

Chairman; Mr Paul Omodei; Mr Fran Logan; Mr Ben Wyatt; Mr Colin Barnett; Mr Bob Kucera; Mr Terry Redman; Mr Paul Papalia

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**Division 12: Industry and Resources - Service 1, Resource Services, \$34 250 000; Service 2, Industry Development Services, \$15 815 000; Service 4, Geological Services, \$19 141 000; Service 6, Scientific Services, \$2 648 000 -**

Dr S.C. Thomas, Chairman.

Mr F.M. Logan, Minister for Industry and Enterprise.

Mr S.J. Smith, Acting Director General.

Mr M. Banaszczyk, General Manager, Finance.

Mr P. Viney, Deputy Director General, Office of Science and Innovation.

Mr R. Burton, Acting Deputy Director General, Resources Group.

Mrs L.E. Thomas, Assistant Director General, State Development Strategies.

Mr S. David, Policy Adviser, Office of the Minister for Industry and Enterprise.

Dr P. Hyde, Executive Director, Chemistry Centre.

Mr R.E. Marshall, Acting Deputy Director General, State Development Strategies.

**The CHAIRMAN:** The Leader of the Opposition.

**Mr P.D. OMODEI:** I refer the minister to the sixth dot point on exploration expenditure on page 222 of the *Budget Statements*. How many applications have been received in 2006-07 to carry out uranium exploration activities in Western Australia, and how many already exist? I accept that the minister might not know that off the top of his head.

**Mr F.M. LOGAN:** As the Leader of the Opposition knows, the department receives exploration licence and mining licence applications. We do not have applications for specific minerals. We cannot separate the applications that have been applied specifically for uranium mining because the application would be for an exploration licence. When that application is presented to us, it is usually approved, depending on the advice from the department and particularly the Geological Survey of Western Australia, with the exception that I exclude the ability to mine uranium.

**Mr P.D. OMODEI:** I am asking about exploration licences. If we want to know how much uranium is in the state, there obviously must be a quantum response in terms of what has been found through exploration. If the minister cannot provide a specific answer on uranium exploration, surely the department should know once the mineral has been found.

**Mr F.M. LOGAN:** People may strike uranium when exploring for minerals and they may or may not be looking for uranium. Because they do not take it any further, they do not calculate or infer the load or amount of uranium there. Those figures are not available.

**Mr P.D. OMODEI:** How do we know the tonnages available at Kintyre, Oobagooma and all those places?

**Mr F.M. LOGAN:** The Leader of the Opposition would have to ask the company that originally applied for the mineral exploration licence.

**Mr P.D. OMODEI:** Is the minister trying to tell me that the department does not know how many uranium sites there are in Western Australia and the expected tonnage of uranium from those deposits? I know that the government is opposed to uranium mining, but that does not mean that the minister cannot answer the question.

**Mr F.M. LOGAN:** The department knows of five major uranium deposits in the state. Information on the size of the uranium deposits has not been provided to the department. In many cases, the exploration companies are not looking for uranium but something else.

**Mr P.D. OMODEI:** Given the current price of uranium, have any applications been received for the mining of uranium in Western Australia? Also, is it still the case that the state could be exposed to legal action if the government were to attempt to block an application for uranium mining, as we were given to understand from a briefing note from 4 April 2006? I am sure that the minister is aware of the document that was left in the courtyard.

**Mr F.M. LOGAN:** Nobody has made a formal request to mine uranium.

**Mr P.D. OMODEI:** I will put that question on notice. I have a couple of further questions on uranium. Has a cost-benefit analysis been done on uranium mining in Western Australia; and, if not, why not? Has any advice

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been received by the minister from his department to support the lifting of the ban on uranium mining in Western Australia?

