

Division 14: Jobs, Tourism, Science and Innovation — Services 1 to 3, State and Industry Development, Jobs and Trade —

Mr S.J. Price, Chair.

Mr R.H. Cook, Premier; Minister for State and Industry Development, Jobs and Trade.

Ms R. Brown, Director General.

Dr P. Gorey, Deputy Director General, Resources and Project Facilitation.

Mr T. Marney, Coordinator General.

Mr R. Sansalone, Chief Financial Officer.

Ms S. Spencer, Deputy Director General, Strategy and International Engagement.

Mr S. Dawson, Executive Director, Resource and Infrastructure Agreements Division, Resources and Project Facilitation.

Mr A. Sutton, Executive Director, Energy Transition Strategies Division, Resources and Project Facilitation.

Ms L. Dawson, Deputy Director General, Industry, Science and Innovation.

Ms M. Shimmin, Program Director, Global Attraction and Engagement, Corporate Communications.

[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.

I give the call to the member for Cottesloe.

Dr D.J. HONEY: I go to ongoing initiatives on page 194 of budget paper No 2, volume 1. In the 2023–24 budget, \$2 million was allocated to the Western Australian LNG Jobs Taskforce but that does not appear in the ongoing initiatives table. What has happened to that program? Why has it disappeared?

Mr R.H. COOK: The Western Australian LNG Jobs Taskforce continues apace and is a really important opportunity for us to engage with industry leaders in the LNG space. As the member would be aware, it involves very senior members of the LNG industry meeting with me as the chair. Underneath that, we have a secretariat at officer level undertaking some of the lion's share of the work. It is very, very successful and we are keen to keep moving forward with it. It provides us with an invaluable opportunity to gain insights into how we continue to support that industry.

I will ask Ms Brown to provide the member with some details about where it sits within the budget.

Ms R. Brown: As the Premier said, the Western Australian LNG Jobs Taskforce remains a very important initiative, with very strong collaboration between state government and industry, such that the resourcing dedicated to supporting the taskforce is within the agency's overall budget. The line item identified on page 194 is really about where there is increased boost funding, but we have ensured that ongoing funding to support the taskforce is within our overall budget and also we are progressing key initiatives out of the taskforce, including the partnership with the Centre of Decommissioning Australia, through which we work. Obviously, decommissioning is an important initiative and opportunity for Western Australia. There was also some work led in 2023 by the taskforce on carbon capture, usage and storage, and there is resourcing allocated to progressing the action plan agreed by the taskforce last year.

Dr D.J. HONEY: The Australian Energy Market Operator's *2023 Western Australia gas statement of opportunities* indicates that we are forecasting significant gas shortfalls for the state, and that is of particular concern for industry in the state. Is that taskforce really achieving the goals that were set out for it? I assume that one of those key goals was to ensure that we had adequate gas supply, particularly for industry in the south west of the state.

Mr R.H. COOK: I thank the member. AEMO obviously provides us with important insights for planning and understanding what we need to continue to do to ensure that we manage the energy security of the community.

I caution the member about AEMO because its work is not based upon future finds and gas reserve production, so in some respects the AEMO reports are about a point in time rather than an extrapolation of what might change in terms of supply and demand. As the member says, it provides us with an important planning opportunity. We continue to work with all members of the industry on our domestic gas reservation policies and understanding what the opportunities might be to enhance domestic gas availability. As the member would be aware, it was initially the Carpenter government that introduced domestic gas reservation policy, and then the McGowan government doubled down on it to continue to make sure that Western Australians have a good supply of gas. At the end of the day, it is Western Australians' gas, so we should benefit from it. We need to continue to remind industry of that and make sure that we have sufficient supplies of gas both for industry and the retail consumer.

As the member would be aware, the WA Parliament's Economics and Industry Standing Committee is doing significant work at the moment in relation to the domestic gas policy, and it tabled its interim report of its inquiry in February. We need to continue to monitor the situation, and working with industry leaders is obviously an important part of making sure that they can support the Western Australian community by having policies that support their work. I might ask Dr Gorey to provide further comment and give some additional information.

Dr P. Gorey: As the Premier and the director general said, as we have gone through the last few years, the LNG taskforce has been working very closely with industry to ensure that the support the government and agencies like the Department of Jobs, Tourism, Science and Innovation can bring to it is focused on what the immediate pressures are in the industry. In consultation with industry, we have developed three priority areas. They are in regards to decommissioning—supporting a decommissioning pipeline for local business—and that is being delivered to a large degree by the Centre of Decommissioning Australia, which is a national arrangement housed here in Western Australia; decarbonisation of the LNG industry; and skills. Those are the three focus areas that industry and government decided were the best and most efficient use of time that we have at the moment to really make a difference in the medium term for that industry.

[9.10 am]

Dr D.J. HONEY: There were comments in the media very recently that I believe were attributed to Ms Meg O'Neill, the CEO of Woodside, saying that regulatory barriers or hurdles were a major issue for the development of new gas projects. Is that taskforce looking at regulatory barriers? I appreciate there are regulatory barriers in the hands of the Premier's federal colleagues, but I assume there are some issues at the state level. Is the taskforce identifying and considering ways to reduce the time taken to get regulatory approvals at the state level as well?

Mr R.H. COOK: Not specifically, member, but that obviously comes within the opportunities in front of us when all members of the industry are before us and there is a range of topics to talk about. Primarily, as Dr Gorey says, it is about how the industry is structured going forward, as opposed to the regulatory regime in which it works. It is an opportunity to touch on those points when we come together. I think it is fair to say that the industry believes that it is well supported in Western Australia when it comes to regulatory oversight, and it welcomes our objective of continuing to refine those and make sure that they continue to be fit for purpose. As the member says, particularly with offshore gas, there is a significant interaction with the federal regime. I might ask Dr Gorey to provide further detail of the specifics around that.

Dr P. Gorey: Thank you, Premier and chair. We have been able to place the LNG taskforce administration within the Department of Jobs, Tourism, Science and Innovation structurally quite close to the other parts of JTSI that work on approvals reform. Although, as the Premier said, the work program does not lead on that, we are able to monitor the reforms and changes happening across the other regulators. For instance, the recent legislation passed by Parliament for carbon capture and storage is something that the LNG taskforce administration within JTSI is able to support, monitor and perhaps provide advice on as it goes through. However, those actual reforms are very much led by the regulators at the time. We monitor that and can do a lot of that work with our in-house support for approvals reform.

Dr D.J. HONEY: In the area of decommissioning, the government has done good work in progressing the legislation to make sure we have regulatory and legal enablers for that. Is there good coordination between the push to decommission, which is obviously critically important for the state, and the high likelihood now that a lot of the exhausted gas wells could, in fact, be ideal for storage? If we are going to partial decommissioning, how do we make sure that they are useful for that purpose in the future?

Mr R.H. COOK: The member is absolutely correct. It is a great opportunity for us. I think the industry estimates for decommissioning is that there will be about \$18 billion worth of activity over the next 20 years. That represents a huge opportunity for Western Australia. I am really pleased that we are able to take the national lead on decommissioning work. The beauty of decommissioning is that there is no time line, right? Someone just needs to get the oil rigs and infrastructure to queue up; they are not going anywhere otherwise. It is an opportunity to steadily ramp up industry rather than having to do something right now to seize the day. The member is absolutely right; the decommissioning represents a huge opportunity around the next iteration of the oil and gas industry, which

is CCS. I had meetings just yesterday with international LNG interests, which are all looking to Australia, and Western Australia in particular, to provide a key part of their industry going forward. As the member says, there are obviously gas voids that we can utilise, but we also have other geotechnical voids that lend themselves significantly towards the opportunities around carbon capture, utilisation and storage. I will ask Dr Gorey to provide the finer details of what the member is asking.

Dr P. Gorey: As the Premier said, as we have producing fields going to end of life, we support work, particularly through the Centre of Decommissioning Australia, to look at the connection between infrastructure—above-ground infrastructure pipes, wellheads and so forth—and the value of those depleted fields for storage. Some work is clearly being done in the offshore area, but also onshore. I point to our colleagues at the Department of Energy, Mines, Industry Regulation and Safety who have also been regulating some of the options in the northern Perth basin for those depleted fields. As the member will be aware, injecting CO₂ into a depleted field is quite a different arrangement from injecting into a saline aquifer. Through the work that JTISI is able to do, with decommissioning being a target industry through diversification, it is aligning our partner agencies to give some focus and attention to making sure that they can regulate for this testing. We are seeing that more now. We see that in the case of the Barrow Island injection. We are now close to 10 million tonnes of equivalent CO₂ being injected into that. We are seeing a lot more attention for those depleted fields in the northern Perth basin and in the Carnarvon basin that the federal government is looking at as well. We are seeing a fair bit of interest from companies, and that connection of working with CODA will certainly help with that.

Dr D.J. HONEY: We dealt with port authorities and the decommissioning issue last night in this chamber. One issue apparent in this state is the constraint on the ports. My understanding is that the decommissioning activity requires an interface between the offshore and the onshore. Is there coordination and discussion between the focus on decommissioning and the need to make sure that we develop parallel adequate port facilities? Is it going to be particularly in the north of the midwest and the north of the state?

Mr R.H. COOK: I might ask Dr Gorey to provide a more concise answer than I could.

Dr P. Gorey: Yes, there is. We work fairly closely with the Department of Transport and, through it, with the port authorities. We have some decommissioning activities already happening across the state, which is brilliant. Looking to support the government's arrangements for those ports really makes sense for the port authorities, so we are working with them to try to make sure that there is absolute clarity around how those governance arrangements work. To some degree, normalising those across the state is what both we and the Department of Transport are seeking.

Mr R.S. LOVE: I have further questions on this matter. The Premier spoke before about the domestic gas situation and the domestic gas policy. I think he said that the Australian Energy Market Operator is probably not correct in its prediction of a shortfall because it is not taking out fresh supplies.

Ms J.J. SHAW: That is not what he said. We heard what he said.

Mr R.S. LOVE: Excuse me!

In regard to that, I note that the interim report of the Economics and Industry Standing Committee states that there is a credible risk of a substantial gas supply shortfall in the near term and continuing for most of the decade. My question is around the Perth basin. At the moment, we know that Mitsui & Co has been building a plant in that area. I think some of that gas is actually allowed to go elsewhere, other than for export into the domestic market. What future does the Premier see for the Perth basin? Is allowing the export of LNG or equivalent from there to somewhere else—however the trade-off is engineered—still something that the government supports?

