN: It is getting the police involved in social crime prevention issues. At one time it was felt that it was not our job. Now it has been said that if we can get upstream and start dealing with some of the causes rather than the effects, we will be better off. It has proved to be the case for us.

The CHAIRMAN: I was very disappointed to hear that we will not get any more police next year. The minister knows the problems I have in Geraldton. Often there will be two out of eight officers who are on watch. This makes it very difficult. I do not see any alternative other than enlisting more police. I ask the minister to rethink his proposition.

Mr PRINCE: In round terms there are 4 800 police officers in this State. By comparison with all the other States in Australia - that is a reasonable comparison because we are part of Australia - we have more police for our population than anywhere else, apart from the Northern Territory which is a special case. On a police to gross population ratio, we have significantly more officers than any other State. Granted, this is also the only State which is both tropical and temperate. The State is 2.5 million square kilometres in size. It is the most urbanised State of Australia, with about three-quarters of our population in one metropolitan area and significantly large proportions of the rest of the population in provincial cities, of which the Chairman represents one, I represent another and the member for Kalgoorlie represents a third. How the police

are deployed and the formula by which that deployment is driven is something I know the commissioner has addressed. We have more police per head than any other State, and they are also better paid than those in any other police service in Australia. How they are deployed is a matter for the Police Service to determine, which is basically the command group, some of whom are here tonight. It would be appropriate if the commissioner or any of the other senior officers said a few words about this.

The CHAIRMAN: Before the commissioner does, I point out that I have been told that there is one police officer for every 330 people in Perth, but there is one police officer for every 3 500 people in Geraldton.

Mr CUNNINGHAM: The Chairman is very upset because Joondalup has gained Inspector Bob Colton from Geraldton, so he was worth much more than that.

Mr PRINCE: He is an excellent officer. I very carefully and deliberately made the point in talking about the police to person ratio across Australia. That cannot be used as the sole determinant for deployment within Western Australia or any area, because a number of other factors must be taken into account, including the rate of criminality; however, that is not the only factor either.

The CHAIRMAN: That is pretty high in Geraldton, too.

Mr MATTHEWS: In terms of the numbers of police, the first thing that must be done as an agency is to ensure that the use of the current numbers is being maximised. I have formed the view - I do not know whether there is much disagreement - that we need to review the way we have deployed and distributed officers throughout the State, including Geraldton, the rest of the rural areas and also the metropolitan areas. There are some obvious imbalances, and it is a matter of looking at the environment which impacts on policing. Population is one factor, and there is a range of others. That must then be put into a formula which ensures there is an equitable distribution across the rural and metropolitan areas. Some reasoned judgment should then be applied to that formula, so that it is not driven by a mathematical formula. I anticipate there will be some shift and redeployment of some of the resources in both rural and metropolitan areas. At this stage we do not know what the formula will produce, but there is likely to be some changes throughout the State, and Geraldton may benefit from them.

Mr PRINCE: With the advent of the contractor taking over the responsibilities for court security and prisoner transport, the equivalent of 96 police officers will be released for front-line duty. A number of those are already front-line police officers who spend some of their time not doing front-line work. That will enable a better distribution. How the officers are distributed is up to the Police Service.

The CHAIRMAN: With the numbers we have in Geraldton, eight police officers are on leave all the time.

Mr PRINCE: Of course, with the leave and the shift work.

The CHAIRMAN: The minister must make allowances for that. That is why we need extra staff.

Mr PRINCE: Advantages can be gained from working smarter and using technology and information. One of the examples which I saw today is graphically illustrated in two maps. This is crime mapping for the Cottesloe area. The orange dots are burglaries. One map is for 1 March to 31 March and the other is for 1 April to 31 April. Members can see that there has been a huge reduction. The new incident report mapping system enables this to be done overnight, whereas previously it was taking days if not weeks. It has been trialed in Cottesloe for 12 months. It has been rolled out as part of the new information upgrade across the State. The police officer in charge of the station can pull up that map first thing in the morning, hand it to the constables on duty and off they will go. The result in Cottesloe was a significant reduction in the crime rate. The Press reported it as an average fall of 51.85 per cent in one month. That was the biggest fall in 14 months. Burglaries on commercial premises fell 58 per cent, burglaries on dwellings fell 58 per cent, daylight burglaries fell 62 per cent, graffiti fell 56 per cent and so on. The point I am making is that if we can use information intelligence and act quickly, we can reduce the crime rate without increasing the number of police officers.

The CHAIRMAN: The minister can have that opinion; I do not have that opinion.

Mrs ROBERTS: The fourth dot point on page 1071 refers to the clearance rate for offences continuing to improve. Again, there are other references to clearance rates throughout the estimates. What constitutes a cleared crime? What categories of things go into the clearance rate? I would assume that if a person has been charged, that would go in; however, I understand other categories are also regarded as cleared.

Mr McCAFFERY: A range of categories go into the rate. The main ones are, first, when an offender is found, and, secondly, when we charge somebody and he or she appears before the court. If an offender is found not guilty and the police deem there be no further action, that is also considered a cleared offence.

Mrs ROBERTS: Are they the only crimes regarded as cleared, or are crimes that are determined as incapable of being solved also listed as cleared?

Mr McCAFFERY: No, they are not. They are crimes that stay unsolved.

Mrs ROBERTS: Are the crimes which have been listed the only categories which go into the clearance rate?

Mr McCAFFERY: That is right.

Mr PRINCE: There is no statute of limitation for crime, so they all remain unsolved.

[7.50 pm]

Ms ANWYL: Is there a plan to change the boundaries of the central police region and the complement of senior staff associated with that position?

Mr PRINCE: The commissioner and command have the view that the boundaries that were set about four years ago should be examined to see whether they should be moved.

Ms ANWYL: Was that in the Delta reforms?

Mr PRINCE: They are still in Delta. A project has been set up to deal with that matter.

Mr MATTHEWS: For the reasons given by the minister, it was considered appropriate to examine the boundaries of the districts and also whether we should continue to have four regions or a greater or lesser number. A team has reviewed the boundaries, taking into account a range of material, including the regional commanders' recommendations under the state plan, and the team has produced a report which has been considered by police command. We will consult both internally and externally on the recommendations that have been made by the review team, together with the input from police command. With regard to whether there will be a central region, I think I have actually advised the member that the view of the review team is that there should no longer be a central region and it should be combined with the northern region. However, that will be the subject of consultation; and, no doubt, a range of views will be expressed about whether that is appropriate.

Ms ANWYL: I do not think the commissioner has advised me; I may be wrong about that. I understand that there will be consultation, but if at the end of the day the central region does not exist, presumably the direct consequence will be that we will lose the commander position for that central region, which is based in Kalgoorlie-Boulder, and the support staff.

Mr MATTHEWS: I thought I had spoken to the member. I certainly spoke to the deputy mayor, and others, when I was in Kalgoorlie and indicated that was the recommendation of the review team, but it still had to be consulted and a decision made, so it was not final. If that was carried through, the positions of Commander Balchin and the small number of support staff there would be disestablished and they would be moved to other positions within the organisation.

Ms ANWYL: I understand there are five support staff. If that region ceased to exist, in which geographical location would the administration be picked up?

Mr MATTHEWS: The recommendation of the review team was that it would be picked up in what I would describe as a combined north-eastern region. That is currently at Port Hedland. The recommendation is that it would be more appropriate to shift it south, possibly to Geraldton.

The CHAIRMAN: That sounds good to me!

Mr WIESE: The commissioner indicated that consultation will take place with local government. Will the same consultation with local government take place if any recommendations are made about changes to district boundaries?

Mr MATTHEWS: Yes. The review team examined both regions and boundaries and made some recommendations about marrying two, or more, districts together, and in other districts about shifting the boundaries to either accord with the regional boundaries or to move to a different position. It recommended that some of them not be changed. That is part of the review.

Mr WIESE: Following on from those recommendations, and before the final decision is made, will there be consultation with the local government authorities in the areas that are likely to be affected?

Mr MATTHEWS: Yes. The team has reviewed it and made recommendations, and that report will go out for consultation both internally and externally. People in both Safer WA and local government are interested.

Mr CUNNINGHAM: Is a boundary change planned for Ballajura so that it will go into the Midland region?

Mr MATTHEWS: A review of the metro districts has been commenced, but a report has not been delivered by the team that is reviewing the metro boundaries, so at this stage there has been no recommendation, determination or whatever.

Mr MARSHALL: Pages 1070-71 of the *Budget Statements* are all about issues and trends and state the Police Service has a lead role in the whole-of-government Safer WA program; community participation in addressing crime is increasing; approximately 80 per cent of the Western Australian community express both confidence and satisfaction with their last contact with police; calls for police assistance continue to increase; the clearance rate for offences continues to improve; and an increased emphasis on the impact of drugs is a major focus of police activity. All the dot points on those pages are very positive, and as a pro-Police Service person I am happy to read that, but what is happening in the public relations area of the Police Service when the community hears negatives about not enough police, the elderly are locking themselves in their homes, there is a slow response to calls for police assistance, and that Multanovas are used only in revenue-raising spots and not in the black spots? We have top journalists - Mark Mallabone and the like from *The West Australian* - and it would be nice for the confidence of the community of Western Australia if these positive points could be reported. Is a public relations officer working in the minister's area?