**Mr F.M. LOGAN:** The answer to both questions is no. I will add one thing -

**Mr P.D. OMODEI:** Has any cost-benefit analysis of uranium mining in Western Australia been undertaken?

**Mr F.M. LOGAN:** No, not to my knowledge.

**Mr P.D. OMODEI:** I find that to be unbelievable.

**Mr F.M. LOGAN:** The Leader of the Opposition may do. I will tell the member something that might add to his knowledge of uranium mining. Roxby Downs provides 25 per cent of all the world's uranium. That mine will double in size. If the member thinks that uranium mines will take off in this state in the way that he thinks they will, he is joking. Roxby Downs is one of the biggest -

**Mr P.D. OMODEI:** Has the minister spoken to Rio Tinto lately about the Kintyre deposit?

**Mr F.M. LOGAN:** No, I have not.

**Mr P.D. OMODEI:** Well, I suggest that the minister talk to that company.

**Mr F.M. LOGAN:** There is a ban on uranium mining in this state, and that is the way it is going to stay. I advise the member to do some more research on uranium and to find out how much demand there is for uranium in the world. He should not take the word of small companies, but should find out from the power producers what demand there will be for uranium in the world over the next 10 years. He should then look at whether the current suppliers would be able to meet that demand. One mine in Australia alone can meet virtually 50 per cent of the demand going forward.

**Mr P.D. OMODEI:** It is amazing how the minister knows so much about uranium mining in Western Australia but does not know how many exploration permits have been requested.

**Mr F.M. LOGAN:** That is because so many silly statements are made about it.

**Mr P.D. OMODEI:** I have a final question on uranium. Does the minister intend to legislate to prohibit uranium mining in Western Australia?

**Mr F.M. LOGAN:** No.

**Mr B.S. WYATT:** I refer to the last point under the works in progress on page 240, which refers to the stage 1 implementation of the technology precinct in Bentley. This matter is of a lot of interest to my electorate and has been thought about for some time. Can the minister provide me with an update of this project? The main expenditure will obviously occur in the coming year. I am keen to hear what the position is now.

**Mr F.M. LOGAN:** I thank the member for his question. Bentley Technology Park is in the heart of the member's electorate, and it is no surprise that he would ask about it. As the member would be aware, Bentley Technology Park is a very successful industrial cluster of various organisations that are primarily focussed around the information technology sector, but there are also a number of biotechnology, pharmaceutical and hi-tech mining-related companies there as well. Bentley Technology Park is one of the oldest technology parks in the world and was established in 1986. It has been one of the most successful as well. As the member may know, it is nearly full. Very few blocks are available at that site. The government is trying to take it to the next level to expand the operation of the Bentley Technology Park. As a result of a decision made by the government the other day, the Bentley Technology Park will be able to expand onto land currently owned by the Department of Agriculture and Food as its new premises are constructed at Murdoch University. That land will become available over the next three to four years and will add about 20 hectares to the Technology Park, which will allow significant growth, particularly in the area that we are trying to encourage, which is the information and communications technology sector. The government is trying to ensure that all companies that request to move into the Bentley Technology Park fit within the criteria of the ICT industry so that we can make the park the home of ICT in Western Australia. The relationship between that home and Curtin University of Technology will be very beneficial for the future of Western Australia.

In terms of the way in which the Technology Park will develop, I have put together a body with representatives from the Department for Planning and Infrastructure, Department of Industry and Resources, Department of Housing and Works, the Town of Victoria Park, the City of South Perth, Curtin University and companies based in the park to develop a master plan for the future of the park. One of the key things we have identified is the need to create a heart within the Bentley Technology Park, because at the moment it is quite sterile. We hope that the heart will be created around the very large roundabout. I cannot remember the names of the roads that intersect the roundabout, but it is right in the middle of the Bentley Technology Park. We want to build a town

centre around that roundabout to ensure that the people who work in the Technology Park have access to forms of entertainment such as restaurants, cafes and other things that do not exist there at the moment.

We cannot have a very large workforce, particularly in that high-tech area of ICT, in that environment and not ensure they are properly looked after. That is where we are going in planning for Bentley Technology Park. It will involve moving some roads or creating new roads, re-landscaping the whole area, expanding the technology park to 20 hectares and basically creating a town centre so it becomes a live, growing and thriving industrial cluster built around ICT.

[4.00 pm]

[Mrs J. Hughes took the chair.]

**Mr C.J. BARNETT:** I refer to Service 1, Resource Services on page 227, which relates to supporting infrastructure for mining and petroleum projects. Given the evidence before the Corruption and Crime Commission relating to the deputy director general of the department, Mr Gary Stokes, which major projects was Mr Stokes working on; have the projects or the negotiations been compromised; and what are the minister and the department doing to correct or re-do work that Mr Stokes was involved in?

