

Division 3: Department of the Premier and Cabinet — Services 1 to 3, Premier; Federal–State Relations —

[10.00 am]

Mrs L.A. Munday, Chair.

Mr R.H. Cook, Premier.

Ms E. Roper, Director General.

Ms A. Pickrell, Deputy Director General, Intergovernmental Relations and Strategic Priorities.

Ms F. Hunt, Deputy Director General, Aboriginal Engagement and Community Policy.

Ms S. O’Leary, Acting Assistant Director General, State Services.

Mr J. Wright, Acting Deputy Director General, Infrastructure, Economy and Environment.

Mr C. Patterson, Director, Corporate Services.

Mr G. Italiano, Government Chief Information Officer.

[Witnesses introduced.]

The CHAIR: The estimates committees will be reported by Hansard and the daily proof will be available online as soon as possible within two business days. The chair will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with those details. Some divisions are the responsibility of more than one minister. Ministers shall be examined only in relation to their portfolio responsibilities.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 31 May 2024. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

The member for Roe with the first question.

Mr P.J. RUNDLE: For my first question, I refer to page 60 of budget paper No 2 and the line item on the ServiceWA app under “New Initiatives” in the spending changes table.

Mr R.H. COOK: I do not think I have this one, my friend. I think this is a question for the Minister for Innovation and the Digital Economy. Sorry about that.

Mr P.J. RUNDLE: I will divert to the item “Griffin Coal Process Agreement” in the same table under “New Initiatives”. Can the Premier enlighten us on what that \$1 million of expenditure is and why it cuts out in the out years?

Mr R.H. COOK: The WA government continues to work closely with Griffin Coal and Premier Coal Ltd to ensure a stable coal supply and manage the closure of the state-owned coal-fired power stations, as the member would be familiar with. We want to retire all those assets by 2030. The Department of the Premier and Cabinet administers the state’s provision of funding to Griffin Coal under the Griffin Coal process agreement. The discussions in relation to that are ongoing. The department obtained an initial funding allocation of \$250 000 for KPMG’s engagement in June 2023 and an additional \$750 000 in October 2023 to continue that engagement, bringing the total to \$1 million. This is essentially about assisting us to manage the relationship between the commercial partners associated with the Griffin Coal mine and Bluewaters power station. Sitting behind those two power players are what is called the consortium of Indian banks, which are the backers of the Griffin Coal mine, and a hedge fund called Oaktree Capital Management, which owns the debt associated with Bluewaters power station. KPMG is assisting us both with the discussions with Deloitte Australia, which is essentially the insolvency broker on behalf of the Griffin Coal mine, and, of course, and dealing with the various interests associated with Bluewaters.

Mr P.J. RUNDLE: Given, as the Premier said, that the government is looking to wind them down by 2030 and there are no expenses outlined in the out years, does the Premier not see any need to acquire further services in relation to that agreement in the out years?

Mr R.H. COOK: I think we have to accept the reality that we potentially will. Our fervent hope is that we can establish a commercial relationship between Griffin and Bluewaters that will sustain the operation into the medium term, but we continue to work with all the parties to see a way forward. Obviously, if need be, we may have to come back to the Parliament for a further allocation of funds to ensure that we can manage the energy security needs of Western Australia.

Mr Peter Rundle; Mr Roger Cook; Mr Bill Johnston; Mr Shane Love; Dr David Honey; Chair; Ms Jessica Shaw

Mr W.J. JOHNSTON: I have a further question on that. Just to clarify, does Griffin Coal supply any coal to the government trading enterprise? Is Griffin Coal essential to the operations of Synergy or not?

Mr R.H. COOK: If I can answer it this way, member. Obviously, Synergy purchases power from Bluewaters. Bluewaters also provides power to two other important customers—South32 and the Water Corporation. At the end of the day, we need to make sure that Griffin Coal can continue to provide the coal for Bluewaters; otherwise, it will completely compromise our whole power needs in WA.

Mr R.S. LOVE: Just looking at the significant issues impacting the agency on page 60, the first highlighted point is about the Aboriginal affairs and native title agreements.

The CHAIR: I think we start on page 63; is that correct?

Mr R.H. COOK: It is on page 60, but I was just going to draw to the member's attention that this is probably something that will be dealt with in Minister Buti's session under Aboriginal Affairs.

The CHAIR: I just point out to opposition members that their questions need to start from page 63 onwards.

Mr R.S. LOVE: No worries; that is fine.

Mr R.H. COOK: Sorry, member.

Mr R.S. LOVE: That was my mistake.

Mr R.H. COOK: I am trying to get used to this. When I was Minister for Health, I just dealt with everything that came my way!

Mr R.S. LOVE: I will collect my thoughts and someone else can ask another question.