Mr PRINCE: I have a press secretary, who is employed by the Government Media Office. His function is not propaganda -

Mr CUNNINGHAM: Come on!

Mrs ROBERTS: We all know that he has a defensive role as well!

Mr PRINCE: The Police Service has a public affairs unit. That unit does an enormous amount of work on a daily basis in producing media reports about offences that have been committed and people who have been caught, traffic accident statistics, and so on. It also produces a large amount of other material that is of great use. Much of that material is an informative and educative exercise. For example, there has been a change in the law with regard to weapons, so it has produced a significant amount of information to show the sorts of weapons that are now banned or listed. It is not a propaganda exercise. One of the things that I find intriguing is that every couple of months I am given photocopies of letters of commendation for police officers. It is a wad of letters about an inch and a half thick. Some of those letters are from companies. For example, recently there were a number of letters from companies that had been involved in the opening of the Graham Farmer Freeway, complimenting a number of the police officers who were involved with that project. Most of the letters are from private individuals who have had contact with the police, usually with regard to the commission of an offence on them, on a person whom they know or on a member of their family, and these letters are universally highly complimentary of individual officers or two or three officers. It does cheer me up somewhat to read those letters, and I cannot help but think that those letters, together with the reports that we see in the free suburban newspapers, are probably more representative of people's views about the Police Service than are the negative reports that tend to lead the news and are the first two or three stories every night, which tend to deal with the doom and gloom. Hence 80 per cent of the people of this State who are surveyed on a regular basis say they think police officers are honest and efficient, and they have a high regard for their integrity. That is the sort of comment that is coming from people who are informed and are working off their own experience.

A huge problem is a perception of a lack of security, particularly among the elderly. However, the reality - and this is no solace at all to an elderly person who is bashed or burgled - is that an elderly person is far less likely to be a victim of crime than is a person aged between 18 and 25 years. Relatively speaking, most crimes, particularly personal crimes and robberies, are conducted by young people on young people.

[8.00 pm]

The CHAIRMAN: Bring your answer to an end quickly, minister.

Mr MARSHALL: Politicians are invited to police headquarters for a tour to see what happens there. It makes an impression. Journalists writing about crime in Western Australia should be invited to police headquarters so they can make their own decisions about how well the Police Service is going. They could see how identikits solve crimes quickly. Some positives may appear in the Press to draw the community's attention to success stories to make people even more proud of the work done.

The CHAIRMAN: We do not need a pep talk for the police, member for Dawesville.

Mr MATTHEWS: I affirm that the media come down daily to the police station. They are often invited and take up the offer to go out on patrols and examine work in forensics. On occasions, good news stories are run which portray the good police work. Unfortunately, the nature of the media is that the adverse consequences tends to get the headlines. When on occasions as a service we fail to deliver, the important thing is not so much to present the image to change the perception, but to correct the failure to ensure we are delivering as near as possible a perfect service. We can follow that up with favourable publicity. When we drop the ball, we need to pick it up, correct it and make sure that staff understand where we went wrong. We can then report favourably.

Mrs ROBERTS: I ask for a break down of the asset sales on page 1078 of the *Budget Statements*. When is the Maylands Police Academy site sale expected? When will the metropolitan region scheme amendment be released in that respect, and is it an omnibus or stand-alone amendment? How much has been paid to date to commission reports, including the amount paid to Richard Pawluk and Associates and Shearman Communications?

Mr PRINCE: The member may be aware that we are in the process of transferring the handling of the Maylands site to the Ministry for Planning. The Police Service is not in the business of land development.

Mrs ROBERTS: So that will be similar to what was done in the Cottesloe electorate.

Mr PRINCE: It is not a view that is new to me: I expressed the view many times as Minister for Health that an asset surplus to the use of a service delivery organisation should be handled by people whose job it is to handle assets.

Mr JONES: The \$31m is part of a \$50m package which the Police Service intends to embark upon concerning the sale of the former Maylands Police Academy site, the girls school and the police headquarters site. The member is aware of the difficulties in recent times in consulting with the local community to achieve the sales we had expected with the Maylands site. It is part of MRS amendment omnibus 5, within which we have our separate amendment, I am told. We recently negotiated with the Ministry for Planning to introduce a consultation process similar to that embarked upon for the Leighton Beach site. The Ministry for Planning will shortly be calling to establish a consultation framework to enable the thoughts and expectations of the people of Maylands to be heard, and will allow a structure for a formal decision to be made. Its timeliness will depend on the progress of omnibus 5 as a whole. I am led to believe that each amendment can be dealt with and debated separately. My recollection is that the total cost thus far is in the vicinity of \$160 000. A substantial number of due diligence reports were undertaken. In terms of Richard Pawluk and Shearman Communication, I cannot give the exact figure but I am prepared to provide that as supplementary information.

Mr PRINCE: Supplementary information will be provided.

Mrs ROBERTS: I understand that the minister will also provide supplementary information on the global amount for the Macro task force.

Mr PRINCE: I am happy to provide the global figure, but not the break down, regarding the Macro task force.

Mrs ROBERTS: In last year's Estimates Committee, the minister and Mr Jones expressed confidence that the Maylands site and the old girls school would be sold in the current financial year. That will not be the case. The estimate in the papers was \$25m, and the figure has increased to \$31m as part of an overall package of \$50m, which includes the police headquarters in Adelaide Terrace. Why the variation in figures between last year's estimates and this year's, and what is the time frame for the sale of police headquarters?

Mr JONES: It was originally \$25m, \$20m and \$5m. As a result of some negotiations with Treasury about our inability to sell the Maylands site, it supported us with \$14m supplementation this year. To enable us to proceed, Treasury has underwritten us not only to the extent of the \$25m which may or may not be generated as a result of the sale of Maylands and the girls school, but it will provide an additional \$6m in the financial year 2000-01. That will enable us to maintain our capital program with an undertaking that we will return to Treasury the funds generated by the sale of Maylands, which we hope will be in 2000-01. We negotiated with a potential purchaser of the girls school site, but he decided not to proceed on the basis of valuations offered for the site. We made the decision to go to the private market for the sale of the girls school this financial year. The member would be aware that the East Perth Redevelopment Authority precinct includes our police headquarters site, the MetroBus facility and the Chemistry Centre (WA) site. The authority is seeking to procure the site in 2000-01.

Mrs ROBERTS: Do we not know for what purpose?

Mr JONES: I am not yet privy to its concept plans.

Mrs ROBERTS: Clearly the police will not be able to move all operations out of that facility by 2000-01. How much longer do you anticipate being in the building beyond that time?

Mr PRINCE: It will depend. Part of what is there needs to be moved to the academy, some to the operation centre and some to other accommodation in the city which is not purpose-built; that is, office accommodation.

Mr JONES: We are looking at a variety of options, but work needs to be done before we make a decision about the economic advantages of relocating. The East Perth Redevelopment Authority is keen to proceed with the development of the site.

[8.10 pm]

Mr PRINCE: Another element is that there must also be a new central police station. There is one purpose-built facility.

Mr WIESE: I think the answer to this question has already been given. Why are the receipts paid into the consolidated fund the same as those budgeted for the sales? I was trying to work out why the Police Service would not get the proceeds of the sale. Obviously, it was because they are transferred.

Mr PRINCE: Mr McDonald informs me that that is correct.

Ms ANWYL: The central police region has an ongoing shortage of police officers. I understand that 11 officers have flagged their intention to leave after 1 July. It is difficult to work out the precise amount allocated to each region in the *Budget Statements*. I have been told that the region, rather than the minister's staff or the Perth section of the Police Service, must sort out this issue. Is there any change to the amount of resources allocated to the central region for the next financial year, compared with this year? Has any money been set aside for increased incentives - a 44-hour week, cash incentives, increased district allowance or a leave ticket for travel to Perth during time off - for police officers working in Kalgoorlie-Boulder?

Mr PRINCE: This is not a criticism of the area in which the member lives, but it has always been difficult to encourage nurses, fire officers, teachers and police officers to go into the region.

Ms ANWYL: Everybody else is doing something about the problem. The Education Department has done something about it. In Parliament the other day, the Minister for Police blamed it on native title.

Mr PRINCE: Native title is part of the problem. It is not the only problem.

Ms ANWYL: That is nonsense.

Mr PRINCE: No, it is not.

Mr MATTHEWS: The Western Australia Police Service and Police Union (WA) are involved in a working group to identify initiatives that would attract people to Kalgoorlie. It has been a difficult area to staff and some officers are leaving. We have looked at 22 initiatives and identified those that we think would make Kalgoorlie a more attractive place to work. Some of those initiatives involve significant sums of money and we may not be able to progress with those in this financial year, although opportunities may present themselves further on. However, we can proceed with the other initiatives. The Police Service is taking steps to ensure that all the vacancies are filled within six weeks. That will involve some

management-initiated transfers. We are keen to look at both medium and long-term strategies to address some of the issues in Kalgoorlie. We also need to be conscious that other stations, such Norseman, Coolgardie, Leonora, Southern Cross, Menzies and Kambalda, also suffer from some of the same issues. We should be careful with whatever is done. If something is ring-fenced, it will need to be extended it to those stations, which has cost implications.