**Mr F.M. LOGAN:** As that is an operational matter I will pass it to Mr Smith.

**Mr S.J. Smith:** Mr Stokes was the deputy director general responsible for the Office of State Development. As a result of the developments at the CCC, he is currently on leave from the public service. I have moved into his position substantively although I am currently acting in the role of director general. To answer the first question about which areas of responsibility he had -

**Mr C.J. BARNETT:** Which major projects was he working on? I do not want to put Mr Smith on the spot, but cabinet and other information was passed on to Messrs Burke and Grill; it is a point at issue.

**Mr S.J. Smith:** Included in the responsibilities of the position is responsibility for state agreements for Western Australia, which includes the full range of state agreements, so I guess -

**Mr C.J. BARNETT:** There are 80 of those.

**Mr S.J. Smith:** That is about right. All of those fall within the responsibility of the group that he had carriage of, and as such he was the responsible deputy director general.

**Mr C.J. BARNETT:** My question is: which projects was he spending a significant amount of time on and what has been done within the department to make sure the due process, confidentiality and integrity of negotiations on mining and petroleum projects have not been compromised? In other words, what has been done to re-do every piece of work Mr Stokes was involved in?

**Mr S.J. Smith:** Perhaps I could run through the things the department has done in response to the developments at the CCC and it may well answer the member's question. I will be happy to elaborate on any of them. As a department the steps we have taken are that the director general and senior legal officer have explained to all DOIR staff their responsibilities as provided under law and in relation to the public sector code of conduct and the department's core values. We have also revised our hospitality policy in relation to receiving gifts and other things. We have implemented a system of specifying the security of documents created within the department so as to remove ambiguity in relation to documents. All staff who are new to the department now go through a full induction process that advises them of the security requirements for documents and acceptable conduct. All existing staff in the department are currently going through workplace conduct awareness workshops. I believe over three-quarters of the staff have been through those and the remainder are in the process of going to the workshops. The focus of the workshops includes an emphasis on confidentiality of information, the receipt of hospitality, and appropriate conduct in dealing with lobbyists. We have also implemented the government's policy in relation to lobbyists. The executive of the department has also had a meeting with the CCC independently of that investigation to seek its advice on what action we should be taking as a department to ensure all matters we deal with are handled appropriately. We have also reviewed all matters that have involved the department's dealings with Mr Burke and Mr Grill. We have changed the arrangements within the department for handling documentation, particularly documentation that is transferred to the ministerial offices. We have established a ministerial liaison unit and some members of the executive have had specific training on ethical leadership. I think the steps we have taken have been comprehensive and will make sure there will not be any concern in the future about the conduct of DOIR staff. That can give confidence to the minister and the public and to the staff in the department as well.

**Mr C.J. BARNETT:** That is all commendable and they are all things for the future, which I recognise. Given that Mr Stokes was working on several major projects, my initial question was: which projects was he particularly involved in and what has been done, so to speak, to shred the work and start again if necessary; what review of the work has been undertaken, particularly confidentiality and compromise decisions that may have

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been made; and have any of the companies involved found it necessary to go back and restart negotiations with the department on major projects?

**Mr S.J. Smith:** As I have mentioned, we have reviewed all of the matters that involved dealings particularly with Mr Burke and Mr Grill, and where we have had any concerns we have reviewed those decisions. We have also reviewed any correspondence that the department had in relation to those matters and have taken steps to review any negotiations that Mr Stokes was involved in. To answer specifically the member's question, there were a couple of negotiations that Mr Stokes was conducting as the lead negotiator for the department. In those particular instances I have taken over the negotiations. They tend to relate to state agreement variations and where we have had any concerns we have identified those to the company and said we wish to review those decisions. In the one example I can think of, there was not a final decision; negotiations were proceeding down a particular path, and we said we wanted to take them right back to the start and recommence the negotiations. We have done that, with the full support of the company, and we are reaching a conclusion that I think will be satisfactory to the state and that will certainly not compromise any outcome. Once again, we are not aware of any particular projects that Mr Stokes was involved in that have led to any compromised outcome for the state.