Dr D.J. HONEY: I refer to page 63 of budget paper No 2 and the heading "Administration of Executive Government Services". The number of full-time equivalent employees is listed in the table. Do those full-time employees include those in the Department of the Premier and Cabinet media monitoring unit?

Mr R.H. COOK: I might ask the director general to field this question.

[10.10 am]

Ms E. Roper: Media monitoring is included in the corporate overhead with other corporate functions, like information technology, that are shared amongst all the service areas. We cannot quite unpick that from the figures there. There would be a contribution, but it would not be the whole amount.

Dr D.J. HONEY: How many people are employed in the media monitoring unit?

Mr R.H. COOK: Ms Roper.

Ms E. Roper: I might just ask my colleague, Sonja O'Leary.

Ms S. O'Leary: We have 24 in the media monitoring unit.

Dr D.J. HONEY: Could the Premier explain how that unit functions, in a *Reader's Digest* summary form, and the role of that unit? In particular, does that unit monitor opposition members' social media?

Mr R.H. COOK: Ms O'Leary.

Ms S. O'Leary: The media monitoring unit obviously keeps an eye on all media that is published. It coordinates the release and filtering of that media to various people who subscribe to media monitoring. In terms of social media, they do not specifically have a focus on that; they look at all media that is out in the public domain.

Dr D.J. HONEY: But does the media monitoring unit, whether it is full time or otherwise, actually monitor opposition social media; and, if so, is that distributed to ministers or departments?

Mr R.H. COOK: My advice is that there is no systematic monitoring of social media. The media monitoring unit focuses upon published media—obviously, television, paper and digital.

Dr D.J. HONEY: Is that a 24-hour monitoring service or is it only during normal business hours?

Mr R.H. COOK: It is a 24-hour service.

Mr R.S. LOVE: I just want some clarity around items about artificial intelligence and the like that appear on page 60 under "Spending Changes". Are they in services 1 to 3 or service 5? I am not sure whether it would be an appropriate place to ask questions about those matters, because service 5 is digital economy. I am seeking a bit of advice about when it can be asked.

Mr R.H. COOK: It is a fair call. I am scanning down the list and working out which ones are mine.

Mr W.J. JOHNSTON: Chair, is it not a matter for you to determine what is relevant to the division?

Mr Peter Rundle; Mr Roger Cook; Mr Bill Johnston; Mr Shane Love; Dr David Honey; Chair; Ms Jessica Shaw

The CHAIR: We are back on page 60, not page 63. Leader of the Opposition, the question that you are referring to will not be until seven o'clock tonight under division 3, Department of the Premier and Cabinet. We are currently on page 63 onwards.

Mr R.S. LOVE: Thank you.

Mr P.J. RUNDLE: I refer to line item “Western Australian Canberra Hub”. I am wondering whether the Premier could outline it for us. There is an estimated actual of \$381 000, which then drops back to \$242 000 a year in the out years. Could the Premier enlighten us on what that funding is providing for the taxpayers of Western Australia?

Mr R.H. COOK: Sure. As I have said on numerous occasions, I believe that Western Australia needs to be front and centre of the considerations of decision-makers in Canberra, whether that be government, bureaucracy or anyone else that is considering national programs. One of the key disadvantages of Western Australia is obviously distance, not only physical but also with the gap that occurs between the needs of Western Australia and the considerations of those decision-makers. The Canberra hub is part of an initiative by my government to ensure that Western Australians are served better by the decisions of Canberra. That means assisting not only Western Australian politicians but also anyone who represents Western Australia—an interest group or an advocacy group—going to Canberra. Local government representatives are often in Canberra to have discussions at that level. We have peak bodies such as the Chamber of Minerals and Energy, the Chamber of Commerce and Industry of Western Australia and the Association of Mining and Exploration Companies and businesses that find themselves in Canberra with the daunting task of both managing their logistics and working out how to get administrative support for the work that they need to do in Canberra. Funding of \$1.349 million has been allocated to establish a physical presence in Canberra, which is the WA Canberra Hub, for the establishment of lease costs and to employ a receptionist at \$59 000 in 2023–24 and \$119 000 a year thereafter. The Canberra strategy was announced in August 2023 to enhance the way that we all as Western Australians, as members of team WA, work in Canberra.

I was very pleased to launch the hub earlier this year. I thank the representatives from the various peak bodies and business groups for their support as part of that. Last week was a good example, whereby a range of entities were in Canberra, including representatives of my government, for the federal budget. My understanding is that several groups used the hub for administrative support while they were in Canberra, including those who sent selfies of themselves inside the building to thank us for putting the hub together.

Mr P.J. RUNDLE: What are the mechanics of the office? There will be a receptionist, but no-one else will be in the office in general, over time. Is that the scenario?