[9.20 am]

Mr R.H. COOK: The member for Swan Hills is quite right; I did not say that. I said that the member needs to understand the actual data that the Australian Energy Market Operator uses and that can inform the extent to which he bases his decisions on its reports. We also need to understand that there will be a potential shortfall in domestic gas if we do not continue to make sure that we take every opportunity to ensure the domestic gas policy is fit for purpose. One of the constraints around that is the people who have the permits for Perth basin reservations actually bringing it on tap or producing the gas that comes from that reservation and providing that to the domestic gas market. One school of thought that has been put to the government says that they need to benefit from the higher prices that they get from export in order to make investment decisions in the early stages to bring those reserves onstream. Another school of thought says that is rubbish and they do not need those sorts of incentives because there are plenty of domestic gas customers who are prepared to pay a decent price or, if necessary, a premium in order to make that gas more commercial.

At the moment, we are working to understand the commerciality and economics of that. We are working with all our gas producers and customers to understand whether any alterations need to be made to the domestic gas policy. As I have said in public before, 100 per cent of zero is zero. There is no point in standing behind a domestic gas

policy that does not ultimately benefit the people of Western Australia if it means that that gas does not get brought to market. We are continuing to do that work at the moment. We have a commercial consultant who is engaging with all the onshore gas producers and undertaking a commercial analysis of onshore gas projects to help inform the policy position on exemptions to the existing onshore gas export ban. We are continuing to leverage the expertise of the Department of Jobs, Tourism, Science and Innovation's gas market consultant to support the delivery of the policy position on that. We are also leveraging the expertise of an energy market consultancy to provide insights and analysis into the WA domestic market, which will support the government in the administration of the policy and delivery of the policy priorities.

As the member would be aware, a current parliamentary inquiry is looking into the domestic gas policy. That committee is due to deliver its final report and, because of its extensive work with stakeholders, that report might provide us with further insights. We are continuing to look at all the information in front of us, particularly working on our onshore producers to understand their needs so that we can continue to benefit from those reserves.

Mr R.S. LOVE: At the LNG development in Gladstone in Queensland, we see various gas plants sitting side by side that compete for what was a little bit less gas coming on than perhaps was first thought when those plants were built. In the Perth basin, if we have a plant that is substantially developed at this point but not quite complete, as in Mitsui's case, is there a case for encouraging the greater utilisation of that plant rather than building another one so that they are only within a few kilometres of each other? I think there is one on the other side of Mingenew and one is between Mingenew and Dongara, but they are not dramatically different from each other, and then Strike Energy has another one at Erregulla, I think. Within a fairly small patch of ground, there are three finds and a plant that is nearly developed. Is there a way of encouraging greater utilisation of what has already been developed or are there any regulatory issues that might prevent that from happening?

Is that something that the Premier's department might look at in terms of future direction? I am not trying to tell private business how it should do its job, but if it is forced down a particular path because of circumstance, maybe that could be looked at as an alternative.

Mr R.H. COOK: Once they start to prove up those reserves through further exploration drilling, I think we will see a more nuanced approach to how they tap those reserves and process the gas that comes from them. I think the member is right. There will be a push within the industry to understand where they can build economies of scale, particularly around the Perth basin, and where they can share resources. From that perspective, there is a way to go as they start to understand better the potential of those reserves. I am going to seek some guidance from Dr Gorey on the regulatory arrangements that the member raised.

Dr P. Gorey: As the Premier said, as the Waitsia production facility continues to go from construction to commissioning and becoming operational, the advice we hear from industry is that it is looking at better efficiency of infrastructure that has already been built or is coming online. As the Premier said, as definition drilling occurs and as our resource becomes properly defined, that will crystallise.

Another option might sit out there for those very low yielding fields that might have small standalone production plants. It might still be economically beneficial for those small production plants to be based at the field rather than having connection infrastructure into a facility like Waitsia, depending on its difference. We suggest that market forces would deal with a lot of those decisions.

Mr R.S. LOVE: Is there no regulatory issue with tolling gas through different supplies into one particular plant that the Premier is aware of?

Mr R.H. COOK: I will refer to Mr Dawson.

Mr S. Dawson: We understand that the intention of developing a 250-terajoule-a-day facility for the Waitsia project was that it would eventually provide an opportunity for third-party tolling of additional gas from Perth basin projects. That was part of the consideration that government undertook in considering the export allowance that was given to the Waitsia project, allowing the government to underwrite a large enough facility that would ultimately provide third-party access to smaller projects. To the point around some of the comments from Perth basin producers that are struggling to find finance, when there is access to third-party infrastructure to process gas and get it into the pipeline, getting a project up and running becomes a much easier proposition from an investment perspective than building a greenfield plant. The government's intention with the way in which it structured its deal with Waitsia around the export exemption that it received was that that processing facility would be utilised by third parties. We continue to receive positive updates from both sides of the market in terms of the attractive opportunity that will present, particularly as the export exemption for the Waitsia project comes to an end.

Mr R.S. LOVE: Further to the discussion around whether that gas is intended for the domestic market, as a way of getting gas to the market, would the government consider those requests that have been made to export more gas from the Perth basin?

[9.30 am]

Mr R.H. COOK: Absolutely. That is why we are undertaking this inquiry at the moment. I should say that I lean less towards the idea that we should allow for further gas to be exported. I think we need to test the proposition and whether it impacts on the commerciality of bringing that gas to the domestic market. We have spoken to a range of customers who think that there is plenty of demand and capability of paying a reasonable price for that gas. We are testing those propositions through the study within the Department of Jobs, Tourism, Science and Innovation at the moment. That will inform whether we need to make any adjustments to the domestic gas reservation policies.

Mr R.S. LOVE: I refer to “Investment Attraction Fund” under ongoing initiatives on page 194, which has a \$2 million estimated actual from this year with a budget of \$50 million next year, \$30 million the year after and \$30 million the year after that—in total, \$112 million. Is that the total sum of the commitment to the investment attraction fund?

Mr R.H. COOK: At the midyear review, we provided an additional \$110 million for the investment attraction fund. From that perspective, we are continuing to work through that current allocation. Obviously, the importance of the investment attraction fund is that it allows us to target those industries that are part of our Diversify WA strategy. In that context, we have confirmed funding through that \$110 million midyear review allocation to include \$20 million to support the defence industry, \$7.2 million to attract United Kingdom-based Founders Factory to establish a startup incubator in WA and \$6 million for a grant to Arose to support stage 2 of its Moon to Mars initiative: Trailblazer program.

Mr R.S. LOVE: It that for this current year?

Mr R.H. COOK: That is correct, yes. I ask the director general to provide further details about the current allocation.

Ms R. Brown: Thank you, Premier. In total, funding of \$395 million has been allocated to the fund through a series of funding through the midyear review and budget processes. To date, in addition to what the Premier has outlined as part of round 1 for the investment attraction fund, \$156 million has been committed to support industry-led proposals. That was part of the inaugural grant round and essentially covered the eight priority sectors of Diversify WA. As an agency, we have been working with each of those proponents and each of those projects, which, in addition to the eight priority sectors, go across a whole range of parts of the state, which is really terrific.

As part of that further allocation, the department is currently working through round 2, which is \$60 million, and has been allocated for projects related to new energy industries. We are in that process now and have received a substantial number of applications for that round. It is very much about ensuring that not only will these projects assist in diversifying and decarbonising key industries within the state and grow local jobs, but also we support those particular projects to scale up their operations in Western Australia.

Mr R.S. LOVE: Could the Premier give me an idea of how many applications that is split across? Are people getting multiple millions of dollars or are we talking hundreds of thousands of dollars? What is the scale that the department is trying to achieve?

Mr R.H. COOK: I will ask the director general to answer that.

Ms R. Brown: The first round enabled 41 projects to be funded, mostly at the upper limit at which the first round was set, which was approximately \$5 million. Some were set at the lower level depending upon their own request for funding and the contribution to the project itself, so it was anywhere between half a million dollars and \$5 million. That first round was also about encouraging projects that were well progressed, but had other funding sources. The state’s contribution would be looked at in the context of whether that also matched other commonwealth contribution, other corporate funding or their own funding in that process. The \$5 million was not looked at in isolation as the only funding source; it was generally an additional part of some broader funding that the project would have. That was very much about ensuring that those projects had a greater sense of success in their next stage.

Mr R.S. LOVE: The fund is there presumably to stimulate new areas or new investments in the state. How will the effectiveness of that program be measured going further forward?

Mr R.H. COOK: Ms Brown.

Ms R. Brown: The overall fund is designed around the objectives of diversifying the state’s industry. All the objectives come back to whether we can measure that it is about growing a new industry or scaling up a particular industry and, importantly, local jobs. The overall fund is designed with that element. Each grant round has a series of criteria that are signed off by the Minister for State and Industry Development, Jobs and Trade, and that criteria is what is published for applicants. In the first round, they went through a two-stage process to demonstrate against that criteria, based on an assessment undertaken by the advisory board. Funding that was allocated would then be distributed to those projects and proponents. The financial assistance agreement is structured around them meeting those milestones, which are currently being tracked by the agency. That is really important because we can then demonstrate back to the fund’s overall objectives whether it is about growing a new industry, scaling up something that has already been successful or is very much about jobs, and, in many instances, local jobs in the regions as well.

Mr R.S. LOVE: The footnote to the table says —

This spending is either partly or fully funded by the transfer of appropriation from Primary Industries and Regional Development.

Is it either partly or fully funded by that transfer, for a start? That is ambiguous. I would like to know how much is coming from regional development. Is that royalties for regions money that is funding that program?

Ms J.J. SHAW: Investing in the regions—heaven forbid!

Mr R.S. LOVE: I am asking a question, member.

Mr R.H. COOK: I can confirm that in 2023–24, to supplement funding to a recipient of the inaugural round of the fund, the Department of Primary Industries and Regional Development transferred \$2 million from the fisheries research and development special purpose account under the Treasurer’s delegated authority to JTSI to bring the funding to that recipient to a total of \$5 million.

Mr R.S. LOVE: The transfer from the fisheries development—I think the Premier called it a fund?

Mr R.H. COOK: The fisheries research and development special purpose account.

Mr R.S. LOVE: That would be the money that is built up from professional fishing contributions to the department, I imagine. Is that money linked somehow to a marine or seafood round to ensure that the money is going to where it was intended when it was collected?

Mr R.H. COOK: I can certainly confirm that it was not part of a dedicated fisheries round of funding. There was an opportunity for a grant to a specific recipient to be augmented from the fisheries research and development special purpose account. That would have been an opportunity that was identified by that department to be part of that grant process to achieve outcomes or objectives within their particular frame.

[9.40 am]

Mr R.S. LOVE: I presume that was the \$2 million for the initial application, but going forward it is \$50 million, \$30 million and \$30 million. From where is that money sourced? Is it coming from the same department, the Department of Primary Industries and Regional Development?

Mr R.H. COOK: No. I will provide further information that has come to hand: JTSI has received a \$2 million contribution from the Department of Primary Industries and Regional Development towards Tassal Operations Pty Ltd’s project, which was approved for \$3 million through the fund’s inaugural round. A financial assistance agreement has been executed for a total of \$5 million for that specific project. The answer to the member’s question is no.

Mr R.S. LOVE: Is that the only allocation from DPIRD?