Ms ANWYL: The goldfields and wheatbelt have always been the two most difficult police regions. No doubt the wheatbelt has staffing difficulties as well. Is anything contained in this budget to specifically increase the regions' ability to retain staff? Have extra dollars been allocated for the central police region? Are there any specific monetary measures for incentives?

Mr PRINCE: It is a global budget which is handed to the Police Service to divide up among the regions as it sees fit. No specific line item in the *Budget Statements* deals with the problem raised by the member.

Ms ANWYL: Will the central police region get extra funds in the budget carve-up that will enable it to offer some incentives to officers?

Mr MATTHEWS: The money has not yet been allocated to the various regions. Increased money is available for transfers, which is a factor of the problem. We have identified important aspects, such as rostering, that would retain and better utilise officers and attract other people to the region. A number of the initiatives do not involve money. The union and staff have identified issues that, if resolved, would assist in retaining staff. We are looking at those. Other initiatives involve varying sums of money, some of which are quite significant. In the medium term, we will look at the possibility of a 44-hour week. We will not be doing that immediately. It may ultimately be the solution, but it has a cost.

Mr CUNNINGHAM: Has there been a reduction in the number of police officers at Warwick police station and, if so, what are the details of that reduction?

Mr BRENNAN: I am not specifically aware of cases in which officers were taken out of the Warwick station. However, Clarkson police station recently opened and officers were drawn from the Joondalup district area to populate the new station. The Police Service intends to backfill officers in the Joondalup district. It is up to the district inspector where those officers are placed. We expect they will come from the core functions project. The people who were moved out of the Joondalup district into the Clarkson police station will be replaced.

Mrs ROBERTS: Will that occur in the next financial year?

Mr BRENNAN: We hope it will happen by the end of June. The extra officers will not be available in one lump; they will be made available gradually and placed into the districts on a prioritised basis.

Mr PRINCE: Mr McCaffery says it will probably happen in July.

Mr CUNNINGHAM: How many police officers are in each metropolitan and country police district?

Mr PRINCE: Mr Frame's information breaks the officers up by rank rather than district or area. It will take a while to compile the information for which the member has asked.

Mr CUNNINGHAM: Could you supply it in the supplementary information?

Mr PRINCE: That can be done.

Mr MARSHALL: I am interested in the Delta program and the personnel issues in the Mandurah area. Mandurah residents view the appointment of the assistant commissioner responsible for that area as the kiss of death. Since 1995, Kingsley Porter, Bob Ibbotson, John Standing and Bob Kucera have all held the position. Who will be the future appointment and how is the Delta program operating in that area without a leader?

[8.20 pm]

Mr PRINCE: This has much more to do with the question of boundaries than anything else, because the assistant commissioner who has been working out of Mandurah has not been assistant commissioner for Mandurah; he has been assistant commissioner for the country region.

The CHAIRMAN: He is looking after Geraldton, in fact. His being in Mandurah makes a great deal of sense, does it not?

Mr PRINCE: It does indeed. I know that the current incumbent has been acting as a traffic patrolman going to and from work, which is probably a good thing. Unless the commissioner wants to say something further, I cannot answer the question any better than to say that to some extent the answer will come out of whatever may be the change in boundaries.

Mr MATTHEWS: The minister is correct. It is related to the region boundary review, and obviously it is interrelated with the district boundaries. When that document goes out for consultation and some decisions have been made, we will look for a permanent appointment. Although the assistant commissioner who is in that area is on leave, he is being relieved in an acting capacity by a serving officer, therefore there has been a continuity of command there.

Mrs ROBERTS: In one of the earlier answers the commissioner gave to a question from the member for Kalgoorlie, he noted there had been problems with transfers of police officers, and that was one of the factors involved with the difficulties in attracting police officers to Kalgoorlie and other places in this State. Has the transfer of police officers across the State been delayed for lengthy periods because of budgetary problems, and what is the amount of additional money provided in this budget to ease any transfer problems?

Mr MATTHEWS: An allocation was made for transfers. It was known at the time the amount was allocated that the situation would be tight. That proved to be the case. Money is only one factor. Other factors determine when transfers occur. However, in next year's budget, we intend to allocate a further \$950 000 to make up for the difficulty we experienced in the current year.

Mrs ROBERTS: Have any instructions or directions been issued to police stations to curtail authorised overtime? Have any restrictions been placed on the purchase of tyres for police vehicles because of budgetary considerations? Have any restrictions been placed on the distances that police vehicles can travel when conducting road patrols? Is the minister aware that, due to budgetary problems, police officers in many country locations are being instructed to scrub toilets and washrooms to avoid outside contractors' costs?

Mr MATTHEWS: All the districts have been asked to be prudent with their budget moneys. I am not aware that we are directing that people not work overtime when it is required for the exigencies of the service delivered to the public, and I am certainly not aware of police officers scrubbing toilets. An issue came to light concerning the suggestion that tyres were being supplied by mining companies. I have asked the union to supply me with the information. It has been unable to provide that information to me. Inquiries of the command staff have equally indicated that, at least to their knowledge, that has not occurred. We certainly do not intend to have outside or private companies provisioning our vehicles. At the end of the day, it is a matter of the individual district officers balancing the needs of the service against the fact that money is not unlimited in any organisation.

Mrs ROBERTS: My question was not whether authorised overtime had been banned or stopped; it was whether any instructions or directions had been issued to curtail authorised overtime. Also, I do not think I got an answer to the question about whether any restrictions had been placed on the distances that police vehicles can travel when conducting road patrols.

Mr MATTHEWS: The answer to both questions is no. However, the point I make is that it is the decision of the district officers, who are the ones who control the budget in their respective areas. They have the ability to assess the need against the money that is available. To a large extent, they select the priorities as to where the money is spent, and they are left with the responsibility, under delegated authority, to make sure they manage their districts as well as possible, given the available money. To my knowledge, no directive has been given to them to stop overtime or to limit the distances that vehicles travel.

Mrs ROBERTS: Regarding those cutbacks, has there been a reduction of shifts, other than day shifts worked by police officers, thereby saving payment of shift penalties? Is the minister able to say whether in subdistricts in the metropolitan area there are difficulties in supplying more than one vehicle for general duties or tasking purposes on afternoon or night shifts?

Mr MATTHEWS: Again, I point out that it is not for me in my position or the command members here in the Chamber to run the districts for the district officers. We task them to run their districts. We provide them with a sum of money. They make judgments and assessments. Of course, there will be occasions when they will decide to change the rostering or shift arrangements. They may decide to deploy vehicles in some other way. At the end of the day, we look at the outcomes that are delivered by the district in respect of the levels of crime, clearances and so forth, but we certainly do not micro-manage those districts. I am sure that on occasions shifts have been changed and on occasions one vehicle might have been available. However, I have no direct knowledge of that.

Mr PRINCE: From an output point of view, the crime rate is going down, albeit slowly; the clearance rate is going up.

Mrs ROBERTS: The minister may recall that the statistics on home burglary showed a 20 per cent increase in the metropolitan area.

Mr PRINCE: Clearly, it is working.

Mrs ROBERTS: If it is working, how does the minister explain a 20 per cent increase from the March quarter last year to the March quarter this year? That was the paper that the minister tabled in the House last month.

Mr PRINCE: Yes, and the victimisation survey was tabled last Thursday. It backs up what I have been saying quietly now for 18 months; that is, that most of the crime figures are trending down when they are looked at over a period of a year.

Mr WIESE: I will ask a question which follows on from the previous question asked by the member for Midland. In light of the added responsibility of those district officers who are managing the district offices, what sort of management and financial training is being provided to those officers, and particularly to those officers who will in the future replace them? I am talking about men who are reaching the managerial responsibility stage, rather than policing responsibility, because that is what those jobs entail. What sort of training are those people being given or being required to undertake before taking on those positions?

Mr PRINCE: There are one or two women.

Mr WIESE: We are getting into a very sensitive area when the minister starts to address that issue.

Mr PRINCE: Not in respect of the police officers I have met. Mr McCaffery will respond to that question.

Mr McCAFFERY: Part of the Delta process was that when district officers went out to the district offices, the devolution process ensured that they had the appropriate level of unsworn officers to support them. District officers have senior administrative staff, who are highly skilled in financial management and asset management, to advise them. From a senior

commissioned officer perspective, there are throughout the Police Academy, under Mr Frame's guidance, a number of senior officers' courses which all our senior officers are obliged to go through. There is then the potential for those officers, of whom we have a number at the moment, to go to the Australian Institute of Police Management in Manly. Every one of those courses contains elements of financial and asset management. However, I stress that when the devolution process began, very strong support staff went out from the areas controlled by the directors here today to support, direct and assist those officers to do their duties.

[8.30 pm]

Mr WIESE: The minister needs to be aware that although they may have backup and support, the officer in charge ultimately makes the decisions.

Mr PRINCE: Yes. If we were to go back 10 years, there was no mandatory training for officers at that level. It is only in the past five years that we have seen a revolution in the Police Service in this State - this commenced under the member for Wagin, a former Minister for Police and for which the member should be eternally proud - including management much lower down the organisation, which is where it should be. We cannot achieve the totally brilliant result instantly; it takes a while.

Mr MATTHEWS: We also run officer development courses and officer management courses, particularly for this group. They are not left to sink or swim. They receive strong support from the whole of the service. That is monitored. Ultimately, officers are maturing in these roles, and gaining more experience. Part of that maturity is doing the job with support from the central groups and managing their budgets. We have good indications that they are managing well.