Mr R.H. COOK: That is right. The hub is basically an opportunity to provide support for representatives of team WA when they are in Canberra. Another key part of the strategy is to make sure that we have people in Canberra, particularly when Parliament is sitting, to ensure that we can continue to advocate on behalf of Western Australia. That is the people part of the Canberra strategy. The hub is the physical part of the Canberra strategy.

Mr P.J. RUNDLE: Talking about team WA, given the Premier’s purported support for the live export industry, was there any sort of facilitation of any group or whoever who could talk to Minister Murray Watt and the Prime Minister about the live export industry? Was there any activity at the Canberra hub to support team WA as far as live export goes?

Mr R.H. COOK: A good example would be opportunities that the Western Australian Farmers Federation or the Pastoralists and Graziers Association might take up when they are in Canberra. They might need to work on a position paper and print it. Maybe they need to collaborate before going into their meetings for the day. They could use the hub to print documents, access digital services, meet and work in a boardroom, and connect back to people in Western Australia as part of the coordination of their efforts. Obviously, all groups that represent WA’s interests are very welcome to use the hub.

Regarding advocacy, the WA government and representatives of Western Australian political interests in the form of members of the House of Representatives and the Senate continue to have a role to play. As the member knows, Minister Jarvis has been working tirelessly on this issue on behalf of the farming industry to make sure that WA’s interests are heard loud and clear in Canberra.

[10.20 am]

Mr P.J. RUNDLE: Further to talking about Minister Jarvis and people supporting WA and so forth, what about the likes of Josh Wilson, a federal senator for WA, who has been actively working against the live export industry? Is there any influence there from the Canberra hub?

Mr R.H. COOK: The Canberra hub is to support advocates in Canberra to advocate in the interests of their particular group. Contrary to what the member says, Josh Wilson is not a senator; he is a representative of the people of the electorate of Fremantle. It is his job to represent the interests of the particular community he represents.

Mr Peter Rundle; Mr Roger Cook; Mr Bill Johnston; Mr Shane Love; Dr David Honey; Chair; Ms Jessica Shaw

Dr D.J. HONEY: I just want to clarify the function of that office. I think the Premier was saying that it has a facilitative and administrative support function as opposed to a direct lobbying function in Canberra. Is that correct?

Mr R.H. COOK: That is correct. The Canberra hub—as in the physical entity—is basically a base for people working in or visiting Canberra to have meetings and things. A good example is that it is a place where people can go to collaborate with other representatives from WA. For instance, if a group of local government councillors went to Canberra to lobby on a particular issue, it would be a great place for them to work together to build on their strategy for the day. They could dump their bags there if they had to get out of the hotel that day. They could leave documents and other parts of their entourage there so that they did not have to lug all that material around Parliament House or to whatever meetings they may have at a department.

It is about understanding that in Western Australia we have to work that little bit harder to make sure that we get our voice heard. I obviously want to be able to provide support to not only my teams in Canberra, but also advocates who are there on behalf of members of their organisations, whether it is an agricultural interest group, a trade union, a peak body, a local government or just a businessperson who wants to go to Canberra to represent their WA-based business. It is a great opportunity for them to get some support as well.

Dr D.J. HONEY: Is that facility available to all members of Parliament if they travel to Canberra on parliamentary business?

Mr R.H. COOK: Absolutely. For instance, if the member was going over there to have meetings, he would be very welcome to use that facility and take advantage of the supports that are there.

Mr R.S. LOVE: I am just looking at page 64 and the administration of parliamentary support. The total cost of service and the average cost of entitlements per member of Parliament are highlighted there. It shows a slight fall in 2024–25 in the average cost of entitlements per member of Parliament. This does not have any out year information; it is just for the coming year. I am just wondering about the changes to the Legislative Council. I think the Salaries and Allowances Tribunal has been looking at the entitlements of Legislative Council officers. Certain undertakings around resources for members of the Legislative Council were given by the former Premier at the time of the change in Parliament. There is nothing reflected here; in fact, there is a slight fall in the average entitlements. What can the Premier tell me about the expected changes or any anticipated increased resources that will be offered to members of the Legislative Council when they move to a whole-of-state electorate?

Mr R.H. COOK: The member's question is around two particular pieces. First, I think he was asking about the decrease in the estimated actual and the 2024–25 budget target. The decrease of \$726 000 is primarily due to a decrease in depreciation in relation to the electorate office fit-outs as opposed to any entitlements. There was an uplift between the 2023–24 budget and the 2023–24 estimated actual of around half a million dollars, but that was a result of the public sector wages policy escalation and the allocation of corporate overheads. Supports for the reconfigured Legislative Council is a piece of work that is being considered by the Salaries and Allowances Tribunal.

I have extensive notes on that, but I think we need to do that in a different division in this morning's estimates hearings. Is that correct?

The CHAIR: That is correct. The Premier can attend to that when we get to division 7 in this sitting.