Mr R.H. COOK: That is right.

Dr D.J. HONEY: This is probably a simple question to answer: Where are these allocations listed? Where is the transparency on those so that we can see where the money has been allocated and what fraction it is of the total investment?

Mr R.H. COOK: I will ask the director general to provide details.

Ms R. Brown: For the first round, a series of announcements would have been made regarding each of the allocations. For that round, they are now all on the JTSI website and are publicly available.

Dr D.J. HONEY: In terms of the regional focus, I am on record in this chamber and elsewhere as recognising the government’s investment in Collie; I think the diversification strategy has been done very well. It is almost unique for a regional community. We have the traditional industrial areas of Karratha, the Kwinana industrial area and the like; however, is there a clear focus on developing other regional communities such as Geraldton, Albany and other bigger communities that have established infrastructure and workforce but are not seeing the same sort of focus that Collie is seeing?

Mr R.H. COOK: I do not have specific details, but I know that opportunities to fund diversification-based industries in regional areas is very much part of the investment attraction fund approach. It might be best if I let the director general provide further details and that might give the member a sense and understanding of the proportionality of the allocations.

Ms R. Brown: Overall, as part of the investment attraction fund, the team, through the advisory board, have looked at how assistance to those projects, particularly in the regions, can not only diversify and grow industry, but also complement other industry development. The member mentioned the Western Trade Coast and Kwinana. With regard to other roles the department undertakes, particularly around support for strategic industrial areas, we are heavily invested in looking at the activation of those strategic industrial areas of the midwest, the Pilbara, the south west and the goldfields to leverage broader industry development. The investment attraction fund, along with other funds,

is complementary to how we ensure that we are able to see that as an overall picture for each of those regions, including the midwest.

Dr D.J. HONEY: I do not think I am giving away any great secrets by saying that in my previous life, my employer had a senior manager whose full-time job was to get money out of government. I think that is a fair description of the job role, and the manager was very successful at that. We see this at the moment. I do not think there is a company that does not look at government as a potential source of revenue, whether it needs it or not. What process does the department use to filter out where it puts the money? I appreciate that there will be some risk component to it. For example, is Infrastructure Western Australia engaged in the process? Ultimately, it is assessing the value to the state on top of its other objectives.

Ms R. Brown: For the investment attraction fund, as the member said, evaluation is critical. Up-front design of the program aligned to broader government objectives of diversification and decarbonisation, and industry growth and jobs are important as part of that up-front design. There is decision-making around the allocation of funding to the construction of the financial assistance agreements that those particular industries would report against or those projects and proponents—and we have an overall evaluation framework for the fund. We have been working over the past year on an overall evaluation framework for the various funding that JTSI has responsibility for assessing and distributing to industry proponents. It is a very clear part of what we do.

As we broaden and support the delivery of the government’s agenda around leveraging strategic industrial areas and the supporting infrastructure, Infrastructure WA plays a very critical role, particularly with its work to date in some of the longer term planning across the state, and also its capability and role in business cases for large-scale developments that would be delivered through other agencies. Infrastructure WA is part of our broader network of agencies that we engage and work with.

Ms J.J. SHAW: On a point of clarification, when the government designs initiatives such as the investment attraction fund, does it view it as a source of revenue, as the member for Cottesloe says, for the businesses involved or does it approach the design of these things as investment in terms of the provision of capital or assisting these industries to develop? Rather than being just a revenue source, is it actually about enabling infrastructure and industries to develop as part of the overall diversification strategy?

Mr R.H. COOK: The member for Swan Hills is quite right. These businesses are targeted for either taking it to the next step, as in commercialising and bringing onstream production facilities or moving from research and development through to pilot programs, or lifting their scale. Really, we are intervening in the life of that business to make sure that the effectiveness of our funds leads to a new business activity. Obviously, the whole purpose of the fund is to make sure that we target those diversification industries. The companies in question put to us how they will use those moneys in order to take themselves to the next level. It might be bringing the production process to Western Australia. It might be taking a research and development idea from lab to pilot or it might be taking a pilot to scale-based production. We look for the most effectiveness in relation to those moneys, because this is precious money. It is important that when we use it, we do it in a way that brings change.

Dr D.J. HONEY: Not to rise the incitement of the member for Swan Hills, but I want to make it clear that I am in no way saying that companies simply take the money and put it in their pockets; I am sure they direct it to the purpose that they state to government. I have great faith in our corporate sector in doing that. I am not sure it requires a comment from the Premier!

Mr R.H. COOK: I will answer it fulsomely! These moneys are spent in a strategic way. It is about realising new opportunities, not just for this company, but for the benefits that flow to the Western Australian economy and the creation of Western Australian jobs. A great example of this is where we can assist companies to access new supply chains and, therefore, realise a whole new range of customers that they can access, particularly in relation to defence. Members will be aware that we are at a crucial point in realising that economic opportunities that will come from the AUKUS agreement and the significant uplift that will come from those supply chains. If we are going to assist those companies to be ready for that opportunity, we have to assist them now so that they can be business-ready for when those supply chain opportunities come in. We see it in the US. The production, maintenance or sustainment of something like a nuclear submarine is a significant piece of work. It is also about assisting companies that might already be operating beautifully in one market or servicing one part of industry to take advantage of new opportunities in other parts of their industry.

[9.50 am]

Dr D.J. HONEY: I note in budget paper No 2, page 194, the line item, “Election Commitment—Wind Turbine Manufacturing Initiative”, on which \$8 million has been spent. Could the Premier outline what has been achieved with that expenditure of money?

Mr R.H. COOK: I am just having trouble seeing it.

Dr D.J. HONEY: It is “Election Commitment—Wind Turbine Manufacturing Initiative”. It is about the tenth line item under “Ongoing Initiatives”.

Mr R.H. COOK: Obviously, under the wind turbine manufacturing initiative, the government has repurposed funding to provide industry support to enhance the capacity and capability of WA businesses to participate in wind energy chains.

An independent feasibility study has been undertaken through the initiative and it has identified opportunities for local participation in manufacturing, operation and maintenance of wind farm componentry. With demand for renewable energy supply through the state’s electricity network set to grow significantly, unlocking further opportunities for local participation, manufacturing and servicing, could support job creation and play a key role in the state’s clean energy transition.

I think a lot of people have envisaged that the construction or the development of large-scale wind farms is an exercise in importation—simply bringing componentries from other countries. Certainly in the early days, we can see some of the more technical aspects of a wind turbine and the need to access technology and gain insights from other countries. But we should not lose sight of the fact that a wind turbine is a foundation, cabling, the pillar, the blades and, of course, the turbine. There is huge opportunity in both the construction and maintenance of wind turbines. I have always thought, for instance, that blades would be manufactured overseas. I have spoken to one proponent recently that is very much of the view that we can manufacture blades in WA, significantly moving further up the value of that supply chain.

I ask the director general to provide further comments on other allocations or use of that initiative fund.

Ms R. Brown: It is a really, really important initiative and an opportunity, through the energy transition and decarbonisation, to invest in local industry to see the benefits of a growing wind energy industry here in Western Australia. This funding is very much about being able to work with small to medium industry to leverage other operators into the state to grow the benefits here of advanced manufacturing and componentry that will come with the importance of broadening the wind industry into other important industries. This obviously complements broader planning around infrastructure and strategic industrial areas to support that. It is very complementary in terms of the opportunity for local industry.

Dr D.J. HONEY: My understanding is that four or five manufacturers globally dominate the entire wind farm market and a very high percentage comes out of China. The Premier identified that perhaps there are some niche opportunities for WA to participate, but the director general touched on an area that I think is of great concern to a good many people who are looking at the renewable energy debate—that is, what happens to these facilities once they reach end of life. We already have some facilities reaching end of life. I was looking at the hydrogen facility in Onslow and I think two or three out of four of the wind turbines are all pretty well at end of life and they are struggling to go on.

My understanding is that recycling all the metal components of wind turbines is pretty straightforward. That is traditional scrap whether it is aluminium, steel, copper or brass or whatever it is. However, the blades are very difficult to recycle. Also, the bases of these turbines contain enormous volumes of concrete and steel. I wonder whether there is some focus on that. Certainly, the bases will have to stay in paddocks, which I think would be highly undesirable given the number of wind turbines we are likely to see. Is there a focus on that? Again, this matter generates a lot of controversy for people who are anti-renewables—that is, the blades can only be buried. It may be economic to bring those blades onshore when we build a new facility, but I doubt very much that anyone is going to export those blades offshore for recycling.

Is there a focus on looking specifically at that issue of recycling? Western Australia, as we all know, is the pre-eminent place in Australia for wind energy and solar energy, for that matter. We are likely to have a lot of them. Is there a focus on that second part of renewables, which is: what do we do with the old gear?

Mr R.H. COOK: I think there are huge opportunities around being part of not only the front end of these sorts of industries but also the back end with recycling. Recycling of batteries is going to be a big opportunity for us into the future. I think a smart entrepreneur would be looking to build some capability and capacity to enter that market sooner rather than later, as we see some of the earlier EVs and hybrid vehicles starting to come off market. My understanding is that a lot of the batteries now can be completely stripped down and recycled.

We see a significant evolution in the technology and the engineering which goes into wind turbines. Often, we will find a wind turbine at end of life cannot be repurposed or re-used because the technology has outstripped it. We see some wind turbines at the moment that are huge and we can really take advantage of the technologies in them. That leads, of course, to a discussion about how that might feed into the work that the Centre of Decommissioning Australia is doing. I might ask the director general to provide some comment on that.

Ms R. Brown: Yes, looking at whole of life cycle of these projects is really critical. I think the work that CODA is leading in decommissioning oil and gas assets is really important. We are seeing a growth in the decommissioning of Defence assets. I think the benefit for Western Australia is that through many, many years of being a leader in

the energy sector, our partnerships—particularly with Europe and Norway, where they are further progressed on wind energy—are really important in that transference of learnings and what we as a jurisdiction can leverage in decommissioning in a range of areas. Each year, we have AOG Energy in Perth, which is an annual conference and trade show that is very much focused on the energy sector and all elements and opportunity for industry. Many of the key industry players in Europe and Norway come down to Perth. We are seeing greater interest from both those contacts and contacts over east in terms of industry wanting to grow their presence in Western Australia around all elements of decommissioning. It is an important aspect, and we are keen to support the growth of local industry and take learnings from other jurisdictions that have gone well before us.

Dr D.J. HONEY: Premier, if we could move on to strategic industrial areas, I refer to the bottom of page 194, “Major Projects, Infrastructure and Project Ready Land”. Paragraph 3.1 refers to supporting the delivery of infrastructure required to activate SIAs. There is mention of \$500 million. I think the Premier will recall an earlier debate in this chamber about the majority of that money being allocated to out years. To start the discussion, could the Premier outline the allocation of the \$500 million and the years that that money is allocated for?