**Mr C.J. BARNETT:** Specifically, which state agreement acts, given they are acts of Parliament, has the department found it necessary to negotiate, as Mr Smith just said, or to have gone back to the beginning, recommenced or started the negotiations afresh? Which state agreement acts are we talking about?

**Mr S.J. Smith:** I mentioned there is one in particular that we are in the process of negotiating. The negotiations are coming to a conclusion to the satisfaction of the company and I believe to the state. The negotiations have not yet been finalised, so I do not think it would be appropriate to identify the company at this point.

**Mr C.J. BARNETT:** I am only asking for the name of the agreement act, of which there are 80.

**Mr S.J. Smith:** The name of the agreement act would identify the company.

**Mr C.J. BARNETT:** Exactly.

**Mr S.J. Smith:** As I say, the negotiations are coming to a conclusion, at which point we will take it to the government, which I expect will bring a negotiated outcome to Parliament and it will be made public at that point.

[4.10 pm]

**Mr C.J. BARNETT:** Madam Chair, a further question.

**The CHAIRMAN:** Before the member continues, it seems quite clear that Mr Smith has answered the question as far as he can. The member is quite welcome to ask a further question, but if Mr Smith chooses again not to answer to the member's satisfaction, the member may ask a question on notice.

**Mr C.J. BARNETT:** I cannot ask a public servant a question on notice.

**The CHAIRMAN:** The member may certainly ask a further question.

**Mr C.J. BARNETT:** I can understand his hesitancy. In asking this further question, I will direct it to the minister, who is accountable to Parliament. If he will bring an amendment to the act into this Parliament, this is his opportunity to say which agreement act is being renegotiated; otherwise, he should not expect it to progress through this Parliament quickly, if at all, if it is compromised or corrupted.

**Mr F.M. LOGAN:** Well, that would all be very well if I had responsibility.

**Mr C.J. BARNETT:** Answer the question; tell us the agreement act.

**Mr F.M. LOGAN:** Do you mind?

**The CHAIRMAN:** Minister, thank you.

**Mr C.J. BARNETT:** I do; I am very angry about the corruption in a very good department.

**Mr F.M. LOGAN:** I do not care how angry you are; you are always angry.

**Mr C.J. BARNETT:** I am very angry about the corruption with this department.

**Mr F.M. LOGAN:** You are always angry.

**The CHAIRMAN:** Members! The minister has the floor.

**Mr C.J. BARNETT:** It has been an excellent department for a long time.

**Mr F.M. LOGAN:** Do you want an answer or not, or do you want to keep mouthing off?

**The CHAIRMAN:** Member for Cottesloe. The minister has the floor.

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**Mr C.J. BARNETT:** I am mouthing off at you. Answer the question.

**Mr F.M. LOGAN:** I will answer the question if you stop mouthing off and let me answer it. I do not have responsibility for that area. I do not look after the Minister for State Development.

**Mr C.J. BARNETT:** You are answering questions on the estimates in Parliament today.

**Mr F.M. LOGAN:** Can I explain to the member, and maybe he will stop for a second and listen. I know he has problems doing that, but we will try this time. That comes under -

**Mr C.J. BARNETT:** Yes, Mr Chairman!

**Mr F.M. LOGAN:** Just listen - do not get upset; look at me.

**Mr C.J. BARNETT:** Answer it - come on; come on.

**Mr F.M. LOGAN:** I will. It comes under service 3, the Minister for State Development, who looks after state agreement acts. I suggest the member put that question to him.

**Mr C.J. BARNETT:** So the minister is not answering the question?

**Mr F.M. LOGAN:** I am not the minister responsible for it.

**Mr C.J. BARNETT:** What a joke. This is a farce.

**The CHAIRMAN:** Members; thank you.

**Mr C.J. BARNETT:** This is a farce, Chairman. If the minister is not going to answer questions in the Parliament -

**Mr F.M. LOGAN:** Can I add, that the Minister for State Development is yet to come before this Parliament, so the member for Cottesloe can put the question to him. He has not lost his opportunity.