Dr D.J. HONEY: I seek the Premier's guidance on the administration of parliamentary support. Does the administration of parliamentary support also include funding for the opposition to do its work in Parliament, which falls under the Department of the Premier and Cabinet?

Mr R.H. COOK: I will seek some guidance from the director general, if I may, chair.

Mr R.S. LOVE: It is on page 63 under "Administration of Executive Government Services".

Dr D.J. HONEY: Okay. It falls under there.

Mr R.H. COOK: Yes. That confirms that it does.

Dr D.J. HONEY: I have a question about the funding for the opposition in Parliament. When I came into the role of Leader of the Liberal Party in the new Parliament, I was told that the funding would be the same as that provided to the leader of the government when he was in opposition. I will seek clarification on my understanding. Has there been any increase in the level of funding for the opposition during this Parliament and, in fact, before the last Parliament as well?

Mr R.H. COOK: I refer the member to the efficiency indicators on page 63 and the line item "Average operating cost per Ministerial Office (including Premier's Office and Leader of the Opposition)". The member can see that there has been a slight uplift between the 2023–24 budget and the 2024–25 budget target. The average cost of support provided per ministerial office has had a slight drop, as the member can see.

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I note the embarrassing opulence that the Leader of the Opposition is currently accommodated in across the road in Parliament Place! It is a significant improvement from when we were in opposition. Remember that grungy old house across the road on the other side of Hay Street? We look at the Leader of the Opposition's new offices and think, "What a good service that is for democracy!"

Mr R.S. LOVE: I am happy to sublet them if that would be allowed. I could sublet those and use the rentals for other purposes. I am quite happy to move out, if that was on offer.

Mr R.H. COOK: We are all guided by government on these things.

Mr P.J. RUNDLE: Has there been any thought about some of these very large regional electorates in which members have, say, two offices, with one at one end of the electorate and the other at the other end? They might be 700 or 900 kilometres apart. There is a maximum of two FTEs for an elected member, regardless of whether they might have an extra office. Has any thought been given to perhaps increasing those resources at all?

Mr R.H. COOK: Yes. That primarily comes under the purview of the Salaries and Allowances Tribunal, which I have now been informed will be dealt with under division 7. I am happy to dig into that a bit more with representatives of SAT. The member might get a more fulsome answer.

Mr R.S. LOVE: Further to that, I am not sure that, strictly speaking, the number of staff comes under the Salaries and Allowances Tribunal. Does it?

Mr R.H. COOK: Yes. My understanding is that it does. SAT decides the entitlements and DPC administers the entitlements. SAT actually determines those.

[10.30 am]

Mr P.J. RUNDLE: I correct the record in relation to Josh Wilson's role. He is the federal member for Fremantle, as the Premier pointed out.

I return to the Western Australian Canberra Hub on page 60 of budget paper No 2. Who owns that building?

Mr R.H. COOK: I will leave that question to my advisers.

Ms E. Roper: I do not think we have that information, but we are leasing the building.

Mr P.J. RUNDLE: Are any lobbyists located within the same building?

Mr R.H. COOK: I would not personally have that information. I am happy to leave that with the advisers. I am just trying to recollect: the one time I went there, I do not believe there were any lobby firms in that building.

Mr P.J. RUNDLE: Is the Premier happy to provide that as supplementary information?

Mr R.H. COOK: It is not really in my purview to provide. It may or may not be an entitlement of the leasing arrangements that we know who else works in that building. I am just trying to work out what is the best way to proceed. It is not government's information to provide as such.

Mr R.S. LOVE: I think the Premier was asked who the government was leasing the space from.

Mr R.H. COOK: If the opposition would like that information, maybe that is the best way to go about it. I am happy to provide that as supplementary information.

The CHAIR: Premier, will you state specifically what the supplementary information will be?

Mr R.H. COOK: I will provide the ownership arrangements of the lessor at the Canberra hub.

[*Supplementary Information No A2.*]

Ms J.J. SHAW: My question is with reference to page 61 of budget paper No 2, volume 1, under "Service Summary". I refer to the line item "Government Policy Management—Whole-of-Government". The government opened the \$200 million Collie industrial transition fund in November 2022. Can the Premier provide an update on the work to attract new industries to Collie?

Mr R.H. COOK: As the member for Swan Hills would be aware, the government has committed a total of \$662 million to support Collie as the world economy transitions to a low-carbon future. This is an important piece of work not only for the local economy in Collie, but to support those who have spent their lives working in an industry that we all believe we need to move away from. Since the launch of the \$200 million Collie industrial transition fund, there has been steady progress towards attracting industry. We want to ensure that not only Collie benefits from the skill sets that exists in the workforce in Collie, but also we take advantage of the fact that it is at the centre of the distribution grid and look at the industries that would particularly benefit from those two elements.