[10.00 am]

Mr R.H. COOK: The \$500 million strategic industries fund is an important opportunity. Western Australia is in the fight of its life. We have to be competitive to be able to attract renewable energy projects in particular, but all manner of industrial proponents to invest in WA. If we are going to be successful, we need a plug-and-play model to ensure that our strategic industrial areas are ready for proponents. It is about pipes, wires and roads. It is about making sure that the lead time for proponents making investment decisions to be able to access land is as short as possible. There is a scramble at the moment. The \$500 million fund is a really important way for us to get job-creating and renewable energy projects in strategic industrial areas. We are talking about Maitland, Boodarie and Onslow. Oakajee is obviously an important one. There are the industrial areas of Kalgoorlie and Kemerton; there are strategic industrial areas in Collie as well, such as Shotts, Coolangatta and so on.

If we are going to realise the economic opportunities that come from that, we have to invest now. They have to be ready for when the proponents want them. The activation activities enabled by this investment will maximise the likelihood that those projects will proceed to development. A separate \$160 million lease incentive scheme, which we announced in November 2023, will incentivise and support key projects to establish operations in targeted SIAs. We look at the aggressive work of other state governments, particularly Queensland, to attract proponents to their industrial areas. We have to match that. We have to be ready to go, particularly if we are going to realise the goals and objectives of our economic diversification and decarbonisation strategies of Diversify WA and Future State.

To support economic diversification through the activation of these areas, the \$500 million fund will touch upon the following allocations: \$125 million to expand the strategic industrial area that the member and I know as “the strip” and looking at Latitude 32 and the opportunities there; approximately \$20 million to assist DevelopmentWA with its work; \$20 million for planning activities in the goldfields, south west and so on; \$20 million to establish a program management office; \$1 million for a feasibility study into the replication of the Australian Marine Complex common-user facility; and around \$314 million beyond the forward estimates for future SIA initiatives, including work to facilitate BP’s transformation, H2Kwinana and the Murchison green hydrogen project. There are so many opportunities everywhere, and we need to make sure that the government’s investment matches and facilitates the private investment that will come with those projects. We need to be ahead of the game.

Dr D.J. HONEY: I want to dig in on a couple of those. I know the Premier has a keen interest in the area and he knows I do too. I absolutely support the expansion of the heavy industrial area into Latitude 32. I think that is absolutely critical and I have a great concern that the ad hoc allocation of land in that area to light industry could mitigate the use of that land for heavy industry, but that is not the principal point of my question. I understand that most or all of the land on Latitude 32 is owned by government. I appreciate that there are some private market gardens and the like to the east of that. Is that a reallocation of ownership within government in terms of the cost, or is it, in fact, purchasing additional land for that area?

Mr R.H. COOK: The member would be surprised by how little the government owns of Latitude 32. I struggle to use the word hotchpotch, but it is certainly a —

Ms J.J. SHAW: Patchwork.

Mr R.H. COOK: — patchwork. Thank you very much, member for Swan Hills. It is a patchwork of different tenure and different ownership regimes. As the member knows, Latitude 32 was originally intended to be a general industrial area that would support and service heavy industry in the strategic industrial area of the Western Trade Coast or the Global Advanced Industries Hub. I have just been informed that there are about six separate owners across Latitude 32, but there are opportunities to develop it through both the private sector and the government sector.

Essentially, the Global Advanced Industries Hub work identified parts of Latitude 32 that could be converted from a GIA to an SIA. That would free up more land for proponents looking to come to the Global Advanced Industries Hub or Western Trade Coast. The member is right; we need to make sure that we allocate this land very carefully. It is done through the Industrial Lands Panel. Proponents will approach government either through DevelopmentWA, the primary owner of the land, or through JTSI to seek an allocation of land in Kwinana or the surrounds.

We will assess it against what we believe are the strategic interests of the Western Trade Coast, which is to develop it as an advanced manufacturing hub focusing specifically on battery energy and battery precursor product manufacturing. It will be allocated on that basis. The Industrial Lands Panel is made up of the Minister for Lands and Minister for State and Industry Development, Jobs and Trade, and we will receive advice about that and then provide authority for the departments to allocate the lease to a particular proponent. The member is right; it is a constrained site nowadays. We have to make sure we have the highest value use of that land, and diverting part of Latitude 32 from a GIA to an SIA represents an opportunity to add to that overall industrial estate and find other important available land. I will pause for a moment, by throwing it to the director general, to see whether there is anything I have left out.

Ms R. Brown: Thank you, Premier. It is a very important initiative, and certainly the funding and the work to date demonstrates the government's commitment to address the longstanding issue of land availability raised by many industry stakeholders over a long period of consultation. Over the last couple of years, the department has worked closely with all tiers of government, with industry and with local representatives around the broader planning and vision for the Western Trade Coast and the opportunity, as part of diversification and decarbonisation, to focus on key industries around renewables, battery and critical minerals and, of course, shipbuilding and sustainment. The work around Latitude 32 is a critical first step towards enabling expansion of that industrial land and supporting current and future heavy industrial projects in the region.

Dr D.J. HONEY: Congratulations for doing that. I will not give the director general brickbats. It is critically important to that area. As the Premier knows more than anyone, there is a conjunction of coastal access, a fabulously skilled workforce and, of course, massive synergies that come from having all of those industries together.

I know the Premier is aware, but I doubt that most people in the state have an idea of the contribution of that small area to the wellbeing of the whole state. It has produced something around \$16 billion already. There is clearly an opportunity to substantially increase the contribution to state product.

[10.10 am]

Mr R.H. COOK: Just that small estate represents around one per cent of the country's gross domestic product. It is a significant piece of industrial development.

Dr D.J. HONEY: I think it is one of those untold great stories. Maybe it is not untold, but perhaps it is unheard.

Mr R.H. COOK: It is unappreciated.

Dr D.J. HONEY: That is it. It is something that we should continue to champion.

However, that was not the point of my further question. With the chair's indulgence, I refer to the strategic industrial areas. The Premier knows that a favourite one of mine, and the member for Moore, is the strategic industrial area of Oakajee. I understand just from conversations that it is important —

Mr R.S. LOVE: I would not say it is my favourite.

Dr D.J. HONEY: Go on—the member likes it!

From our other conversations, I understand that the member for Swan Hills has been tasked with using her great ability to really focus on the development of that area. However, I have expressed in this chamber before that I have a great concern. I know that six proponents have been identified that are keen to use that area. We know that area is probably unique globally in the sense of having access to the world's premium renewable energy resources while also being an enormously liveable area. It is a beautiful area to live in climatically and geographically and there is a significant opportunity to grow that community and workforce.

However, the fact is that Oakajee is an overgrown sheep paddock. I think the entrance road was graded a year ago or something, and that is about all that has happened. I have not spoken to all the proponents in that area, but I have spoken to some. They have said that they are obviously very keen to develop in that area, especially with renewable energy projects. However, downstream renewable energy projects are typically at the margins of economic feasibility. Making a business case is very hard. If proponents are required to pay up-front for the critical infrastructure, for example, the 33-kilovolt powerline from Three Springs and others, like water, communications and gas, that will make it very difficult to make their projects viable.

I will say that I may be sometimes critical of government largess for industry. I do not think I have done that too much. However, I think it is an entirely appropriate role for government to build that critical enabling infrastructure

and then recover those expenses over the longer term at an affordable rate. As I said, I appreciate that the Premier is looking at this again, but is the government looking to make a commitment? Obviously, the government will tie in its federal colleagues—I see that they are putting money around it. Will the government really fast-track that? My great concern with Oakajee is that it is not five years away; it is 10 or 15 years away from actually making the enormous contribution to the state that it could.

Mr R.H. COOK: I remember that about 20 years ago, it was 10 years away. It always has been a difficult project to land. I think we are at a point in time now when we have all the preconditions for Oakajee to realise its potential, particularly, as the member said, through renewable energy work. I thank him for acknowledging the member for Swan Hills' work as my parliamentary secretary to continue to grow and provide momentum for the Oakajee work.

In some respects, some parts of strategic industrial areas are pretty unglamorous. It is about working out what the transport and the power corridors are and things like that. In the first instance, we are allocating \$20 million towards the construction of the Oakajee access road. That is just a starting point. We accept that there will continue to need to be a lot of work done there.

I understand that we have recently established an industry reference group on Oakajee. That group is responsible for informing the coordinator general about the needs for that strategic industrial area to assist the companies that the member talked about—that is, companies that have aspirations or have already been allocated land—to be able to see the developments and assistance that they need. I might ask the director general or Mr Marney to make some more comments on the work that is going on at Oakajee.

Ms R. Brown: I want to assure the member that we have done an enormous amount of work around the future planning, not just of the strategic industrial area of Oakajee, but also in the broader region to more generally leverage the opportunities that will come through economic diversification and decarbonisation. That includes working with our other government agency colleagues. It has been a dedicated area of focus in the department. As the Premier said, there has more recently been a focus on working with industry. That has been really critical and is something that the coordinator general can add to further.

Mr T. Marney: The member is perfectly accurate in indicating that these areas are really of greatest value and prospect only when there is a reasonable expectation that the plug-and-play elements are going to be put in place. I admit to being an Oakajee cynic over the past two and a half-plus decades. We have to demonstrate that there is real commitment here. With the government's demonstration of genuine commitment will come the commitment of private proponents for some of the incredibly important economic, social and environmental projects, as the member said. Those projects may not stack up as particularly financially attractively at the moment without some of those levers in place.

In demonstrating that commitment, the award for the tender for the 800 metres of road is due in June. Construction on that road is due for completion in June next year. As I mentioned, as a longstanding cynic, to me that is a significant sign that something is actually happening in Oakajee. For starters, people will actually be able to get to it. That is a really important step forward. At the same time, the government has allocated, and we are overseeing the expenditure of, around \$6 million to various elements of planning, engineering and feasibility studies to unlock the next components of infrastructure to enable the activation of Oakajee.

Again, as the member pointed out, we need access to land and corridors. Doing that work in a way that anticipates the need for development over the next 10 or 15 years, as flagged by the member, but is also economically responsible and viable now, is part of what we are doing at the moment. That involves understanding the feasibility and scalability of different infrastructure components, whether that is the provision of water, power or, indeed, corridors. How do we allow for enough development over time while utilising what is needed now to do what is required for the next five to 10 years? That work is ongoing at the moment. It covers all the key elements of, if you like, the factors of production: water, power, gas, and transport infrastructure from a port and road perspective.