Ms ANWYL: Are there minimum standards for the occupational safety and health of officers? Are there minimum standards for the number of hours between shifts for an officer knocking off night shift and coming back the next day? Is there a general guideline?

Mr PRINCE: Mr Frame should be able to answer that. It will give me the opportunity for a bit of propaganda.

Ms ANWYL: Mr Chairman, I am not interested in propaganda.

Mr PRINCE: It is a vexed question. A cabinet submission is coming forward which will bring the Police Service under the umbrella of occupational safety and health regulations.

Mrs ROBERTS: Will it make those officers employees?

Mr PRINCE: That is another question.

Mr FRAME: Changes to rostering came out of the last round of enterprise agreement negotiations. That provided for greater flexibility across the organisation for officers to be able to work a mixture of shifts a week - day, day-afternoon, afternoon, evening - with a 10-hour break between shifts where practical in lieu of the current eight-hour requirements. There are occasions, understandably, where there may be operational demands and that may change. However, the principle is that up to a 10-hour break is provided.

Ms ANWYL: The minister may be aware that I have had a lot of contact with police, because I have had a series of break-ins in my electorate office. I have had very good service from the police involved and I appreciate the support those police have provided to me. However, I have been shocked to find sometimes that the police attending one evening might be back at work fairly quickly the next day. Does that 10-hour break always occur? In areas such as the Kalgoorlie police station which has a huge shortage of police - more than 10 per cent at times - is a likely consequence of that shortage that officers will work extra shifts and so forth?

Mr FRAME: The principle is a 10-hour break where practical. A balance must be achieved between that and operational demands. For example, a major incident could require officers to work longer periods of normal shift, or have shorter periods between changes. The key as highlighted by the commissioner in terms of the obligations of managers is the notion of duty of care in balancing both the operational and the individual's health and safety requirements. The principle is for a prescribed break, and balancing that with demands for service and the welfare of our officers.

Ms ANWYL: It seems that the job of a police officer is a stressful one. I have observed recently that a number of officers are leaving the service, some of whom have worked there for a long time. Is there a general procedure for the purpose of working out why the service is losing particular officers? Is there an exit survey, and are the results collated, so that the service might stop what appears to be a mass exodus?

Mr FRAME: There has not been a large exodus or increase in the number of departures from the organisation. The attrition rate is running at a similar pattern to previous years, and remains one of the lowest in police jurisdictions across Australia. The process in place when someone leaves is threefold. First, a long-serving officer is provided with an acknowledgment of that service - a certificate of service and presentation by a senior member of the organisation. We also encourage the local managers to meet and discuss with the officers any particular reason they are leaving and to ask for feedback. At an organisational or corporate level we have an exit survey. We wait until members have left the organisation for a period and ask them to respond to a survey, because they may on reflection have different views about the reasons, benefits or disadvantages of leaving the organisation. At the local level the onus is on the managers to talk with the officer; at a corporate level we have an exit survey to get feedback from officers and we use that to assist us with any issues that might be emerging.

Ms ANWYL: Would you expect that every officer would be consulted by way of exit survey and the results compiled?

Mr FRAME: Yes.

Mr NICHOLLS: Suggestions have been made that vehicles at the Mandurah police station that were used for deployment or police patrolling or operational means have been withdrawn because of budgetary or other reasons. Have operational vehicles been withdrawn from the Mandurah Police Station or withdrawn from availability due to budgetary constraints?

Mr MATTHEWS: Last year there was an examination of the vehicle fleet to identify any administrative vehicles that were underutilised. As a result of that 25 vehicles were removed from the administrative fleet. It was a clear understanding that operational vehicles were not the subject of review, although undoubtedly we could better manage in some way the use of those operational vehicles; and we are looking to do that. Earlier this year a further 10 administrative vehicles were removed.

Mr NICHOLLS: Can you say specifically that in Mandurah no operational vehicles were removed as a result of budgetary constraints or changes?

Mr MATTHEWS: One must be conscious that an operational vehicle from one area might have been shifted to another area as a result of that review. We were looking at mileages to see whether we had pockets of vehicles that were grossly underutilised. If we found that an operational vehicle was underutilised and another area was calling out for a vehicle, the district officer would be able to switch that, and we would encourage that.

Mr NICHOLLS: Could you provide by way of supplementary information details of any vehicles that were moved from the Mandurah Police Station during last year and that fell into that category? I ask because it is an issue of contention and one I would like clarified.

[8.40 pm]

Mr PRINCE: I can supply that as supplementary information.

Mr NICHOLLS: The second issue is in relation to the crime mapping that has been trialled in Cottesloe. As the minister is aware, I chaired a committee comprising the member for Midland and a number of other members, which looked into crime prevention. During our inquiry it became clear that crime mapping is a very proficient tool and it seems to be the trend. When will the crime mapping capability be expanded to include Mandurah and the whole State?

Mr PRINCE: The police have been doing a good deal of crime mapping for a long time, but the process by which they have compiled the map has been slow. Sometimes it has taken days or weeks to process the information and for someone from the Bureau of Criminal Intelligence to put the information on the map, by which time more often than not it is historic and too late and it does not inform current action. Following the IT upgrade of hardware and, more recently, software this can be done much faster. As I said earlier, that program has been trialled in Cottesloe for the past 12 months. There is a map for two consecutive months, and one map informed activity which led to a reduction of more than half in the incidence of crime in that area. It is a matter not just of the program, but also of the training required.

Mr McCAFFERY: The program is ready to roll out in phase 1. The crime mapping capability, which at the moment is being done by placing pins in the wall and sometimes takes more than seven days to complete, will now be done in 24 hours. The ultimate aim of this program in 18 months' time is that when officers come on shift they can see what has gone on in the previous eight hours. Phase 1 will be rolled out by September right across the State.

Mr NICHOLLS: Which phase will the Mandurah area be in?

Mr McCAFFERY: Phase 1. The whole State is in phase 1. It is ready to go now but, unfortunately, a range of other projects are running. One is the network benefit; in other words, the capacity of the network to handle much of what we are developing at this time. There is linkage with other programs, otherwise it would be ready sooner. Phase 1 will be across the State, and it will develop maps as presented by the minister today.

Mr NICHOLLS: With regard to the IT upgrade and the development of specific software capabilities, I am particularly interested in the capability of the Police Service to connect and communicate directly with the Ministry of Justice and the court system. I specifically refer to people released on bail who are apprehended and charged by police, and the inability of officers, particularly those on back shifts, to determine whether somebody has recently been released on bail and should be re-released.

Mr PRINCE: Mr McCaffery will be able to answer that in detail. A program has been acquired from Toronto and modified, and it is about to be rolled out.

Mr McCAFFERY: It is all part of the Delta communications and technology works. The whole program will be completed within 18 to 20 months, and it is a phased-in program. Our biggest problem is training the entire work force. It involves an entire re-engineering of the way the WA Police Service does business. There are a number of projects, including incident management. When an offender comes into custody from an incident, he enters the briefcase system, which is the brief management system. The whole front end of the system will be web enabled, which means anyone can interrogate our systems under authority and transfer the briefs across the entire Internet. It is large capacity work to undertake and the development must be done in conjunction with the development of the programs. I anticipate that the message switching the member is talking about is still 18 months away, because there is an enormous amount of development to be done with a range of the 32 programs we are running at present.

Mr PRINCE: The object of the exercise is to have the offender brought in, his name typed once, instead of 17 times, and a brief prepared which can be accessed from anywhere in the organisation that has authority, and electronically transmitted to the court. The Ministry of Justice is highly cooperative. Ultimately, if it goes into the prison system, it will have a loop back or go elsewhere within the justice system. That is what we are aiming to achieve and we will put it in place throughout the Police Service first, with the communication facility in the Ministry of Justice, and the rest will follow.

Mr NICHOLLS: Although I understand the changes, and I have had information about the software, I am concerned about the 18-month horizon for an area that is so important. I specifically refer to a responsibility I believe is already placed on officers to identify those people who have been released on bail, particularly for serious offences, and to not re-release them on bail. Because this information is not available the officers are in a very unsatisfactory situation. I ask that some consideration be given to fast-tracking that component so that officers are not left in that unsatisfactory situation.

Mr PRINCE: I understand the point the member is making. As soon as we have the briefcase system installed, which involves retraining absolutely everybody, that will be accessible across the State. At present, although the information can be accessed, people must go to a different database, or ring someone or send a fax.

Mr NICHOLLS: At three o'clock in the morning.

Mr PRINCE: Yes.

Mr NICHOLLS: That is very difficult for the officers.

Mr PRINCE: I know that, and that is why we have developed the system that will answer your problem, and it will be implemented. However, it must be brought in at the same time as people are trained to use it, and that takes time. Rolling out the network hardware and the network programs for Y2K last year was a major exercise that required training of the total police staff - not just sworn or unsworn officers. We are doing the same thing here, particularly with the sworn officers, but also with some others. It cannot be done by putting a program on the computer; we must be able to train everybody and to do it reasonably comprehensively so that it will work. That is why Mr McCaffery has said it will take 18 months.