Through the fund, we have committed \$5 million to support Magnium Australia to establish a pilot plant in the Collie light industrial area. The pilot plant will test unique technology, commercially developed in conjunction

with CSIRO to enable the clean and sustainable production of magnesium metal. If we can crack the nut about how we best harvest or extract magnesium, particularly through brine solutions, magnesium can be a really powerful competitor to aluminium. It is much stronger and more versatile as a metal and I think it represents a huge opportunity for that area. A further \$6.5 million has also been awarded to International Graphite to establish a micronising facility to produce a range of graphite products for market and to explore the feasibility of a commercial-scale battery anode material *facility. That obviously plays into our battery energy storage strategies as we seek to become part of the manufacturing supply chain for batteries, moving up the value chain and significantly increasing the opportunities through a diversified economic strategy in that area.

I visited both Magnium and International Graphite recently. They are impressive little startups and I think they will both be incredibly successful. The government continues to have discussions with proponents looking at new projects in Collie. That includes companies that are already in Collie and seek to firm up their technologies, as well as companies that are looking into the viability to establish themselves in Collie. The aim of the fund is to attract sustainable industries that will be in place for the long term and provide a future for industry jobs. When I was down there recently I also had the opportunity to attend a community expo at which a lot of the companies met with members of the community to talk to them about what skill sets they are looking for and what the opportunities are. I am excited that this range of projects will create quality and long-term industrial jobs in the area. We also need to bear in mind that Collie has grown since we started the process of the Collie Just Transition package. Obviously, there is some trepidation about what the future will look like in Collie, but also a level of excitement. We can facilitate that level of excitement through the strong funding of transition projects. Collie's future is incredibly bright and we know that it will be an important industrial hub well into the future. It will be around those new energy industries looking to Collie as part of an integrated decarbonised south west interconnected system.

Mr R.S. LOVE: I refer to “Resources Community Investment Initiative” on page 60. The budget for this coming year is \$100 000, but there is nothing after that. Is that fund coming to an end? Has the money that was promised already been expended in the budget year? Where is the money that was promised, and what is the future of that program?

Mr R.H. COOK: I thank the member; this is a good opportunity to talk about the RCII. The government is working closely with the companies that want to make a contribution towards legacy projects in Western Australia and enhance their membership of the WA community. The Department of the Premier and Cabinet provides administrative support for the RCII with funding totalling \$200 000 across 2023–24 and 2024–25 for legal and probity advice and the remuneration of the chair, Reg Howard-Smith. The fund was established to provide opportunities for the resources sector and to partner with the state around these iconic legacy infrastructure projects and community initiatives. So far, the founding partners have contributed \$750 million, including \$250 million each from BHP and Rio Tinto, \$100 million from Hancock Prospecting, and \$50 million each from Chevron, Mineral Resources Ltd and Woodside. We have had great support from the resources sector towards the initiative. The RCII advisory committee supports the implementation of the RCII and provides independent advice to the government. We will look for an opportunity to have those funds expended as part of a short to medium-term strategy.

The future of the RCII depends on whether its work is completed over the course of 2024–25. Obviously, if there is still work for it to do, we will look to come back in the 2025–26 budget to further support that work. Essentially, the role of DPC is to facilitate the appointment and engagement of the chair and to ensure there is probity around the decisions of the advisory committee.

Dr D.J. HONEY: I refer to page 64 of budget paper No 2 under “Government Policy Management—Whole-of-Government”. The table at the bottom of the page indicates a massive increase in the net cost of that service for the 2023–24 estimated actual. Why has that increased so dramatically compared with the budget figure?

[10.40 am]

Mr R.H. COOK: I will ask the director general to deal with that question.

Ms E. Roper: We often spend a lot of time in the preparation of budget estimates trying to work out what those figures mean because they do not accord with whole-of-government policy. Similar to the other figures that we referenced earlier, they include a corporate overhead. We have just over 200 staff—actually, not quite that many—in corporate support, executive government support, general counsel and the office of the director general. They are shared across service lines. In terms of whole-of-government policy staff, staff members are the policy function. In the next financial year, that number is 119. Last year it was 109 and the previous year it was 111. The figure is not that useful in the way that is characterised there, unfortunately. That is the figure in the policy function, excluding Aboriginal affairs policy and digital government policy, which are the responsibility of other ministers.

Dr D.J. HONEY: I think I understand what the director general said, but it is a \$12 million increase above budget for 2023–24, which is quite substantial; it is almost a 25 per cent cost blowout in that area. What was that caused by?

Mr R.H. COOK: I am advised that the \$12 million increase reflects a range of things; for instance, the \$6 million increase in the donation to Telethon; the \$1.3 million carryover for the strategic communication unit's RATs

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pop-up distribution; \$1 million to support the regional papers project; \$0.9 million for early childhood education and care; \$0.8 million for the Griffin Coal process agreement; \$0.6 million for approvals reform; \$0.6 million for whole-of-government communication support; and \$0.5 million for energy decarbonisation resourcing.