There is also substantial work going on, in terms of the primary input of land access, into cultural heritage assessments. That is led at the moment by DevelopmentWA, with substantial investment on archaeological surveys and the like. It is a sensitive area for the traditional custodians and we must respect that. Substantial work is happening to understand what is possible and reasonable. The next bit is deciding what is necessary to get things rolling? Those are the core kernels of infrastructure that we are planning now in order to grow whatever capacity is required into the future. Understanding those kernels of infrastructure is where we are at the moment. The planning work that will occur within the economic development group in the Department of Jobs, Tourism, Science and Innovation will then focus on the critical pathway of infrastructure for proponents and the interdependencies across the different components of infrastructure. Once we know that, we need to stand back and see it as a program of work rather than bits of stuff government does. This is where the coordinator bit comes in, in understanding what that program of work is within Oakajee and—going to the member's earlier points—Western Trade Coast, Maitland, Boodarie and all those activations to understand the priorities. We have finite resources in not just a financial sense but also capability, raw materials, production capacity, construction capacity and that sort of thing. We need to look at

a program of work not only within Oakajee but also across all strategic industrial areas, and to understand what private proponents are doing in terms of their investments as well. That is a long way of saying that we have to coordinate the hell out of this, because there is a lot is going on and a lot of prioritisation is required. At the moment, we are in the discovery phase of understanding what industry requires across all those areas. Then we need to prioritise and understand those interdependencies and sequence over time. That work is happening for Oakajee but also more broadly across strategic industrial areas and the activities of the department as a whole.

[10.20 am]

Dr D.J. HONEY: I appreciate a lot of work is going on at the moment in relation to understanding this. Does the government have any view on when we can expect to see proponents starting to build footings and get going on constructing those new industries?

Mr R.H. COOK: At Oakajee specifically?

Dr D.J. HONEY: At Oakajee specifically, yes.

Mr T. Marney: At this point, they are waiting for us. Essentially, they cannot commit to any sort of timeframes without knowing when certain of those plug-in points will be available. That is a critical iterative process with proponents to understand what they need, what capacities, what that will grow to over time and when they need it. There is a little bit to work through in all of that. Not surprisingly, and notwithstanding the member's earlier comments about commercial responsibility and the greater good thereof, some proponents are more aggressive and optimistic than reality would play out. Part of the process is flushing that out and getting realistic timeframes as opposed to the ambitious commercial aspirations that might exist.

Mr R.S. LOVE: What will the Oakajee road provide access to? Is it to a finite point into the estate? Is it through the estate? What is actually being constructed?

Mr R.H. COOK: As the member would be aware, that was part of an earlier commitment of about \$7.5 million for the access road. We realised pretty early in the piece that \$7.5 million would not pay for much. We are trying to make sure that people can access Oakajee in an appropriate way through the corridors that have been established. I will ask Mr Marney to provide further details on where the road lands in terms of Oakajee itself.

Mr T. Marney: The road itself may seem fairly straightforward. It is only 800 metres of blacktop, which is about the same length as the dragstrip at Kwinana. It is not huge. The issue is the complexity of future provision within that road corridor. That is where the work and the expense has gone. The issue is also making sure that we get that planning and provisioning right now so that we do not have inefficient investment down the track. That explains the timeframe and the cost associated with the road. My understanding is that the road will essentially go to the gate of the estate. There is no road activity within the strategic industrial area at this point because we will not know quite what the capacity and corridor requirements are within the estate until we do that more detailed planning work, and that is the \$6 million investment that is currently underway. That is the long and the short of the short road.

Mr R.S. LOVE: How much land has been designated or allocated to particular proponents in the estate, if any?

Mr R.H. COOK: From memory, I think about six tenants have been allocated land at Oakajee. We are working with those tenants on what their needs are. They make up the substantial proportion of the strategic industrial area reference group at Oakajee. In addition, those tenants will be eligible for the \$160 million incentive scheme to assist them to be further motivated about when they can get onto the land. Mr Marney, do you have anything to add to that?

Mr T. Marney: Yes, the Premier is right. We have about six proponents that are currently working through an option-to-lease phase of negotiations. That process is about shoring up their spatial requirements within the estate. We are working through that at the moment. Obviously, it is rare earth, in the sense that it is a finite area, and we want to make sure that we optimise the utilisation of every inch of that space. We go through a due diligence process to assess the articulated requirement to ensure that it is genuine. There is some testing of that through the negotiation process. As I said, it is all ongoing at the moment.

Mr R.S. LOVE: Has any firm commitment been made on any of the land? Are there still options available for further uses and for industry to come forward?

Mr R.H. COOK: Is the member asking if there are other areas yet to be allocated for other proponents that might want to get access to Oakajee?

Mr R.S. LOVE: Yes.

Mr R.H. COOK: I might ask Mr Marney to clarify.

Mr T. Marney: Yes, there is still some space left. We are happy to have discussions with proponents. As always, with a finite resource, the aim is to optimise its utilisation. We are very keen to understand what additional

opportunities might exist for proponents in the area, whether it is perceived that they have space or not. We are very open to exploring that and ensuring that we optimise the opportunity presented by the unique resource that is the Oakajee strategic industrial area.

Mr R.S. LOVE: I have a further question on strategic industrial estates. In this case, it is not Oakajee but Kemerton. A coordinator general has been appointed, and I understand that part of that role is to identify the barriers and what needs to be done to develop those estates. Is there any plan for further infrastructure to go into the Kemerton estate? Kemerton does not have rail and has very limited communications throughout the estate. I do not think NBN is available and there is even not much in the way of mobile signals. What plans are there, if any, for further development there to ensure that we see some use taken up of that area as well?

[10.30 am]

Ms R. Brown: The Kemerton strategic industrial area is an important one in the south west, in the state and in the nation because of its location and some of the key industry players there. As part of that broader planning being led by the Department of Jobs, Tourism, Science and Innovation, understanding Kemerton in relation to the south west and its supporting infrastructure has been a key area of focus, and as we work to set up the strategic industries fund and work with other key government agencies, Kemerton will be one of the areas we continue to focus on, both leading on key planning and coordination and working with proponents. As part of that, the Kemerton strategic environmental assessment is a key priority that is being progressed to provide a streamlined environmental approvals pathway for proponents seeking to expand or establish projects in the Kemerton SIA. Going to the coordinator general's comments, that will also give us a greater understanding of some of the key next steps for the ongoing management and implementation of broader activities for the Kemerton SIA, including other infrastructure requirements associated with it.

Mr R.H. COOK: I think Kemerton is a classic case in point. It is what we call a strategic industrial area, but a proponent going there would have to undertake environmental assessments, native title—maybe not native title; I am not sure of the tenure there, but there would be a whole range of stuff. They might think, “Hang on, you call it an industrial park, so why do we have to undertake all this work?” I believe that as a government we should be undertaking that preliminary work for proponents so they have as few hurdles or obstacles to their investment as possible.

Mr R.S. LOVE: On the issue of native title in some of the areas, which the Premier raised, Kemerton and Oakajee are both subject to final agreements with either the Noongar or the southern Yamatji people. In the case of Oakajee, I think the Yamatji Southern Regional Corporation has some ongoing involvement with that site. Can the Premier explain what interactions the department has with southern Yamatji to ensure it is involved in the discussion going forward?

Mr R.H. COOK: I am not familiar with the southern Yamatji agreement, although I am fairly familiar with the south west agreement, so I suspect that native title in relation to Kemerton has been resolved, although there may be cultural heritage issues that need to be identified or resolved. I am not familiar with Oakajee, so I might get the director general to make some comments.

Ms R. Brown: Part of the Indigenous land use agreement is around revenue sharing with the Yamatji people in terms of future benefits from Oakajee. Led by the Department of the Premier and Cabinet, the Department of Jobs, Tourism, Science and Innovation is participating in the implementation of the ILUA as part of the partnership discussions happening with the Yamatji Southern Regional Corporation, and working in the region with other government agencies to ensure that all our work engages with the relevant traditional owner groups so we are meeting not just the requirements of the ILUA but the broader intent.

Ms J.J. SHAW: I wonder whether the Premier could comment on the importance of this program of work in terms of providing proponents with certainty but also attracting inbound capital investment into energy transition. This SIA work is complex and we have talked about the need for positive signals into markets and helping the trillions of green dollars floating in the economy find their home in Western Australia. I wonder whether the Premier can comment on how important the work being done on SIAs is, not just to help proponents but also to help some of the capital find its way into Western Australia.

Mr R.H. COOK: It is important to note that we are not just looking for opportunities that come from private sector investment; we are looking forward to opportunities that come from the biggest single disruption to our economic lives in a couple of generations, which is the transition to renewable energy. Particularly in areas such as the Pilbara, we are looking to see what investments we can attract once we change the business model by which energy costs fall to almost zero and the opportunities to process minerals and ores onshore become much more commercial. For instance, at the moment we are looking at proponents producing green or blue ammonia, but also looking to process minerals to create hot briquettes or green steel. We cannot underestimate the impact that that will have on our economy, both in terms of onshoring of mineral processing, the creation of jobs and the significant reduction

we will see in emissions as part of the refining and manufacturing process. This is a huge opportunity, not just for us, but the globe, as we look to be a green steel production powerhouse, at the risk of overusing that term. The \$500 million strategic industries fund will identify the common-user and enabling infrastructure that we need across all the strategic industrial areas, and that will unleash a huge amount of private capital that will then be attracted to those areas.

Just looking at POSCO alone, there are billions of dollars of investment in that one project. This is a really important opportunity for us. The SIAs will continue to play an important role in our economic future, because we will continue to make sure that as an economy we can move away from simply extraction and shipment of ores to their extraction and processing to create precursor products such as green steel. If we can get this right through this strong investment pathway, particularly the strategic industries fund, we will unleash a significant amount of private investment that will create thousands upon thousands of Western Australian jobs, and we will continue to make sure that manufacturing is created here in Western Australia.

That is why I have been making such important public statements about the Liberal Party's position on not supporting the production tax credit. It represents an affront to not only everyone who wants to see our economy decarbonise, but also Western Australians who want to see things made here. In the media in the lead-up to his speech at the National Press Club, Angus Taylor literally said he did not care whether this stuff gets made in Korea, Japan or the United States because they are allies. I do; I believe these are economic opportunities for Western Australians and this should be about creating Western Australian jobs. Peter Dutton and the Liberal Party have essentially turned their backs on Western Australia, which is why I call his position anti-Western Australian. He is essentially saying that he wants to keep Western Australia as a mining town, and not a manufacturing precinct. There are so many opportunities through renewable energy, to bring processing and manufacturing onshore in Western Australia, and I am completely gobsmacked, and I feel betrayed by the Liberal Party, that it would take such a position on the production tax credits.

Ms J.J. SHAW: Just to that point, I turn to the importance of a team Australia approach, having the commonwealth and the state governments aligned and the announcements made by the federal Labor government about supporting industry development and production credits. The policies that the Premier has outlined not only function to attract inbound capital investment but also provide access to commonwealth funding opportunities for diversification and growth. Could the Premier discuss the importance of alignment between commonwealth and state governments in this regard and also the importance of the Canberra office being set up to that end, enabling us to advocate for opportunities like this?