Mrs ROBERTS: Has the purchase of police equipment, such as Sigma pistols, expandable batons, protective vests, pepper sprays and vehicle stopping devices, been delayed because of tight budgetary constraints?

Mr PRINCE: The member has talked about budget problems, and \$410m has been allocated in this financial year. Never ever has there been so much.

Mrs ROBERTS: I am told the supply of all this equipment has been delayed. Is it the case that the purchase of this equipment has been delayed?

[8.50 pm]

Mr BRENNAN: We have had procurement programs for Sigma pistols, expandable batons, OC spray, vests and so on. It is not intended at this time to make ballistic vests general issue. Certain care needs to be taken with ballistic vests because if they are thrown into the back of police vehicles along with ammunition boxes and other gear on top of them, it damages the Kevlar and so on. We intend to make a stock available at district offices where they can be drawn upon by the vehicles on afternoon shift or night shift as required. However, any large scale procurement plan for pistols is a fairly expensive exercise. We intend to spend a fair amount of money on all those items and buy them in a measured program. There is a school of thought that we will equip everybody with Sigma pistols; that is not, and never has been, the case. However, Sigma pistols will be available at every police station so that they can be drawn upon by officers, because there is a limited number in circulation - not a number to be concerned about. We are issuing them to the position and not personally to the officer. There has, therefore, been a little dissatisfaction when an officer leaves, for example, a position in the tactical response group and goes to a position in one of the police and citizens youth centres and does not take that weapon with him; the incoming TRG officer picks up the weapon. There has been a little heat about that, but by and large we will get them in due course.

Mrs ROBERTS: Mr Brennan said the Police Service has a procurement plan for all those items. Is the Police Service behind schedule with its procurement plans for any of those items?

Mr BRENNAN: Not that I am aware of. At one stage we were going to scale down our intention to acquire a certain number of Sigmas this year but because our order with the factory was locked and loaded we had to go with it. That is about the only scaling down I was aware of.

Mr JONES: We were more in advance of the expandable batons program than we anticipated we would be and the distribution went as planned. Mr Brennan spoke about the ballistic vests; the Sigma pistols are in the same situation. So, certainly, no.

Mrs ROBERTS: I note from a footnote on page 1081 of the *Budget Statements* that the number of full-time equivalents in traffic management will increase from 895 to 1 009. Is this where the 100 police officers as reportedly promised by the Premier a couple of weeks ago in the *Sunday Times* will be tasked?

Mr PRINCE: No. The Premier, as reported in the *Sunday Times* was referring to 96, or thereabouts, people hours being freed up by the court security and transport program which starts on 1 July. However, the explanation for the increase from 895 to 1 009 -

Mrs ROBERTS: The minister is suggesting it is coincidence that he is freeing up an extra 100 police officers in this financial year and it just happens that about 100 more are going into traffic?

Mr PRINCE: Some officers have already said that some positions will be back-filled, for example in Joondalup, coming out of that freeing up, so -

Mrs ROBERTS: Where are these police officers coming from?

Mr PRINCE: Hang on a second. Mr McCaffery may be able to shed some light on that.

Mr McCAFFERY: I believe it is a change in the output mix of the output-based management. Changes to the output mix from last year to this year are clearly reflected on page 1074.

Mrs ROBERTS: That is the output and appropriations summary?

Mr McCAFFERY: That is it; it refers to output mixes.

Mrs ROBERTS: It just lists the various output mixes; there is no discussion there. Basically officers have been reassigned to the various outputs and it just happens that traffic management will benefit from another 114 officers this financial year?

Mr McCAFFERY: Yes. In effect, traffic will probably benefit from the output services to the judiciary which will drop by 2 per cent due to the core functions project. Therefore, effectively there is a lift in some of the other outputs.

Mrs ROBERTS: That is what I was essentially asking from the beginning; namely, where the extra officers are.

Mr PRINCE: It is not a movement of people.

Mrs ROBERTS: I understand that it is not necessarily those people who are replaced there. It has also been suggested to me that there are further problems with the Albany Police Station. Are any figures available on the phone calls to the Albany Police Station last year that went unanswered?

Mr PRINCE: The president of the Police Union and I met with the staff in Albany last Friday and they did not raise any of those matters. They were concerned about a new station but nothing was said -

Mrs ROBERTS: I have asked specific questions.

Mr PRINCE: I know. I am just saying that nothing was said.

Mrs ROBERTS: The Chairman has asked for the questions to be short and sharp and I just want to know whether the minister has figures on phone calls.

The CHAIRMAN: The member is asking the minister that question.

Mr PRINCE: I know, and I am answering it.

Mrs ROBERTS: I am not particularly interested in the minister's visit with the chief of the union. Will those figures be provided by way of supplementary information?

Mr PRINCE: I have not yet finished. The member for Midland keeps interrupting. Nothing was said about phone calls.

Mrs ROBERTS: I do not see the relevance of the minister's meeting with Michael Dean in Albany to my questions.

Mr PRINCE: Albany has not been measured so no-one would know. I cannot answer the member's question on phone calls.

Mrs ROBERTS: How many police officers on average are rostered to work on Friday and Saturday nights in Albany?

The CHAIRMAN: The minister may have to provide that by way of supplementary information.

Mr PRINCE: Yes.

Mr MARSHALL: In the changes to the Police Service outcomes, reference is made on page 1072 to the ongoing review and three primary outcomes that have been introduced, namely community safety, road safety and crime and justice. How have these three dot points been managed? Is it true that visual policing slows down traffic more than "go slow" traffic signs, Multanovas and unmarked cars etc? If it is true, do we have the necessary visual police on the roads?

Mr McCAFFERY: Clearly, under Treasury guidelines, we have been working closely with Treasury towards it. In the past we had seven outputs, which we have maintained. It has been very difficult at times to measure those outputs to give Treasury accurate figures on how we are doing our business. From those seven outputs we developed three outcomes, all of which are measurable in one way or another through output-based management.

Mr MARSHALL: What about road safety?

Mr McCAFFERY: The outcomes refer to road users behaving safely. The numbers of Multanovas and how many people go through them are referred to by the number of people speeding and the number of people stopped with alcohol on their breath. These are outcomes that we can actually measure.

Mrs ROBERTS: How many Multanovas does the Police Service have and how many are deployed permanently in country areas?

Mr PRINCE: Let the member finish.

Mr MARSHALL: Which operation is most effective in slowing down traffic? Is it visual policing as opposed to Multanovas, unmarked cars or police "go slow" signs? I realise that they all work as a team, but is any one better than the other? If visual policing with motorbikes is best, are enough on the road?

[9.00 pm]

Mrs ROBERTS: I raise a point of order. I do not see it is a budget matter to ask for opinions on whether one traffic measure is better than another. That is not in order during the Estimates Committee hearings.

The CHAIRMAN: The revenue is an item, so I will allow the question. Questions are supposed to be directly related to budget items, so will members make sure the next question does so.

Mr MATTHEWS: Regarding the effectiveness of police officers as against Multanovas and slow down signs, a difficulty arises. A combination of factors are involved for each occasion. A change of attitude is necessary. A range of factors are involved of which enforcement is one part. It is difficult with those variables to say which ones are dependent and which ones are independent. It is not possible to say that seeing a police officer causes people to slow down more than does a "Give Way" sign or whatever. One needs a combination of education, good signage and good enforcement. If one misses out on one component, one will not have safe roads. We must tackle them all. Well engineered roads, enforcement and good education are needed. We start education when people are young, and we spoke about some of the programs in that regard. It is not one factor. Having a police officer on the road on the balance of probability causes people to slow down. On occasions people do not slow down, and it is costly.

Mr PRINCE: With regard to an undertaking for supplementary information for roster figures for the Albany Police Station, we do not provide station numbers for a district. We provide general figures. Something specific for individual rosters is generally not provided.

Mr BRENNAN: We generally refer to district numbers, not who is on a shift.

Mrs ROBERTS: That is not very accountable.

Mr MATTHEWS: We do not want to provide people of ill-intent with details of the deployment or composition of any station or patrol.

Mr WIESE: My question relates directly to page 1096 and the gun buyback scheme, which I note is under the heading "grant to charitable and other public bodies". In 1999-2000, \$418 000 was paid, which is surprising given that the gun buyback scheme was completed a year and a half or more ago. Why is that money to be paid during this financial year? Nothing is budgeted for in the coming financial year. Can the minister indicate whether any reluctance is evident by the Commonwealth to make available any funds due under the gun buyback scheme?

Mr PRINCE: A clear reluctance is displayed by the Commonwealth to fund some of the matters which should be funded under the gun buyback scheme. I received some correspondence from Senator Amanda Vanstone about the fact that the Commonwealth will not pay. Most of the payments as far as I can recall - I am subject to correction - were subject to small dealers or dealers who appealed in relation to values and things of that nature. These matters take some time. One concerned a deceased estate: A dealer had died and the arrangement had not been wound up.

Mr WIESE: Did it relate not to individual owners who handed in firearms, but to businesses?

Mr PRINCE: The member for Wagin has been paid! It was all about small dealers, with perhaps one or two larger dealers who appealed on certain items. The Commonwealth was totally uncooperative.