Dr D.J. HONEY: Obviously, the \$6 million Telethon increase makes for a good headline, but in terms of the allocation of government funding, rather than doing it through Telethon, why did the government not directly fund various support services and the like?

Mr R.H. COOK: We do. Obviously, we fund a lot of health, child development and disability services, which are important parts of government. Everyone recognises that Telethon plays such a crucial role in helping the sickest and most vulnerable kids in our community. When we add to the community's effort for Telethon, we enhance and grow the great effort that is Western Australia's support for Telethon. We are very proud of the work it has achieved over the years. Telethon has a unique place in everyone's hearts because it supports the community organisations that support the most vulnerable and sickest kids in our community. As a result, we are very proud of Telethon and the work it does. We believe that in addition to government services, which obviously provide vital support for people in the community, supporting Telethon does two things: it supports the organisations doing the work and it supports Western Australia, because Western Australians love Telethon. I am sorry that the member does not.

Dr D.J. HONEY: Looking at the table at the bottom of page 64, I see that the number of full-time equivalents has increased from 139 in 2022–23 to 192 in the 2024–25 budget, which is a 38 per cent increase in the number of FTEs. Can the Premier provide a breakdown of that increase?

Mr R.H. COOK: We have an increase of 16 FTE in 2024–25, with seven FTE for state security and emergency management, four FTE for the establishment of a general counsel office in the Department of the Premier and Cabinet, two FTE for the implementation of the Canberra strategy and three FTEs for corporate overheads.

Dr D.J. HONEY: I refer to the establishment of a general counsel office. We obviously have Crown law in the State Solicitor, who provides legal advice. Why do we need a separate legal entity within the Department of the Premier and Cabinet?

Mr R.H. COOK: It is a great question, member, and one that we considered very carefully. Essentially, the department's need for legal services has increased significantly in recent years due to the increase in the breadth and complexity of policy and legal matters for which the department is responsible and its crucial role in legislative matters with whole-of-government implications. The department is reliant on the State Solicitor's Office for legal advice. The SSO has undertaken substantial work for the department on a range of legal policy and administrative law matters, such as the state's COVID-19 response, privacy and responsible information-sharing reforms and strategic legislative reform, including reforms to the Environmental Protection Act 1986 arising from the Vogel–McFerran review. In recent years, the department's reliance on the SSO for legal advice has led to unsustainable demands on its resources.

The establishment of a general counsel function in the department will ensure that both the department and the SSO can most effectively discharge their roles and responsibilities. Establishing in-house legal expertise will enable DPC to lead whole-of-government policy and administrative functions of government most effectively, streamline the legal input into policy development implementation, facilitate the provision of legal advice on issues at the policy development stage, enable the department to provide responsive legal advice, assist the legislative process by providing the dedicated resource to develop drafting instructions and brief Parliamentary Counsel's Office and provide internal support for the department's core legal functions. It essentially provides us with the opportunity to be better customers for the SSO. Obviously, if we need specific and high-risk legal advice about the government's responsibilities, we go to the SSO, but having initial legal counsel in the early stages provides us with better insights into the sort of questions and engagement that we need with SSO.

Mr R.S. LOVE: The increase in FTEs from 176 to 192 relates to government policy management and whole-of-government team. How is it possible to have a decrease of more than \$13 million in the area when the number of FTEs has significantly increased?

Mr R.H. COOK: My advice is that the \$61.205 million is essentially as a result of an increase in non-FTE-related expenses, such as the extra money that we gave to Telethon. That is why there is an increase between the 2023–24 budget and the estimated actual.

The modest increase in the number of FTEs is reflected in the new \$48.131 million, but it does not include those non-FTE expenses that were included as part of the 2023–24 numbers. The member is right; even though we are seeing a slight uptick in FTEs, the actual dollars that are going to the department have reduced somewhat because they do not reflect those extra expenses that I detailed in my earlier answer.

[10.50 am]

Mr P.J. RUNDLE: We can put on the record that the opposition loves Telethon, but —

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Mr W.J. JOHNSTON: Except for the member for Cottesloe; he doesn't.

Mr R.H. COOK: Is that a pitch for the Nationals WA as opposed to the Liberals?

Mr P.J. RUNDLE: I am curious about the treatment of the Telethon donation in the budget. Is not showing anything in the out years when, obviously, there generally is a donation, to keep the organisers in suspense? Theoretically, will it put the budget \$6 million or \$7 million behind each year?

Mr R.H. COOK: The amount of \$6 million was in the budget last year. Obviously, the government of the day makes a decision about the extent to which it needs to support sick and vulnerable kids in Western Australia each year. We obviously have the opportunity to support Telethon through this sort of funding, so it is usually made as a result of a specific decision by cabinet.