[10.40 am]

Mr R.H. COOK: There is team Australia and team WA, and team WA is part of team Australia. We want to make sure our voices are heard in Canberra. Obviously, our Canberra strategy is starting to have effect because people are starting to notice that there is a greater presence of advocates and government representatives from Western Australia. That is important, because as the commonwealth government starts to move through the national reconstruction fund and starts to look at the modern manufacturing strategy program and policies, we want Western Australians to be the beneficiaries of that. We need to make sure that the commonwealth is in lockstep with Western Australia. We have Madeleine King and other key ministers from Western Australia who get it and understand the importance of creating these opportunities in WA. It is great to have the commonwealth supporting us in this way. In the US, they do not have this problem. All sides of government support the Inflation Reduction Act of 2022. We see the huge flight of capital to the US and the economic uplift as a result of the Inflation Reduction Act. That is an example of a government deliberately inserting itself in the investment pathways to make sure that it can attract and direct capital for its own strategic purposes, yet in Australia, we have these extraordinary commentaries—mostly from economists, I might say—stating that we should not pick winners or get involved in these sorts of aggressive investment-attracting strategies.

Ms J.J. SHAW: We have to be one of the last advanced industrial democracies to wrap our heads around this. It seems like every other advanced industrialised economy gets it and the importance of us all aligning, working together and co-investing. What is the barrier?

Mr R.H. COOK: I think the member for Cottesloe gets it.

Ms J.J. SHAW: Yes, indeed, he does.

Mr R.H. COOK: He understands the important role that the government plays in making sure that industry is aligned with government policy and continues to grow and attract investment. The thought that we should sit back and just watch it all unfold around us, hoping that capital will come to Western Australia as if by magic, is a complete loser strategy. It is gobsmacking that Peter Dutton and the Liberals would say, "We're not interested in the production tax credits because we're quite happy for all these jobs to go overseas."

Mr R.S. LOVE: I have a question.

The CHAIR: The member for Moore, welcome back!

Mr R.S. LOVE: Let us return to the budget here.

The CHAIR: Hang on; that is normally what I say!

Mr R.S. LOVE: I refer to page 200 and the service area “Project Facilitation”. One of the key activities of the department includes negotiating and coordinating state agreements for large energy and mineral projects. Is the use of state agreements still something that the department follows? I hear from industry and others that that is no longer the path that is offered to them. Could the Premier explain the role of state agreements in the department’s current thinking and whether he sees them being utilised in the future?

Mr R.H. COOK: It is a great question. State agreements have been an important part of enabling government to support industries to open up, particularly in places like the Pilbara and so on, where we see complex projects, usually involving a mine, a railway line, an access road and a port. Bringing all those elements together in a single piece of legislation enables the government to undertake these complex projects. As the regulatory regimes that sit over these projects start to evolve and become more nuanced, less clunky legislation is needed for a specific project, and we can lean more heavily upon the regulatory framework that applies right across all these industries. I think it is fair to say that people’s thinking around state agreements has evolved and that we do not need to rely on them as heavily as we have in the past. However, they are still an effective way to manage both the complexity of these projects and the way that they change. A state agreement area might sit over a whole range of different tenements, some of which are yet to be developed but will be looking to be developed into the future as part of the overall project life. It provides government with a way to manage these things in a very long term way, albeit they are a fairly clunky vehicle. In terms of the departmental or broader government perspective on whether we will rely as heavily on state agreements or other regulatory frameworks into the future, I will invite the director general or Dr Gorey to provide more details.

Ms R. Brown: Thank you, Premier. Yes, I think state agreements have been a very important historical aspect of Western Australia and the development of the Pilbara, as the Premier has outlined. As the regulatory framework has evolved—certainly, there were earlier comments around the ability to leverage common-user infrastructure—the need to explore state agreements has reduced, but the state agreements currently in place and how they are leveraged into the future still remain a very core aspect of the department’s work.

Mr R.H. COOK: Dr Gorey.

Dr P. Gorey: Thank you very much, Premier and chair. That is absolutely the case. For administrative relief within the agency and for the officers supporting and providing advice to proponents, one of the things that we are very keen on doing is providing confidence, certainty and consistency with the approval process that companies may need to go through. The normal laws of the land offer that to a large degree. In the first instance, if a particular project is having problems with the approval process, our first go-to is to see whether there can be an improvement in the approval regulatory system that applies to everybody. In that way, all proponents to that type of sector or development can benefit over time, rather than going to an individual state agreement act solution for them. For instance, last year, the government responded to large renewable projects and the potential capture through the approval process of formal assessment under part IV of the Environmental Protection Act versus land granting. The solution that the government went to was a broad exemption under section 6 of the EP act for a type of characteristic of proposal so that any of the projects that go through for renewables are not captured in that way. We see that although the advice is always there, state agreement acts can be, and certainly will be, available for future privately owned railways because of the nature of the legislation. Our first go-to point is whether we can improve the regulatory system that exists for everybody so that everybody benefits, not that one project that is in front of us.

Mr R.S. LOVE: How is this change in view, in not wanting to go down a state agreement path so much but wanting to change the general landscape, being received by industry? People are saying to me that they are frustrated that the Department of Jobs, Tourism, Science and Innovation does not seem to be assisting them with their individual project. Before, a proponent may have felt that there was a concentration on their concerns, but now they feel that there is not that same level of engagement. I am talking about industry people who might already have several state agreements. How is this being received by and communicated with industry? Is the Premier looking at the effectiveness of moving away from that framework, which has served the state well for many years?

Mr R.H. COOK: I do not get that specific feedback. The feedback I get is that individual proponents or project leaders are really satisfied with the way that they are assisted by JTSI. The member will see on page 198 of budget paper No 2 that the key performance indicator targets for satisfaction with the leadership and facilitation that JTSI provides are met every year. Ultimately, it is a matter of horses for courses. If a project needs a state agreement because of its particular nature, I am sure that would be considered. I think it is more that we want to be able to create flexibility for the proponent and the government for any particular project. We utilise the regulatory regime or framework available to us to meet the needs of that specific project, rather than having a government position about how much we will use state agreements. I might ask the director general to provide further comment.

[10.50 am]

Ms R. Brown: The Department of Jobs, Tourism, Science and Innovation takes very seriously its role in facilitating industry development and key projects across the state more generally. We continue to play a critical role in administering the lead-agency framework that ensures that key projects continue to get dedicated case management by JTSI. We have a dedicated team that supports state agreements, particularly as they remain and will continue to be an important part of the state's history. We have a dedicated team that has dedicated relationships with the key industry players in those state agreements, but across all our areas that work with industry, our role in providing that case management and facilitation is really critical. We also play a critical role in supporting state government, including with industry, to find solutions, particularly within the state development portfolio, that are important to industry growth.

It is fair to say that we have been able to enhance our services over the last 12 months, including the importance of focusing on green energy projects and how we work with our colleagues to ensure that we have the right environment set for approvals around those projects. That has enabled us to provide greater support across the sector and for government and industry in terms of approvals reform more generally.

We take very seriously feedback from industry. We have an annual stakeholder engagement survey. I engage with industry generally. It is also fair to say that from some of the comments made today that there is an enormous amount of interest in Western Australia from existing proponents seeking to expand, new proponents wishing to come here and new proponents wishing to move into new industry. The volume of work is not something that we are short of.

Mr R.S. LOVE: In terms of moving away from the state agreement framework and facilitating statewide work specifically with the green energy portfolio, what has been done, if anything, through JTSI with the planning frameworks across the state? Local governments tell me their concerns about their ability to manage some of the new industries—Oakajee being a case in point—in terms of the surrounding landscapes. It is possible that matters might be taken out of the local government's hands by the state development assessment unit's processes et cetera. What is the department doing to facilitate that? I point also to the failure of Infinite Green Energy to get a plant approved in the Shire of Northampton because of some problems with the statutory planning framework. What is happening to make sure that the local government sector is onside with this type of change?

Mr R.H. COOK: It is a fairly technical question, but a good one. I might hand it to the director general and her team to answer.

Ms R. Brown: I might start with a good example that is the work over the last two years on the Western Trade Coast region. We have had a dedicated team working closely with industry, the commonwealth, the three local governments and, importantly, our colleagues in the Department of Planning, Lands and Heritage. Having a broader plan around infrastructure and other development aligned into the planning frameworks with the relevant local governments and with the Department of Planning, Lands and Heritage has been an important aspect of that.

Similarly, we have started to apply those learnings to other regions. We had an opportunity to do that at the end of last year in Geraldton in the midwest. Similarly, through the Industrial Land Steering Committee, of which I am the chair and which JTSI supports, we had the opportunity with member agencies, including the Department of Planning, Lands and Heritage and our colleagues in DevelopmentWA, to also meet with the local government. There is a strong acknowledgement that to maximise regional development, a broader government will need to work with those local governments to ensure that we meet industry's requirements. Going forward, it will also require the department, under the coordinator general and with the economic development group, to get some of those macro planning settings right and to ensure that we are able to engage with industry, our partner agencies and local governments so that state government gets the best advice.

Mr R.H. COOK: I invite Mr Marney to make a comment.

Mr T. Marney: The member mentioned a specific project—I will not repeat the name—that is a really good example of some of the complexities we are dealing with at the moment that we did not have five years ago. Some of the regulatory and legislative settings in place did not anticipate the sort of industry developments that we are now experiencing or the land uses that will flow with that. The example the member raised is a very clear case in point in that regard.

The government has invested in total, I think, over \$50 million in various reforms in the approvals space, a very small component of which has gone into the coordinator general role. Part of that role is to address specific areas in which the complexity is such that the existing legislative and regulatory settings do not apply easily and cause the sorts of frustrations that the member has highlighted. The project in question has been escalated to the office of the coordinator general and we are working through some of its key issues, which can be addressed in different ways. We are looking for the optimal solution for the proponent, the local community and the diversification of the state's economy and we will work through those unanticipated complexities that exist.

That investment by government will go to some of those key issues that the member raised in terms of the tensions with industry. It also means that some of the issues arising out of state agreement conversations and the various engagements with industry and proponents can be addressed at a more systemic level across government. This will be done by working more closely across agencies and aligning systems, processes and practices to ensure that proponents have a clear, visible, transparent and accountable—in terms of not only public servants, but also proponents—pathway through to the resolution of issues, the assessment of proposals and, ultimately, the consideration of various forms of approvals.

Mr R.S. LOVE: I was going to suggest that we could do a follow-up question, but maybe it is a fresh question so I will leave it.

Dr D.J. HONEY: I have a further question just to clarify something. I know that the Premier is very aware of the issues around state agreements, but I note from my own industrial experience that if a massive multibillion-dollar investment is being made into an industry that will have an operational life of probably 40 or 50 years, one reason companies like a state agreement is that they can go to their financiers with an act of Parliament that specifies very clearly the rights and responsibilities on both sides. When the banks look at that, they say, “Yes, we understand the full scope or the liability and what we are taking on.” In the absence of a state agreement, the companies are more subject to the vagaries of policy change. As time goes on, that makes it a riskier long-term investment. If I understood the Premier correctly, he said that state agreements are on the table, but otherwise we might go down the path of normal regulatory approvals. Is there in fact a policy direction to get away from state agreements, or is it simply a case of horses for courses, and if a company expresses the strong importance of the state agreement, the government will not actively try to discourage it from that path?