Mrs ROBERTS: I draw the minister's attention to the first point on page 1071 which refers to the effectiveness of the road safety strategy. Between 1993 and 1998, the rate of fatalities in WA has been above the Australian average, despite the fact that we have experienced a decrease in the rate of fatalities; a different period is cited in that regard - 1989 to 1999 - which I am sure was done for a reason. What was the Australian average rate for fatalities per 100 000 persons during 1999 so we have that comparison with the Western Australian rate of 11.66 fatalities? What further legislation and resources does the WA Police Service need to bring our rate of road fatalities below the Australian average?

Mr PRINCE: I will have to consider whether to supply that as supplementary information, as it is publicly available - it is probably in the library of this Parliament. I do not think any officer knows the figure off the top of his head. The member can get the library to tell her; otherwise, I can ask police officers to spend their time finding it.

Mrs ROBERTS: The person who wrote this little report knows exactly what it is, as some comparison and statement is made.

Mr PRINCE: We will provide it as supplementary information and waste police time.

Mrs ROBERTS: What further legislation and resources does the Western Australia Police Service need to bring our rate of road fatalities below the Australian average?

Mr PRINCE: The Police Service of course has a number of views which are well expressed - it is called accountability - about legislation it would like to see in place but which is not in place. Some of the things which come to mind are owner-onus and hand-held mobile telephones. The member knows where I stand on the matter but, the legislative process being what it is, one does not necessarily always get what one wants.

Mrs ROBERTS: The minister's party room being what it is.

Mr PRINCE: The member's Caucus being what it is made a decision on prostitution laws dealing with children.

Mrs ROBERTS: I have had a motion on the Notice Paper regarding hand-held mobile phones for about two years.

Mr PRINCE: If the member wants to talk about party rooms, I will talk about hers.

Mrs ROBERTS: I am talking about road safety.

Mr PRINCE: All the legislation in the world does not necessarily change driver behaviour, although legislation obviously can be of great use.

Mrs ROBERTS: It seems to have worked with seatbelts here.

Mr PRINCE: It was over a long time. It was not just the legislation which was effective with seatbelts. A significant campaign was conducted, and it was widely accepted by people as a good safety measure.

Mrs ROBERTS: Perhaps the minister was not in the State at the time.

Mr PRINCE: I was.

Mrs ROBERTS: An advertising campaign was conducted some time before that, of which no-one took notice. It was only when seatbelts were made compulsory that anyone took any notice.

Mr WIESE: That is one opinion.

Mrs ROBERTS: How many speed cameras does the Police Service have, and how many cameras are permanently deployed in country areas? The second dot point on page 1071 of the *Budget Statements* refers to nineteen million vehicles being monitored by speed cameras. How many of the nineteen million vehicles were monitored in country areas?

[9.10 pm]

Mr MATTHEWS: I will assist the member for Midland. I understand that there were 14 speed cameras. That was increased to 22. Of the 22, two are deployed in the rural areas - in other words, outside the metropolitan area. In addition to that, the enhanced traffic enforcement program has led to a number of hand-held laser guns and radars supplementing the Multanova program. I am not able to say how many of the 19 million vehicles being monitored were in the rural areas, but certainly we could provide that by way of supplementary information.

The CHAIRMAN: That will be provided by way of supplementary information.

Ms ANWYL: The minister referred a moment ago to child prostitution and the child abuse unit. Will there be any change in the budget allocation or the number of officers deployed in that unit if we compare, say, last year, the current year and next year?

Mr MATTHEWS: As a result of some understandably justifiable criticism, the number of persons who were allocated to the child abuse unit was increased. We believe that is at a satisfactory level now. They are managing the case load, and we do not intend to increase the numbers unless the need arises.

Ms ANWYL: Could the commissioner clarify when that increase occurred? Was it during this current year?

Mr MATTHEWS: I understand it was earlier in this financial year.

Ms ANWYL: Pursuant to that, a report was leaked, which I was able to look at. It was effectively the Western Australia Police Service's response to the Wood royal commission as it related to the issue of abuse of children and so forth. At that time, towards the end of 1998, it was stated clearly that there was no specific police response to child prostitution. I thought that the child abuse unit would be the place which would have a focus on those adults who, whether through pimping or using the services of child prostitutes, might be taking advantage of those young people. Has that changed since 1998, and is there some focus on child prostitution?

Mr MATTHEWS: The child sexual abuse unit liaises closely with the vice squad as a result of some recent developments that have been apparent in the Northbridge area. That liaison enables the unit, where appropriate, to take action, depending on the available information and evidence.

Ms ANWYL: There has been some discussion tonight about protective services and the freeing up of resources. I am unclear whether the contracting out arrangements will extend to juveniles as well as adults, either remand or sentence prisoners.

Mr PRINCE: Yes, they will.

Ms ANWYL: At page 1088, mention is made that the Police Service will continue to provide the service in some remote areas; that is all it says. Is it possible to get clarification of which remote areas are being referred to there?

Mr PRINCE: I am sure Mr McCaffery will be able to provide that clarification. It starts in the Central Law Courts and moves out from there. Parts of the State will not be covered by the contract because the activity level is too low.

Ms ANWYL: I know that in Kalgoorlie, for example, an office has been made available at the police station, so Kalgoorlie will be covered. However, I will use the example of a juvenile who is arrested in Warburton. Obviously, the police station at Laverton would be involved with that arrest and with the patrols. Perhaps that example could be used as an indicator.

Mr McCaffery: The core functions project is in two phases. Most of the major country regions will be picked up, and the custody and, in particular, the transport of prisoners will be taken on. Right across the State, the issue of juveniles being transferred is a major one. Approximately two weeks ago the Ministry of Justice, the police and other relevant agencies, including the magistrate in that area, met. I am totally unaware of the outcome of that, but I believe that the Ministry of Justice is now prepared to extend the current phase 1 of the program, at its expense, to assist with the movement of juveniles. Some of the other initiatives that are coming forward in conjunction with the magistrates are not our initiatives; they are Ministry of Justice initiatives. However, I can comment on them. The Ministry of Justice is trying to get juveniles remanded back into their own communities, rather than being required to transport them out of their communities back to the metropolitan area, which at this time is the only area which can hold juveniles. I am aware that these are some of the initiatives they are working through. Hopefully, they will benefit not only Kalgoorlie but the whole of the State, because it is a big issue for the police as well.

Mr PRINCE: It is a huge issue.

Mrs ROBERTS: I refer to the final dot point on page 1070. It states that police response times to priority 1, 2 and 3 calls in the metropolitan area are estimated at 17.5 minutes. How are priority 1, 2 and 3 calls defined? Given that we have comparisons with other categories, how does that response time compare with the average response time for similar calls in other jurisdictions in Australia?

Mr PRINCE: I do not think Mr Brennan has the national figures.

Mr BRENNAN: No, I do not have the national figures, but I am able to say, in answer to the first part of the question, that priority 1 calls are usually urgent and life threatening. Priority 2 calls are usually when a degree of urgency is involved, but not necessarily life threatening. As one goes down through the priorities, it becomes less compelling to answer priority 3 calls in a hurry. The point is that if somebody was being attacked and there was an imminent fear of a fatality or bodily harm occurring, that would be categorised as a priority 1 call. With priority 1 and 2 calls, I am advised that our average response time is three to four minutes. With other priority calls, our average response time is in the order of 17 minutes. However, they are calls when somebody rings in and says, "I have just come home from holidays. I have been away for two weeks. My home has been burgled. Can you come around?" Those people will be asked when they will be home. Those people ask the police if they can come straight away, but they are told that the police are not able to do so. They then ask if the police can come at four o'clock the following afternoon. Therefore, there may be a 14-hour break between the telephone call and our attendance. That long delay is factored into our overall average response time, which is 17 minutes.

Mrs ROBERTS: Is Mr Brennan saying that a home burglary, for example, would be a priority 3 call?

Mr BRENNAN: No, that is a matter of contention, because in some circumstances a home burglary could be a priority 1 call. If an offender is on premises, that is usually a priority 2 call, because it has the potential to lead to consequences other than just the burglary; there is the chance of an assault or some other serious crime occurring as a result of that. Therefore, under those circumstances, that would be a priority 1 or 2 call. I am talking about the situation when people come home to find that their home has been burgled. They have been away on holidays for three weeks, and the burglary happened some time during that period - they are not sure when. By agreement, it is arranged that we will go to their premises at a time that suits them. That is factored in, and sometimes it adds many hours to our average response time, which is 17 minutes. My advice is that using the same counting factors, 17 minutes is as good as any response time anywhere in Australia.

[9.20 pm]

Mr PRINCE: Mr McCaffery has just been telling me that in relation to categorisation of priorities 1, 2 and 3 there are significant differences between the States. His understanding is that a national benchmark has not yet been able to be written because other services categorise things differently. Until we wind up with some sort of uniformity, at least so that we can compare, it will be difficult. I do not know whether we can obtain national figures.

Mr McCaffery: We are working with the Australian Bureau of Statistics on national offence categories. Western Australia has most of its figures in line. Very few of the other States are properly aligned at this time. The ABS is using Western Australia now as the benchmark. Once we have those in place, the categories can be properly aligned. Where, at this time, priorities 1 and 2 might closely align because of the seriousness of a burglary, those below it vary significantly.

Mr WIESE: From my reading of page 1089 where it shows the full time equivalents throughout the agency, the agency is increasing its number of full-time equivalents by 92. I understand the number of police officers is not increasing, although more police officers will be in the community due to the arrangements put in place. Does that mean there has been an increase of 92 in the civilian component of the service? Does that then mean more officers have been released?