**Mr C.J. BARNETT:** So you refuse to answer the question?

**Mr F.M. LOGAN:** I am not the minister responsible.

**The CHAIRMAN:** Member for Cottesloe, I remind the committee that presently only one member from the opposition is on the actual committee, which is the member for Stirling. I am making sure members are aware of that.

**Mr C.J. BARNETT:** I am, too. You are wrong.

**Mr P.D. OMODEI:** Can you check that?

**The CHAIRMAN:** The member for Peel has the call.

**Mr P. PAPALIA:** I refer the minister to major achievements on page 231 and the fourth dot point about the government's Logical Choice campaign. Having recently convened the first meeting of the Defence Advisory Board, I am interested to know, apart from the floating dock, what is the \$175 million being spent on in the way of infrastructure at the Australian Marine Complex?

**Mr F.M. LOGAN:** I thank the member for Peel. I am aware of his interest in this area, given his background in the Royal Australian Navy and chairing of the skills task force for and on behalf of the government, specifically directed at this area. As the member is aware, the common-user facility of the Australian Marine Complex is a state government-owned facility that has been constructed for the sole purpose of supporting three areas of industry - the mineral sector, the oil and gas industry and the marine defence sector. Since the CUF, common-user facility, has been constructed, and from the day it opened, despite the criticisms and claims of certain people that it would be a white elephant, it has been a very successful operation, and is now attracting significant numbers of international players to the area who want to be part of the action. The \$174 million covers a number of components. It is for the tender and purchase of stage 1 of a floating dry dock, which we hope will have the capacity for a ship lift of between 12 000 and 13 000 tonnes. It will be about 100 metres in length and will provide a level of industrial development that has never before been available here in Western Australia. We have not previously had the opportunity to have dry dock or floating dry dock facilities. There have been boat lifting facilities, as the member knows, by ramps and by the Tenix ship lifting facility, which was again purchased by the government in the 1980s, and which is now fully owned by Tenix. That facility supports small boat lifting, such as frigates and submarines, but not significant ships. In addition to the dry dock, the docking facility at the CUF has been expanded; this is nearly completed. Until very recently, the CUF had the capability to handle only three major dockings, one of which is on the 15 000 tonne load-out area, and this is not suitable for warships, although the *Delos* tanker was tied up alongside it for a period recently. However, it is not suitable for smaller ships because it is such a large load-out facility. The other side has a 5 000 tonne load-out facility, which, again, is suitable for smaller ships like frigates, but capable of taking only one or two ships. This capital

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injection has enabled expansion of that docking capability to wrap itself around the CUF and allow up to five ships and submarines to dock at one time.

**Mr R.C. KUCERA:** Has any consideration been given to the future to serve smaller recreational boats or the kind of yachts that are on the river in Perth, which, with the environmental demands being put on yacht clubs, will eventually have to move out of their area?

**Mr F.M. LOGAN:** Yes; it is a future vision, because a process is underway now for international expressions of interest - it will be in the newspaper shortly - for companies that want to build a super yacht facility alongside an area that has already been leased by a consortium, which will build its own super yacht fabrication, launching and repair facility alongside Ocean Fast on the old Tenix site. The area next door to that will go out to expressions of interest internationally for other consortiums to do the same thing, so we will end up with a cluster of companies.

**Mr R.C. KUCERA:** I draw the minister's attention to it because I am a boat owner.

**The CHAIRMAN:** I remind members of the time.

**Mr C.J. BARNETT:** I raise a point of order about the earlier discussion. I refer to service area 1 particularly on page 22. It contains reference to at least four state agreement acts or state agreement negotiations. I ask you to rule, Madam Chairman, on whether we can ask questions about what is in the budget papers on state agreement acts, because it is in the budget.

**The CHAIRMAN:** It also clearly states that if the minister chooses not to answer, it is well within his rights not to do so.

**Mr C.J. BARNETT:** Can I have it clarified that the minister refuses to answer that question?

**Mr F.M. LOGAN:** I was going to make a statement, but I did not have the opportunity at the beginning of this session to do so because we went straight into questions. I will therefore make the statement now. Today, I am here as the Minister for Resources; Industry and Enterprise. In this role I have responsibilities for the regulatory and administrative functions related to the resources sector, development of industries outside the resources sector, production of pre-competitive geological mapping and geological surveys, provision of high-quality and independent chemical information and advice. I will answer all questions on services 1, 2, 4 and 6 of the budget papers. The Premier has indicated what portfolios he has been available to answer questions on, and has done so, and the Deputy Premier, Treasurer and Minister for State Development will make a similar statement and identify which components of the budget papers he will answer.