Dr D.J. HONEY: Going back to the topic of legal counsel in the Department of the Premier and Cabinet and the State Solicitor's Office, the Premier mentioned that the workload is more than what the State Solicitor's Office can handle. I guess there is a choice here. Is that really an indication that the State Solicitor's Office is not properly resourced and needs additional resources? That is the first part of my question. I will return to the second part.

Mr R.H. COOK: As I said before, it is more about making sure that DPC has its own capability to understand threshold legal matters and, obviously, as it deals with more complex issues, it is important that it has those insights.

Chair, I might ask the director general to talk a little bit more about the day-to-day interactions that we have on these complex legal issues.

Ms E. Roper: I might just clarify that the resourcing that we have is not taking away from SSO's resources, so it will be maintaining its level. Over most of the past two or three years, we have had State Solicitor's Office staff placed into the department. Each time that had occurred on a particular project, we thought it would be a time-limited exercise and we soon found, over a series of years, that that seems to be an ongoing requirement. Therefore, over the past six months or so, we have been discussing with State Solicitor's Office that it might be more pragmatic to have those staff permanently in DPC. We are exploring what sort of arrangements we might have with SSO in relation to those staff and whether we might use secondment or placement relationships so that we can maintain our relationship and continuity of capability between the department and SSO.

We have had a pretty intense legal requirement over the past few years. Through that allocation, we also have a resource for capability development for drafting instructions. Some of the feedback we have had from Parliamentary Counsel's Office is that the quality of drafting instructions from the sector is impacting its ability to turn around its drafting of legislation. We established a community of practice within DPC last year to start assisting that, but we are going to in-house a particular resource to work across government to support the development of better drafting instructions by the sector for Parliamentary Counsel.

Dr D.J. HONEY: I thank the director general very much for that explanation.

I imagine that the department's legal workload would wax and wane over time, depending on what initiatives are there. Ms Roper mentioned the secondment of staff from the State Solicitor's Office. Would it be a better practice overall if the State Solicitor's Office were the primary resource of legal advice for state government? Would it be more efficacious in the longer term for staff to be seconded from the SSO, even if they are seconded for a significant time but then can move back? That way, we maintain a central legal service for government. Ms Roper obviously worked in a very senior role in a corporate office, and I have done similar. It seems we end up growing empires. Outside frontline services, there has been a massive growth in the public sector generally and we see the growth of those empires and, ultimately, they are locked into the budget, and they are there forever and perhaps their usefulness declines over time, and it could go back to —

The CHAIR: Do you have a question?

Dr D.J. HONEY: They would be better off at the State Solicitor's Office. Should we not maintain the primacy of the SSO for the provision of legal services, rather than building empires in departments?

Mr R.H. COOK: I appreciate that and SSO continues to have primacy in relation to providing legal advice to all aspects of government. Using secondment arrangements to fill some positions will ensure that the department has continuity and legal knowledge related to whole-of-government policy and administrative matters and will build on capability, internally and across the sector. As I said, this provides the ability for DPC to be a better customer of SSO, so it will help maximise the efficiency in the application of resources of both the department and SSO—for example, by enabling many day-to-day operational and legal issues to be resolved expeditiously by the department without the need for a formal request for legal advice from SSO. It also ensures that the department's engagement with SSO is targeted to situations in which engagement would be most beneficial. Rather than running off to SSO, which gives very senior advice —

Dr D.J. HONEY: We are triaging.

Mr Peter Rundle; Mr Roger Cook; Mr Bill Johnston; Mr Shane Love; Dr David Honey; Chair; Ms Jessica Shaw

Mr R.H. COOK: — we are essentially providing an opportunity to get an early take on these things before going to SSO, thereby assisting the department to understand what it is trying to solve here and provide it with a legal perspective so that it can be a better customer. It also provides a capability-building function for the sector, particularly in relation to legislative drafting instructions, as the director general said, which facilitates more effective and efficient instruction by agencies to the Parliamentary Counsel’s Office. One of the key constraints we have as members of Parliament is having laws drafted for us in time to meet the needs of the Western Australian community. One of the key constraints around that is providing instructions to PCO that are clear and concise and can provide the laws we need. A number of state government agencies have in-house general counsel to support their core functions. In addition, the DPC-equivalent agencies in other jurisdictions, including Victoria, New South Wales and Queensland, all have a general counsel function. It is an efficient use of resources, and it means we are not an unnecessary drain or burden on SSO resources.

Mr P.J. RUNDLE: It is a new question with a flow on from what the member for Cottesloe asked earlier about media monitoring. I wonder whether the number of staff has increased over the last financial year.

Mr R.H. COOK: The member is going to have to find me a line item so I can get the information.

Mr P.J. RUNDLE: I refer to page 64 and the line item “Employees (Full-Time Equivalents)”.