[11.00 am]

Mr R.H. COOK: My understanding is that it is more the latter. It has not been a deliberate government decision to not do state agreements anymore; it is really about what is the most efficient way that we can facilitate investment and how we do that. The member is quite right. Indeed, the member worked under a state agreement when he was at Alcoa. I do not know the name of the state agreement, but I know that it finishes with “1969”. It has provided long-term certainty, which, as the member said, facilitates significant investments, particularly around capital, which will last for 20 or 30 years.

The downside of that is that the world moves on, of course, and one of the things that we have been trying to do with Alcoa, which has been really good about this, is contemporise the oversight and regulation of its activities to make sure that it is more reflective of what we would expect nowadays, for instance, in relation to environmental protections and things of that nature. From that point of view, there is opportunity to provide both certainty and flexibility. As I reiterated in my earlier response, this is about what works and what is most effective in this specific case.

By way of finishing up, I was going to ask if we could consider a 10-minute break. Given that we are two hours in, that would be lovely.

The CHAIR: I think everyone is in agreeance. The committee will now take a short break and we will recommence at 11.10 am.

Meeting suspended from 11.01 to 11.14 am

[Ms M.M. Quirk took the chair.]

Dr D.J. HONEY: Just to reinforce that issue around state agreements, as the Premier mentioned the case of Alcoa, I make it very clear that I am not a spokesperson for Alcoa at all.

Mr R.H. COOK: We know that, member. It was just a point of reference.

Dr D.J. HONEY: It can speak for itself, very effectively. Nevertheless, I know some the history of that organisation, having worked there for quite a period. In the case of that industry, and I suspect this will be the case for some of the new industries that we are seeing now, Alcoa commenced involvement in that project in the —

The CHAIR: Member, brave new regime. Questions, please.

Dr D.J. HONEY: I know; I am just leading into the question, thank you, chair.

Mr R.H. COOK: He was on a roll!

Dr D.J. HONEY: Alcoa commenced that project in the early 1960s. It did not return a penny of investment to the United States until 1986. I think that is typical.

Mr R.H. COOK: It goes to the point the member was making about how state agreements facilitate really long-term investment.

Dr D.J. HONEY: Yes, I guess it was just reinforcing that confirmation from the Premier that there is no policy position on this one way or the other: it is horses for courses, and the government will meet those agreements as it considers is most effective.

The CHAIR: Premier, there was not a question there, so I do not know whether you need to answer.

Dr D.J. HONEY: I was asking him to reinforce his policy!

The CHAIR: It seemed rhetorical to me.

Dr D.J. HONEY: We have had a very collegiate process here so far, Chair.

The CHAIR: Well, I am sorry; it has all changed now!

Dr D.J. HONEY: It feels as though there is a tough new regime in order now!

The CHAIR: I do not want to be the one to hear opposition complaints that you did not get enough questions in. The member for Moore.

Mr R.S. LOVE: I will be much more succinct.

I refer to project facilitation on page 200 of budget paper No 2. We have been talking with the coordinator general on a number of issues, but perhaps we could talk about the coordinator general and the role instead. Can the Premier explain exactly what resources the coordinator general is being provided and how the role fits within both the department and government more widely?

Mr R.H. COOK: I ask the director general to provide those details.

Ms R. Brown: The coordinator general role was announced and established by the government at the end of last year in response to a couple of key emerging opportunities across state government. The discussion this morning was very much around the importance of a strong and coordinated approach to leveraging strategic industrial areas and the benefits that would come from a much more deliberate and coordinated approach to land assembly and infrastructure planning to broader enabling industry development, whether it be the heavy industry linkages to general industry and opportunities for advanced manufacturing and jobs, in the regions or in the Western Trade Coast. That aspect of the coordinator general role is critical and one that has been strengthened through the budget process with the establishment of the strategic industries fund, and also funding for the establishment of a dedicated project management office that will operate out of JTSI through the coordinator general and work closely with the key government agencies that will be involved. Some of them are around infrastructure and some are around land assembly and coordinating necessary environmental approvals or native title. The strategic industrial areas division within the department now comes under the coordinator general. In addition, the existing team has been delivering on the Global Advanced Industries Hub and focusing on how we ensure that the Western Trade Coast, which is already a global leading industrial ecosystem, transforms over the next 10 to 20 years. That team and that broader coordination and approach across government agencies, but opportunities for industry development also, comes under the coordinator general. That team will focus more broadly, in months and years to come, on that broader economic coordination piece out into various regional areas.

[11.20 am]

The government has allocated additional funding in this budget process to strengthen the coordination role in the Department of Jobs, Tourism, Science and Innovation to drive existing approvals reform and leverage some of the work that came out of the Vogel–McFerran review at the end of last year, particularly around environmental approvals, but more broadly other opportunities to streamline and ensure that we have a contemporary fit-for-purpose approvals framework in Western Australia. That includes some of the existing Streamline offices that were in Treasury and other agencies; they are now also coordinated through that role.

Lastly, the role provides support to the Minister for Tourism and the tourism investment cabinet subcommittee to ensure that tourism projects, in the regions and some of the larger projects, also get the necessary attention and coordination through the approvals process. It is very much about supporting existing functions in a much more strategic and coordinated way. I am happy to pause there and see if the coordinator-general wanted to add anything.

The CHAIR: I think there were some aspects of the first question that were not addressed, so you have probably got a further question, member for Moore.

Mr R.S. LOVE: Yes. Each of those three areas that the director general has spoken about are probably very laudable on their own. To roll them all into one role and for that person to then head a unit seems to be already pulling things in three different directions. My question is: when this role was being developed, was consideration ever given to confine it more tightly to ensuring that approvals were done in a more coordinated way, for instance? There have been a number of other approaches to do that through Streamline WA and others. I had discussions on this issue, through the minister, with the director general of the Department of Energy, Mines, Industry Regulation and Safety, who had been tasked with similar roles in the past. Was there consideration around just coordinating the approvals process, for a start?

Mr R.H. COOK: Primarily, the role of coordinator-general is in response to feedback from industry proponents on how they believe their issues can be better dealt with. One of the issues they talked about was that they have so

much work to do across so many different agencies and departments, they are essentially looking for some guidance and leadership on how they can get assistance to undertake that work.

I will ask the director general to make a further comment on the details of the role.

Ms R. Brown: I think what is really important in bringing those areas together—to support the member's comments—is around ensuring that we have a very strong focus on approvals reform and continue to work with the regulatory agencies that are a big part of that journey. We know from proponents that, particularly in this phase of economic growth with diversification, decarbonisation and renewables activities, they are looking for support with not only navigating and working through the approvals framework but also having support and understanding on how to access strategic industrial areas and the necessary infrastructure. We are working as an agency, as are our partner public sector agencies, with proponents who want to know not only what support they will get through the approvals process, but also how they will navigate the necessary access to strategic industrial areas or other supporting infrastructure.

I think what is important around the coordinator-general role is that it will increasingly provide reporting to cabinet on projects in Western Australia, whether they be in tourism or the resources sector, and ensure that those projects are getting the support that they need to make necessary decisions, particularly in the lead-up to a financial investment decision and also through the construction phase. It is about bringing together what project proponents are looking for and it is very much also looking at some of the successes that Queensland has had through a similar model.

Mr R.S. LOVE: Clearly, the role, as has been outlined, has a very similar description to some of the service provision areas of the department. What does having a person classified as coordinator-general bring to the role that the whole of the department does not seem to have been able to encapsulate already?

Ms R. Brown: The department, as has the state, has seen and understood the significance of this period of economic growth; there has been an increase in the volume of projects and interest in Western Australia over the last two years post the pandemic. We have seen the change and the growing interest in energy transition. The volume of projects that we have been working with is valued in excess of \$150 billion. In the next phase of the department, it is important that we continue to maintain that dedicated focus on case management and project facilitation. Working with existing holders of state agreements is a very important focus. We are supporting other major projects with dedicated case management. The Premier has talked about POSCO but we also support key projects such as Perdaman and many others, including in the green energy space. We will continue to provide those case management facilitation services.

The coordinator-general brings greater support around some of those key enablers that are going to be important for economic growth, including the important focus on strategic industrial areas and supporting infrastructure. We need to ensure that we can also coordinate the complementary requirements around approvals reform and those key projects coming together. Those functions within the agency remain really complementary to this period of incredible economic growth and opportunity. Really, it is just a recognition of how we continue to meet the requirements of industry as a key agency to supporting the state government's economic development agenda.

Mr R.H. COOK: I might invite Mr Marney to make further comment.

Mr T. Marney: I thank the member for the interview questions for the role of coordinator-general! What is common across government agencies—as the member knows, I have worked across a few—is that people are incredibly hardworking and I acknowledge the hard work of public servants, including within JTSI and get very, very immersed in their work but can essentially go down a mine shaft. Part of the advantage of the coordinator-general role is to have someone who is not in the day to day, but watching things move across the agency and coordinating them across the agency, and doing that same role across various government agencies. It is someone who is standing back from the busy-ness of the day to day and essentially watching and optimising the pathways for various things that government does in economic development and diversification so that our people's time and effort is as productive as it can be, the experience from the proponent is as effective as it can be and the implementation of the legislation and regulations set by Parliament is as effective and efficient as it can be.

Although it could be seen that there are very many moving parts to be involved in, I think the art or the challenge of the coordinator-general role is to stand back from that and provide that oversight and direction and clarity and to cut through issues where there is a necessity to do so.

Mr R.S. LOVE: I think the Premier, or it might have been the director general, mentioned that the coordinator-general reports to cabinet. Can the Premier explain the reporting mechanism for the coordinator? Who does he inform and what is the mechanism?

Mr R.H. COOK: Sure. My understanding is the coordinator reports to the director general as part of the functions of the department.

Mr R.S. LOVE: Having reported to the director general, does that then feed into the cabinet process or where does it go if information needs to be given to the whole of government?

[11.30 am]

Mr R.H. COOK: Ultimately, all decisions of all activities of government are reported to cabinet as a matter of course, and they facilitate the decisions of cabinet. We continue to monitor the progress of our project coordination and approval reform process and the coordinator general is an important part of that. The position reports to cabinet through the director general in that context. I defer to Mr Marney.