**Mr C.J. BARNETT:** I have another point of order, Madam Chair. Service 1 refers specifically to at least four agreement acts.

**The CHAIRMAN:** It is not a point of order.

**Mr C.J. BARNETT:** I am sorry, Madam Chairman, but it is a point of order. It relates to the structure of the budget papers.

**The CHAIRMAN:** The member for Cottesloe said he thought the minister should be answering questions. It clearly states within the standing orders that if a minister chooses not to answer the question, he has every right not to do so. Therefore, it is not a point of order. The member for Stirling has the floor.

[4.20 pm]

**Mr P.D. OMODEI:** He has not said that, Madam Chairman.

**Mr C.J. BARNETT:** I am asking the minister to state it. He has not stated it. He refused to answer the question.

**Mr D.T. REDMAN:** I refer to page 229 -

**Mr C.J. BARNETT:** Unaccountable - destroying a good department through lack of accountability.

**Mr D.T. REDMAN:** The last dot point under major achievements on page 229 refers to the expressions of interest for the proposed expansion of the Ord River region. How many proponents put in an expression of interest for that particular project? Has there been any discussion on or a desire from the government's perspective to fund any common-user infrastructure for that development? What is the government's expectation for the development of common-user infrastructure in Ord River stage 2?

**Mr F.M. LOGAN:** I put this answer in line with what I informed the member for Cottesloe and the comments I made: Ord River is the Deputy Premier's responsibility.

**Mr C.J. BARNETT:** What do we do?

**Mr D.T. REDMAN:** It is under service 1.

**Mr F.M. LOGAN:** I understand that. The Deputy Premier is responsible for the state agreement act for the Ord River. He is responsible for a significant number, but not all, state agreement acts, and one is the Ord River. He chaired the ministerial committee that is responsible for the development of the Ord River. Unfortunately, I do not have the facts to hand. The Deputy Premier will be in tomorrow.

**Mr C.J. BARNETT:** On a point of order, if the Ord River is referred to in a section listed for discussion in this estimates committee hearing, the minister has a responsibility to answer. When the Deputy Premier appears and that item is not listed under his estimates, which it will not be, he is not able to answer these questions. The estimates committee procedure requires the minister to either answer or refuse to answer.

**Mr F.M. LOGAN:** Or I will take that on notice.

**Mr C.J. BARNETT:** Yes, the minister can do that.

**The CHAIRMAN:** Is the minister saying that he will provide the information by way of supplementary information?

**Mr F.M. LOGAN:** As I do not have the answer, I will provide it by way of supplementary information.

**The CHAIRMAN:** Will the minister clarify what information he will supply?

**Mr F.M. LOGAN:** I will provide supplementary information to the member for Stirling on the number of proponents -

**Mr D.T. REDMAN:** - in the expression of interests, the discussion and the desire from the government to support common-user infrastructure and what the expectations are from proponents in regard to common-use infrastructure.

**Mr F.M. LOGAN:** Right.

*[Supplementary Information No B16.]*

**Mr R.C. KUCERA:** I refer to "Section 1: Resource Services" at page 227. I note at page 228 the first dot point under major achievements refers to the one-year reversion period. In February 2007 the mining tenement backlog peaked at 18 700. What does the government intend to do to significantly reduce this backlog and meet its existing election commitments?

**Mr F.M. LOGAN:** The member is quite right; there is a significant backlog in mining applications. Unfortunately the backlog was not improved upon last year as a result of the reversion process. However, the applications that came in under the reversion process were completed by February this year. In total, there were about 7 000 applications. In addition to dealing with the normal applications - exploration or mining licences - the department had to deal with applications that resulted from the reversion process. It gave people an opportunity to change their existing licences back to an exploration licence. It added another 7 000 on top of the existing workload.