Mr FRAME: It is not an increase as such. The authorised staffing levels, both sworn and unsworn, have remained the same over the two years. When the estimates were compiled for 1999-2000 the figures were on the basis of our staffing level early this year, which reflected our staff numbers at that time. With the attrition and recruitment programs we have in train we are working to an authorised level. That captured our numbers at a certain month in the cycle, not our full year's figures. It is not a reflection of our authorised strength for the full year. It reflects the way the figures were collected and recorded for the budget process. Our authorised sworn strength is 4 813 and our authorised unsworn strength has not changed.

Mr WIESE: Are you saying that although your authorised strength has not increased, the actual number of persons on duty has increased?

Mr FRAME: When the figures were recorded, our actual number of employees of 5 843 was reflected in the budget. However, in our recruiting process of sworn officers and with the attrition of unsworn officers we must be aware of constant movement, so we took a snapshot of the situation at a certain time. With the ebb and flow of staff movements we constantly work towards our authorised strength of 5 935.

Mr WIESE: I have gone to the trouble of adding the number of FTEs against each output and it comes to exactly the projected number. Does that mean that figure is a projected snapshot into the future, rather than a realistic snapshot?

Mr FRAME: No, that is the authorised strength which we work towards. In effect, at all times, the organisation aims to keep the number as close to the 5 935 as possible. However, at points in time we are above or below that - for example, with academy intakes and when members leave. We run an academy when we have sufficient numbers to run a full school of 32. We could assess the number mid-month, but an academy might be commencing a month later, which would increase those figures. The 5 935 is the figure we aim to maintain and operate with at all times.

Mr WIESE: Does the variation occur in the number of civilian or non-sworn officers, or is it in the number of sworn officers?

Mr FRAME: Probably a combination of both because when that figure was collated, it was probably February or thereabouts when both sworn and unsworn figures were down. The organisation manages both its sworn and unsworn strength, but attrition occurs in both sectors. It is not as though we deliberately, or even managerially, run below sworn or unsworn numbers at any time. We are trying to keep them at full strength all the time, but we cannot control attrition or departure rates. There is more likelihood of unsworn officers departing at Christmas when they make decisions about study and other commitments. The number might fall then, but we aim over the financial year to keep it at 5 935.

Mrs ROBERTS: I refer to output costs for 2000-01 at page 1072. I note that the target of \$51 an hour is an approximate cost for 2000-01. How many hours of output are anticipated in 2000-01 and how does this compare with 1999-2000?

Mr McCAFFERY: I am not sure whether it is a two-pronged question.

Mrs ROBERTS: Presumably you had a global amount and you divided the number of hours into it to get the \$51.

Mr PRINCE: We will take another question while we look for the information.

Ms ANWYL: I refer to major policy decisions at page 1073, which shows a budget estimate of \$2m for cost of activity increase. What is that? It appears that it will double for the following year to \$4m.

[9.30 pm]

Mr MATTHEWS: It is made up of \$950 000 for employee transfers - I have previously mentioned that - \$350 000 for increased salary for unsworn staff, \$229 000 for medical reimbursements, \$228 000 for fringe benefits tax increases and \$244 000 for the additional use of DNA technology.

Ms ANWYL: Is a breakdown of the \$4m forward estimate for 2001-02 also available, or is that a guesstimate that things will become more expensive?

Mr MATTHEWS: The section on major policy decisions outlines the increase. The table shows the additional funding for the Aboriginal wardens scheme and the cost-of-activity increase. I outlined the reasons for the additional amount, not the \$2m contained in this budget.

Mr PRINCE: Mr McCaffery can provide some information about the previous question.

Mr McCAFFERY: Unfortunately, the total number of hours are not available; however, pages 1075 through to 1088 of the *Budget Statements* outlines the seven outputs, which provide those figures in both dollars and hours. It is a case of adding the seven figures together.

Mrs ROBERTS: Could I get the answer through supplementary information?

Mr PRINCE: Yes.

Mrs ROBERTS: Page 1076 of the *Budget Statements* refers to Safer WA committees. Last week in Parliament, I raised concerns about the status of the Carnarvon Safer WA committee. Has the status of that committee been restored to district level and, if not, why not?

Mr PRINCE: These questions were asked by the Leader of the Opposition in the other place. He asked why the committee had been downgraded. The decision to change the status of the Carnarvon committee from a district committee to a local committee was made by the executive committee of Safer WA Inc. Did the member also ask about the Geraldton district overruling the Carnarvon district?

Mrs ROBERTS: No. I was not aware that the material is available in *Hansard*. I am happy to consult that.

Mr PRINCE: Funding to the Carnarvon committee has been cut. As a local committee, the Carnarvon committee is entitled to an allocation of \$1 500. The executive committee of Safer WA has the authority to examine special and financial needs

for committees and review allocations as necessary. Hon Tom Stephens also asked if the funding cut would affect the future of community policing in the shopping centre. The funding impact is not known. The Carnarvon Safer WA committee will need to discuss this issue with the executive committee of Safer WA to provide more detail. He also asked if I, as the minister, would upgrade the committee to receive its former status of funding. Any decision about the status of the Carnarvon committee will be made by the executive committee of Safer WA Inc. It is due to discuss this matter at its next meeting in June. The Government does not control the status of Safer WA committees. That is the responsibility of the Safer WA executive, of which the Government is a member. However, Safer WA is a non-profit organisation chaired by an independent person. Now that the matter has been drawn to my attention, I will pass it on to the executive for its consideration

Mrs ROBERTS: When did police officers become voting members of the committees?

Mr MATTHEWS: I do not know the precise date. At a meeting in Joondalup about six weeks ago, the constitution of the Safer WA committees was changed to allow police officers to vote and hold various offices. The decision was debated at length. No police officers took part in that vote because they did not have the rights at the time. The motion was carried by a significant majority.

Mrs ROBERTS: Do you have concerns about police officers on Safer WA committees holding positions such as treasurer?

Mr PRINCE: No.

Mrs ROBERTS: Page 1084 refers to the number of full-time equivalents required for the output of response to offences. The number of FTEs decreases from 732 to 593 between 1999-2000 and 2000-01. On the following page is the outcome that individuals committing offences are brought before the justice system. How is the reduction of the number of FTEs in this area justified when the public is so keen to see criminals brought to justice?

Mr McCAFFERY: This is one of the major changes made to the outputs. In previous years, the number of responses to offences was given as a percentage. Following the investigative practices review, the tactical investigation groups and district offices have put in place a continuum of response and investigation from the time officers attend an offence. Previously, when a police officer attended an offence, he would take an offence report, return to the police station and put the report in a tray. Within a few days another police officer - or perhaps the same one - would take up the investigation. There was a response to the offence and then an investigation of that offence. Page 1074 provides a clear articulation of the change. Now, the investigation begins immediately the operational officers under the guidance of Mr Brennan attend an offence. Officers are required not only to take an offence report but also to carry out all other inquiries necessary for the commencement of an investigation, such as interviewing neighbours and taking statements. The reporting methodology indicates that the investigation of offences has risen quite dramatically and that the response to offences has decreased. That is the sole reason. Quite significant changes have occurred with the output figures. It is anticipated that the service to the judicial process will also decrease significantly through the core functions project.

Mrs ROBERTS: Are you suggesting that although police officers now do more, fewer officers are needed?

Mr McCAFFERY: No, the outputs cannot be related to full-time equivalents. The number of hours that officers attend to offences is included in the output, not the number of officers. The methodology equates to hours and could translated into the number of police officers. However, it relates to hours rather than FTEs.

Mrs ROBERTS: The same question applies: If more work is being done, why are fewer hours required?

Mr PRINCE: Things are done differently. Previously, an officer would attend the scene of a burglary, take down the particulars of the offence and complete the necessary paperwork. Someone else would then take up the task of investigation. Response and investigation were separate exercises. It is now one exercise.

Mrs ROBERTS: Are you suggesting that time was wasted by the second officer familiarising himself with the details of the offence?

Mr PRINCE: Time was also wasted by the officers returning to the station and giving the investigation to someone else to pick up either then or the following day. The investigative practices review identified that a better practice would be for the officer responding to an offence going to the place it was committed to start the investigation straight away. It is commonsense. The investigation of offences, contained under the recurrent outputs on page 1074, shows a diminished number of responses and an increased number of investigations between 2000-01 and 2001-02. This is a method of accounting for a change of investigative practice. It is not a diminution in the number of people or in the amount at work; it is a diminution in the way they are doing things.

[9.40 pm]

Mrs ROBERTS: It is a diminution in the number of hours employed in that output measure. That is what it says.

Mr PRINCE: Perhaps the member will accept it from the commissioner.

Mr MATTHEWS: When a police officer attends an event, there is a line at which the officer is not just responding but actually investigating. Under the previous arrangement, that line was further back because the officer came back to the station, effectively put the report into a basket and it was picked up by somebody else. In terms of the investigative practices review, the officer reaches that point probably when he is at the scene and starting to investigate; in other words,

if there is information which he can follow up fruitfully, he will then commence an investigation. The coding effectively changes from the hours that he has spent attending that particular event.