Mr R.H. COOK: The information I have before me is that the 2023–24 budget had 212 FTEs. The 2023–24 estimated actual was 214 FTE. The 2024–25 budget maintains that at 214 FTE, so there is no change.

[11.00 am]

Mr P.J. RUNDLE: Is there no change within the media monitoring section?

Mr R.H. COOK: For the administration of parliamentary support, yes, that is correct.

Mr R.S. LOVE: I turn to page 60 again and the ongoing initiatives. The amount listed for “State Security and Emergency Management” is about \$1.5 million for this year, and it is a bit more in each of the following years. Can I ask the Premier for some information about that line item and what it will achieve?

Mr R.H. COOK: This is essentially around the significant developments in the defence national security and emergency management landscape, which has led to a greater whole-of-government coordination of increased commonwealth state engagement. The \$6.7 million allocation will fund eight FTE to provide additional support to the Office of State Security and Emergency Management to deliver an increased workload and new priorities in the national security and emergency management space. In addition to establishing a defence policy function inside the office, of these eight FTE, four will be allocated to establish a defence policy team; two FTE to the existing team focused on state security and emergency management, which is overseen by a class 2 executive director; and an additional FTE will be allocated to support the implementation of other related commonwealth–state engagements over the coming years. The development relates to increased engagement as a result of AUKUS, and the *National defence: Defence strategic review* giving rise to a range of opportunities and risks for WA.

In addition, national security, terrorism and foreign interference risks are evolving in a complex context, shaped by technological change, cybercrime and geostrategic issues. Emergency management and recovery is also more complex and challenging, with increasing frequency, severity, overlap of events, and the anticipated further impacts of climate change. In the context of the geopolitical issues impacting on our region to date, the member can see the significant uplift in activity associated with our partnership with the federal government on AUKUS and the need to continue to make sure that we are ready to engage with the *Defence strategic review* and the decisions made out of that. We need to continue to ensure that we have the capability of engaging with them. The defence policy team will provide coordination for whole-of-government defence-related initiatives; lead the state’s engagement with the commonwealth on defence; provide a single point of contact for commonwealth agencies; and lead a process to refresh WA’s strategic direction on defence and oversee its implementation. In a broader context, Defence West, our advocacy team inside the Department of Jobs, Tourism, Science and Innovation, is responsible for attracting contracts and working to coordinate with industry to ensure that we are defence-ready to receive those contracts. A significant body of work is going on at the moment in engagement with the commonwealth government and the policy work that happens around that. A good example, for instance, is the establishment of a defence construction precinct around Henderson, and the significant upgrades that will take place at HMAS *Stirling*. In addition, we expect about 700 defence personnel to come into WA over the next few years from the US, UK and, of course, Australia, to be part of the overall uplift in defence expenditure and activity in WA. There is a lot of policy work going on at the moment around engaging with the commonwealth to not only understand what it needs from us—it keeps telling us that it will need significant activity from the state government to be defence-ready—but also make sure that we coordinate the broader whole-of-government impacts from that activity.

[Mrs M.R. Marshall took the chair.]

Extract from Hansard

[ASSEMBLY ESTIMATES COMMITTEE A — Tuesday, 21 May 2024]

p9b-18a

Mr Peter Rundle; Mr Roger Cook; Mr Bill Johnston; Mr Shane Love; Dr David Honey; Chair; Ms Jessica Shaw

Mr R.S. LOVE: Will this sit as a unit within the department or will it be spread out? I note the Premier said an executive would be in charge of it. Will it be a discrete unit and how will it actually manage to communicate with those outside of government? The Premier says it is to do with federal and state discussions. How will it partner with the other agencies in government to effectively use that extra resource?

Mr R.H. COOK: Intergovernmental relations is obviously a key function inside the Department of the Premier and Cabinet. I might ask the director general to provide some more detail on how the defence unit policy team will work,

Ms E. Roper: Yes, it will be its own unit. We have existing resources around the Office of State Security and Emergency Management, so we have a little bit of an uplift in its resourcing. It will combine with the new defence policy team so that we have a unit focused on all those things. They will sit in the same division as intergovernmental relations, which Amanda Pickrell leads. There is a good synergy between the work that we already do to support our engagement with the commonwealth, the relationships that we can leverage there, and using that in the defence space, which we have not been directly involved with before. There is already a series of whole-of-government forums both within the state, and with state entities and the commonwealth, which we are engaged in. Going forward, I think they will all need to be revisited to see if they are encapsulating the right people and agencies, but certainly the advent of AUKUS has required a much more holistic whole-of-government focus for our defence strategy.

The CHAIR: I have the member for Cottesloe up next, but I might draw the committee's attention to the time, given we are still on division 3.

No more questions? All right.

The appropriation was recommended.

Meeting suspended from 11.06 to 11.15 am