

Division 14: Great Southern Development Commission —

[Supplementary Information No B6.]

Question: Mr C.J. Tallentire asked for clarification on the government's contribution to the development commission in relation to the line item "Net cash provided by State Government".

Answer:

While it appears there has been a downward trend, in actuality, this is not the case, as follows:

- (a) The Great Southern Development Commission (GSDC) budgeted to receive \$1,000,000 for both 2012/13 and 2013/14 from Royalties for Regions for grants to be allocated under the Regional Grants Scheme (RGS). In January 2013 the GSDC was advised that Cabinet had approved GSDC expenditure of \$495,000 for RGS in 2012/13, thus leaving a residual amount of \$1.505m of RGS monies to be allocated over the 2012/13 and 2013/14 financial years. In October 2013 the GSDC was advised that the residual RGS allocations of all nine Commissions from 2012/13 and 2013/14 would be pooled together and Regional Development Commissions were invited to submit strategic projects to be considered for funding from the combined pool of \$12.8 million. In March 2014 two Great Southern projects were approved, namely the Albany Port Authority's Transport Corridor (Stage 1) Rail Loop Project (\$2.5 million) and Plantagenet Village Homes Inc's Collet Barker Court Project Stage 2 (\$532,820). Consequently, although from a Budget papers perspective the GSDC lost \$1.505 million of RGS funding the region has in practice benefited from \$3.032 million of additional grant funds. These funds do not appear in the GSDC's Budget papers as the monies are being administered by the Department of Regional Development directly.
- (b) The GSDC's operational funding for salaries was reduced during 2012/13 as part of the Government's wider fiscal control process and at that time the Commission's funding was reduced by \$74,000 in 2012/13, \$85,000 in 2013/14, \$91,000 in 2014/15 and \$19,000 in 2015/16. However on 31 March 2014 the Economic and Expenditure Reform Committee approved the rebasing of GSDC's operational budgets which has resulted in the Commission's operational funding being reinstated with the exception of the \$74,000 reduction in 2012/13.