Mrs ROBERTS: If that line is being moved, one would expect that there would be a commensurate increase in the full-time equivalents employed for output 6, the investigation of offences. Footnote (b) at the top of page 1086 says that the full-time equivalents employed in this output during 1999-2000 were 1 491 and are estimated to be 1 484 for this budget. That has also gone down slightly. Between the two areas, fewer output hours are still being worked.

Mr McCAFFERY: On page 1085 the hours of investigation for offences was 2.124 million but it is now 2.2 million.

Mr PRINCE: There is an increase. That explains it with regard to the investigative practices review.

Mrs ROBERTS: I still cannot see how that follows, even though the estimated hours of investigation of offences listed on page 1085 is 2.124 million with the target for 2001 being slightly higher at 2.2 million.

Mr McCAFFERY: There are two issues: We do all these calculations, first, in dollars and, secondly, in hours. They are not to be collectively put together with full-time equivalents or reflect back to core functions.

Mrs ROBERTS: I am happy to accept that we are talking about a number of hours which have then been divided and equated to FTEs. I note that not only in output 5, the response to offences, which I highlighted first, but also in output 6, the investigation of offences, the number of hours has been converted to FTEs. Given the commissioner's explanation that a line had been drawn between when a response finished and when an investigation commenced, it equates to a drop in both instances. I would have anticipated that there would be more hours at the investigation end, which is not indicated by the footnote.

Mr PRINCE: Output 6, the investigation of offences, shows quite clearly the cash cost of the output. It increases from \$92.992m in 1999-2000 to \$101.104m in 2000-01.

Mrs ROBERTS: How can the minister explain those footnotes?

Mr PRINCE: The output measure in hours goes up.

Mrs ROBERTS: However, the number of FTEs in both circumstances goes down.

Mr PRINCE: We will provide the member with an explanatory paper by way of supplementary information.

Mrs ROBERTS: Dot point six on page 1071 refers to the impact of drugs. Given that research indicates that 70 per cent of heroin users are active property offenders, what has been done both to address the heroin usage problem and target those offenders?

Mr PRINCE: The member is not after a finance figure; she is after activity.

Mrs ROBERTS: That is right.

Mr PRINCE: Just before Mr Brennan answers the question, I make the point that drug activity must be dealt with across government agencies and the WA Drug Abuse Strategy Office.

Mrs ROBERTS: I am aware of that. I am aware that other activities are happening in other agencies, but I am solely interested in what this agency is doing.

Mr PRINCE: The member does not want to hear me on the subject of drug courts or intervention programs.

Mrs ROBERTS: No.

Mr BRENNAN: We have a three-pronged approach to this problem. In recent times we have stepped up our activities at the barriers. We are working with other agencies - the Australian Customs Service, the National Crime Authority and the Australian Federal Police - to target importers and various other large-scale operators in the drug scene. We are putting a lot of effort into the upper echelon. In years gone by, the agencies did not work well together; they did their own thing. Now we combine a lot of our effort, intelligence and resources into looking for the top echelon drug dealers. We are trying to detect the number of people importing drugs into the State from all sources, whether it be from the eastern seaboard, locally on container ships or by other means. At a street level, we are also targeting those people who are dealing in drugs, and a fair amount of activity is going on in that sense. Various operations have been taking place in suburbs, coordinated across all districts by our major crime division. We are doing a fair amount of work in that regard also. Finally, we are also targeting the minor level - the street dealers and those who are first time and occasional users. The drug reference group within our major crime division is working in conjunction with the suburbs, and our district intelligence office is trying to put some work together. We have had some reasonably good successes in recent times. The member will have seen the newspaper reports about our confiscating large quantities of hydroponic drugs, cannabis, amphetamine, ecstasy and those sorts of drugs. There has been quite an amount of success in that area, but there is still a lot of work to be done.

[9.50 pm]

Mr CUNNINGHAM: That is the key, particularly in places like Fieldgate Square in Balga.

Mr PRINCE: If the member has information which he thinks the police can use, will he please present it confidentially.

Mr CUNNINGHAM: The business people of Fieldgate Square have not stopped ringing Crime Stoppers in the past three months with regard to problems, yet it is still taking place on a nightly basis. Nothing is being done.

Mr PRINCE: If the information has been supplied, it will be attended to.

Ms ANWYL: The cannabis cautioning program has now been extended statewide. Is it too early to say whether that is freeing up police resources in any way? The amount of court time may have been reduced, because certainly in my electorate there has been a reduction in the number of charges for the possession of cannabis.

Mr PRINCE: It is a discretionary exercise on the part of police officers and always has been; and it is not, never was and never will be a soft option.

Ms ANWYL: There is no need to go into the policy issue. We have done that. Is it having any impact on the hours of police officers? That was obviously one of the good points that the Victorian Police Service picked up. The former Commissioner of Police was an advocate of the cannabis cautioning program, and one of the reasons was that it would free up police resources from that very low end of the cannabis offences scale. It may be too early to know, but we have had the Bunbury and Mirrabooka pilot programs, and there may be some detail about the impact of those programs.

Mr PRINCE: I am not sure whether the police can give an answer. That was the view of Mr Falconer, and it was not based just on a resource exercise. The reason the Government took the action that it did had nothing to do with that. It was to do with being able to get users in front of a counsellor.

Mr MATTHEWS: We do not have any empirical data, but before the program was extended there was at the very least anecdotal evidence that there was a saving of time. It obviously makes sense that if police officers can deal with the matter there and then, using a process that is transparent and agreed, it prevents officers from having to prepare cases for court; and if cases are ultimately contested, they still have the ability to go forward. As the minister has mentioned, other factors are involved in that change in policy direction which are to do with ensuring that the individuals receive appropriate treatment to prevent a recurrence.

Mrs ROBERTS: I refer to the statement of financial position on page 1090. The second line item under non-current assets is plant, equipment and vehicles. While that was about \$13m in 1998-99 and is \$15m in 1999-2000, it jumps markedly to \$67m in 2000-01 and remains high. What is the explanation for that?

Mr PRINCE: We cannot run a capital asset program the size that we are running without increasing the asset base.

Mr McDONALD: Those figures reflect the fact that the new Police Academy is under construction. We also have our Delta communications and technology program. Under the terms of accrual accounting, these matters are being introduced into our accounts next year.

Mr WIESE: While professional standards is not specifically dealt with in the budget, how many officers are working in that section of the Police Service, and how effective has their work been?

The CHAIRMAN: If it is not in the *Budget Statements*, the member cannot ask the question.

Mr WIESE: I am sure it is in one of the outputs - I suspect output 1.

Mr MATTHEWS: About 100 people are in the professional standards portfolio at the moment. We are looking to devolve some of those positions to the districts, and they are persons who are dealing with what I would call disciplinary matters that are aligned with management issues, in terms of discipline being related to the management of staff. We will not be transferring positions that are investigating allegations of serious criminal behaviour or corruption; they will remain. A range of people are employed on different tasks in the professional standards group, from surveillance to other aspects which I do not want to go into, but the bulk of them are investigators and undertake tasks where allegations are made against police officers.

Mr WIESE: How many officers have been dealt with by the professional standards unit, and how many of those officers have been disciplined as a result?

Mr MATTHEWS: I do not have the figures, but a figure of 67 over three years comes to mind. I am happy to supply that as supplementary information.

Mrs ROBERTS: Page 1085, under the heading "timeliness", refers to investigations for offences against the person being finalised within 30 days and investigations for property offences being finalised within 30 days and gives some percentages and targets for 2000-01. When is an investigation of an offence regarded as being finalised?

Mr McCAFFERY: When an offender is put before the court and perhaps because of the procedure of the court is found not guilty, from that point on there is no further investigation. It is the same as the question that the member asked before, but one point I did miss is that when an offence is reported and recorded by us but a subsequent inquiry finds that no offence was committed, it is called a solved case. It is the same here.

Mrs ROBERTS: An investigation is not finalised if the police just determine that they have no chance of catching the culprit?

Mr PRINCE: No. It remains an unsolved case.

Mrs ROBERTS: I refer to the seventh dot point on page 1071. What information will the Police Service be making far greater use of to effectively target criminal activity?

Mr PRINCE: Intelligence-led policing has been one of the calls of the Delta reform; that is, taking information and subjecting it to analysis, and it then becomes intelligence and forms the basis for action. The maps to which I referred earlier are an example of taking information and subjecting it to analysis, and it then becomes intelligence that can be used to deal with break-ins, for example.

Mr BRENNAN: There is an added dimension to that. Every district has a district intelligence cell. That cell links up with our Bureau of Criminal Intelligence, which, under the investigative practices review, has been developing what is called intelligence packages, which in effect means that they will target a known recidivist offender. We may be talking about night-time burglaries, and if we know that a person has moved back into an area, has been released from custody or has moved here from interstate - and we get information to that extent - a package will be developed and certain strategies will be put in place to ascertain one way or another whether that person is offending, and to what extent. That is really just homing in on intelligence-driven information, because once upon a time a lot of information was gathered and it went into the abyss, which was the intelligence black hole where they used to put in a lot of information but not a lot used to get out. The investigative practices review was critical of that practice and said that the information - intelligence in particular - was corporate property that should be dealt with and made available to all police officers, and that is one of the ways that we are doing things differently.

Committee adjourned at 10.00 pm