Additional staff resources were provided to the department to deal with both the backlog and reversion process. Last year, for example, the department received and dealt with a record number of mining applications. More than 3 000 were received and 3 000 were processed. It was at a time when the department was inundated with the 7 000 applications that resulted from the reversion period. The department dealt with that very well. The department is streamlining the process in its dealings with other departments and agencies, both federal and state. I am seeking extra resources from Treasury for additional staff for that section of the department so that it can speed up its procedures and reduce that backlog. The department estimates that with those increased resources it will probably be able to get back to a normal workload within three years. I will certainly be pushing hard for those additional resources.

**Mr P.D. OMODEI:** I refer to the fourth item under "Outcomes and Key Effectiveness Indicators" at page 226 that states -

Measure of investor's satisfaction with the Department's resource development facilitation services, including infrastructure planning, project coordination and assistance with approvals.

Further to investor satisfaction with the department's resource development facilitation services that includes the areas I mentioned and the work of Brendan Hammond from the Office of Development Approvals Coordination, what impact has Mr Hammond had on expediting the approval process for major projects in the mining and resources sector? When does Mr Hammond's contract end and will it be renewed?

**The CHAIRMAN:** I remind the minister we have three minutes of this session left.

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**Mr F.M. LOGAN:** My experience of Brendan Hammond's work is that he has had a significant input into the approvals process. I am advising what I know through my observation as the minister. Mr Hammond deals with the major projects. He is currently working on the Kimberley project with the applicants, local residents, people who are opposed to any development and local Indigenous people. As a facilitator, he is well respected by industry. Members opposite can ask industry what it thinks of him. Industry tells me it appreciates his role in helping it to facilitate major projects.

**Mr P.D. OMODEI:** Is the minister saying he has had a significant impact?

**Mr F.M. LOGAN:** He has - absolutely.

**Mr P.D. OMODEI:** The other part of my question is when does the contract expire?

**Mr F.M. LOGAN:** He is employed by the Department of the Premier and Cabinet. If the Leader of the Opposition would like, I will get the information for him.

**Mr P.D. OMODEI:** Can that be provided by way of supplementary information? I want to know the term of Mr Hammond's contract and whether his contract will be renewed.

**Mr F.M. LOGAN:** Yes.

*[Supplementary Information No B17.]*

**Mr P. PAPALIA:** I refer to the fourth dot point on page 231. Is the Logical Choice campaign attracting any other shipbuilding activity to the state?

[4.30 pm]

**Mr F.M. LOGAN:** Under the Logical Choice campaign, the state is trying to win either the entire contract for what are called LHDs, or amphibious ships - they are effectively mini aircraft carriers - or a proportion of that work. The decision on whether those ships will be manufactured in Australia, and, if they are, where, will be made by the federal government, probably in July. From what we have been informed, an indication will probably come out of the federal government by June. We are obviously crossing our fingers, given that one of the tenderers is Tenix, and that it is working in conjunction with the Spanish company Navantia, with which I have had numerous meetings, and with which the state government has a very good relationship. That project is enormous, as the member would know. Those warships are 27 000 tonnes in size. The project will result in 10 years' worth of work, and will have massive flow-on effects and spin-offs for the Western Australian economy. In addition to those LHDs, there is the work on the air warfare destroyers, which has already been agreed will go to South Australia. This state has signed a memorandum of understanding with South Australia to undertake part of that work. We believe that the decision about what part of that work will be done in Western Australia will be made shortly. Again, the Spanish company is the frontrunner for that work. We believe that Western Australia will undertake a significant amount of work on the modules that make up those air warfare destroyers. That will be of great benefit to the defence sector in Western Australia

**The CHAIRMAN:** We have now reached the end of the time that has been allocated for this division. The question is that the appropriation be recommended for division 12.

**Mr P.D. OMODEI:** Point of order. Before you put the question, Madam Chair, I seek some clarification. We did not start this division until four o'clock.

**The CHAIRMAN:** I am sorry, member. The consideration of the division must begin and cease at the times that are allocated.

**Mr P.D. OMODEI:** This is the most important sector of the economy of the state of Western Australia, and we have spent half an hour on it! It is ridiculous!

**The CHAIRMAN:** I understand that, member. There is no point of order. I am sorry, but I need to put the question.

**The appropriation was recommended.**