Mr T. Marney: Thank you. Part of the role in the implementation of this model is the establishment of the program management office, which the director general alluded to. Part of that initiative is to elevate the visibility, transparency and accountability of all those functions within the agency, across agencies, external to the public and also to government, to inform decision-making of cabinet. It is a major part of this initiative and I think the major reason why we are where we are is because over time there is blurring of those elements of visibility, transparency and accountability with respect to those processes. The reporting structure through to government is absolutely essential to ensure that cabinet has the information it needs to take the decisions that it needs to take. That is a crucial part of the process. Although the reporting is to the director general, clearly there are well-articulated expectations to the director general in terms of performance of the department. The role of the coordinator general is articulated as part of that and, ultimately, as we would expect for any senior public servant, the role has some accountability directly to ministers. It is not a reporting arrangement, but an accountability, which again is consistent with elevating visibility, transparency and accountability for performance.

Mr R.S. LOVE: I can see the general lay of where it intends to go; however, if the information does not progress out of JTSI to the whole of government, it will not achieve anything. What is the anticipation of the Premier in terms of other areas of government for cooperation and coordination? It is not about direction so much as a suggestion of what may be required to enhance performance in making approvals or facilitating outcomes.

Mr R.H. COOK: As Mr Marney observed, people in departments work hard every day. Their heads are down and they are focused on the work that they are doing. There might be an officer in the Department of Water and Environmental Regulation doing budget work around water. There might be someone else in the EPA. There are people in mines working with tenures and so on. Ultimately, we want them to be able to lift their heads up occasionally and talk to each other in different agencies to make sure that they are coordinating and dealing with the priorities of the government of the day. Sometimes we need someone to bring that work together and make sure that everyone understands the agenda and the priorities, while helping people to work together better to produce outcomes. The coordinator general role has already been very effective in raising awareness of that. I will refer to the director general to complement that.

The CHAIR: I am conscious of the time, but all right. Director general.

Ms R. Brown: Thank you. To the member's question, probably a couple of aspects are important. As part of that, we have an established industrial land steering committee; the director general chairs that. That involves a whole range of government agencies. As the coordinator general has alluded to, the establishment of a dedicated program management office will ensure the delivery of the strategic industries fund. The growth of SIAs will ensure that there is tight reporting through the industrial lands steering committee through to the Premier in terms of that responsibility. Reporting will also go through to other ministers around the roles of their agencies. The work to lead the approvals reform and ensure that projects are supported through the approvals regime will be reported through myself to the Premier and Treasurer.

Dr D.J. HONEY: The Premier may have partially answered this, but the opportunity to knock heads together—I remember back in my former life —

The CHAIR: No trip down memory lane, please—only questions.

Dr D.J. HONEY: I am allowed to give a background to the question.

The CHAIR: No, you are not.

Dr D.J. HONEY: Yes, I am, chair.

At the Western Trade Coast there was a conflict between the heads of the various departments. My observation was that folk were determined that nothing would happen. There was a lack of an ability to knock heads together. I wonder, Premier, is part of this role—I do not know about knocking heads together—along the lines that the Leader of the Opposition talked about, about identifying when there are departmental barriers that may be more territorial than real and that we get a common approach from government on a particular issue?

The CHAIR: Premier, *Hansard* tends not to reflect the metaphorical, so I take it that the member for Cottesloe does not mean physically knocking heads together.

Mr R.H. COOK: I am not sure whether the chair knows the coordinator general. He is known for getting animated at times!

The Western Trade Coast is a classic case in point. It is one of the reasons why we had the Western Trade Coast ministerial taskforce, which was about bringing everyone together who has an interest in the strategic industrial areas. In that case it was tenants, local government authorities, government agencies and making sure that they all work together to produce a coordinated and focused outcome. Similarly, that is the sort of approach and outcomes we are looking for from the coordinator general. It provides opportunities to identify blockages and understand whether those blockages are, as the member said, simply about defending territory or if they are material issues that need to be addressed. I think it is a positive opportunity for us as a government to continue to play a more constructive role in supporting industry.

Mr R.S. LOVE: I have a quick question. On page 205, under industry development in the details of controlled grants and subsidies, there is a heading “Orbital Corporation Limited” with a \$4.5 million spend in 2022–23 and another budgeted amount of nearly \$2.5 million this year. Can the Premier outline what that funding is for?

Mr R.H. COOK: In 1989, the WA government provided a 25-year interest-free loan of \$19 million to Sarich Technologies Ltd, which is now known as Orbital Corporation Ltd. In 2021 the government and Orbital agreed to convert the remainder of the loan into a grant upon Orbital meeting certain conditions and milestones. Up until December 2023, Orbital has met four loan repayment instalments, providing evidence of achievements of performance milestones that exceed the value of the loan repayments for those instalments. That provides credit towards future instalments. Orbital is a local company and the government wants to continue to support local companies, particularly Orbital, which had, at the time of its inception in 1989, cutting-edge technology around international combustion engines. I have subsequent information if that is helpful.

Between 2010 and 2018, Orbital Corporation Ltd met its repayment obligations, reducing the outstanding loan to \$9 986 384. In 2019, Orbital sought a deferral of repayments to allow it to expand operations and build production facilities in the United States. In 2021, with repayments due to recommence, Orbital sought further assistance to allow the expansion of production facilities in Western Australia. The government offered to make the loan convertible if Orbital developed a UAV engine manufacturing facility. A deed of variation including loan conversion milestones and measures was signed on 26 July 2021 and subsequently executed by Orbital.

[11.40 am]

Mr R.S. LOVE: Wow. That is quite an issue. I have not heard of that.

Mr R.H. COOK: Does the member remember the show *The Inventors*? I remember watching the episode when Ralph Sarich came up with the orbital engine. The suggestion was that it would change the whole world of automated engineering.

Mr D.J. KELLY: Someone asked him what colours were coming.

Mr R.H. COOK: I do remember that member on the panel.

It is fascinating. Even though there have been significant changes via the ongoing refinement of that technology, it never really realised its ambition of being that single disruptor. I think that is because a lot of the other large vehicle manufacturers started to buy the technology and shelve it to basically entrench existing practices. I often wondered what would have happened if we had seen that wholesale transplanting of the internal combustion engines as they existed at the time with the orbital technology. A bit of a philosophical chat there.

Dr D.J. HONEY: For fear of angering the chair, I will not talk about the orbital engine at all.

The CHAIR: I will not say how I literally could not give my shares away.

Dr D.J. HONEY: The spin-off technology was fantastic.

Mr R.H. COOK: That is right. My understanding is that the real outcome is all the spin-off technologies and insights that the original invention provided.

Mr D.J. KELLY: They should bring back *The New Inventors*. That was —

Mr R.H. COOK: I would like it.

The CHAIR: Talk amongst yourselves, members.

Mr R.H. COOK: There is a program called *Innovation Nation*.

Ms R. Brown: It is on Sunday afternoon.

Dr D.J. HONEY: I will come back to the topic.

Mr D.J. Kelly interjected.

The CHAIR: Member for Bassendean!

Dr D.J. HONEY: Not to interrupt my esteemed colleague, I will come back to budget paper No 2, at the bottom of page 194, paragraph 3.1, about the \$500 million strategic industries fund. Part of the discussion we had on that a little earlier was about where some of that money would be allocated, which was for purchasing land, setting up a group and so on. However, the majority of that money is allocated in the out years beyond the forward estimates. Is that simply because the Premier is not quite sure how that fund will be allocated at this stage and he will bring that money back into the forward estimates once he is aware of that, or is that money not intended to be spent in the forward estimates? It is a major initiative around the strategic industrial areas, but most of the money is allocated beyond the forward estimates.

Mr R.H. COOK: While we rediscover the briefing note from earlier, my understanding is that the money is being earmarked or we understand what we are going to use it for, but that the proponents are not ready for that. It will not be ready until outside the forward estimates.

The final allocation was \$314 million beyond the forward estimates for future SIA initiatives, including \$110 million to support BP Developments Australia Ltd H2Kwinana project and Murchison's green hydrogen project, which are two of the six shortlisted projects for the Australian government's Hydrogen Headstart program. If they are successful in accessing the Hydrogen Headstart program funding, they will obviously need those dollars. I am waiting for people to nod furiously as I say this: they needed to actually indicate that as part of their application for the Headstart program, even though that money will not be required to go outside the forward estimates if they are successful.

Mr R.S. LOVE: I return to page 205 and the details of controlled grants and subsidies. There is an amount of money for a project called the call centre and back office processing scheme, which has \$2.58 million assigned to it in the 2024–25 budget, with just over \$12 million across the next two years. What is that call centre and back office processing scheme about?

Mr R.H. COOK: The government established the call centre and back office processing scheme in 2020 and has administered two competitive grant rounds to create jobs and expand the capacity of the CCBOP sector in Western Australia. The member may recognise the year 2020 and what was going on at that time. It was all about trying to focus on local jobs. Of the grant funding, four companies have been awarded a total of \$12.2 million under the scheme. Outcomes to date include the creation of 510 jobs in Western Australia and the establishment of a dedicated CCBOP facility in the Peel region. A further 320 jobs are expected to be created between now and June 2026 as the funding recipients progress their great plans, bringing the total jobs created to 830.

Due to current CCBOP market conditions causing delays in milestone achievements for some funding recipients, the Department of Jobs, Tourism, Science and Innovation anticipates an underspend of \$1.5 million in 2023–24, which has been re-cash flowed to 2024–25. CCBOP operators employ high quantities of new entrants into the labour market, particularly those requiring flexible working arrangements. Furthermore, the sector is increasing its adoption of digital technologies to improve operator productivity, which will impact the number of people they will need to employ.

This is about understanding the potential that call centres represent for local employment. It has been successful over the years. I remember an early iteration of this with the first forest agreement. That created call centre opportunities for people in Bridgetown. It still operates today and forms part of the call centre activity that people would receive or be involved in when they ring up charities and things of that nature. It is quite an effective local job-creating project.

Mr R.S. LOVE: Just over \$19 million over those many years is provided for those 800 jobs. Does the Premier consider that a success?

Mr R.H. COOK: Yes, I do, in the sense that not only does it create numbers of jobs, but it creates jobs in areas that tend to see a shrinkage, not expansion, of the labour market. As I said, we have previously been able to establish these things in places like Bridgetown. The member will notice that one iteration of this is the creation of jobs in the Peel region. That is not an area where we see a lot of long-term employment opportunities, particularly at an entry level. From that point of view, it strikes me as a particularly good way to create jobs.

Of course, it all goes to the issue of enhancing the range of activities that we have in our economy. Otherwise these jobs would be created in places like Melbourne and Sydney and so on. People in Western Australia would be serviced by people based over there, rather than opportunities being provided for people in Western Australia.

[11.50 am]

Mr R.S. LOVE: In 2025–26, \$7.7 million was put in that program. Is there a special reason why there is an uplift in that particular year, given that the Premier spent \$1.4 million in the current year?

Mr R.H. COOK: I can confirm for the member that much of that money has been allocated but is pegged against payment milestones. Those milestones may not occur until those particular years. The member raised the

\$7.751 million in 2025–26. That money may be, and probably has been, totally allocated against those grants but will not be expended because they are subject to financial assistance agreement milestones that do not fall until then.

Dr D.J. HONEY: I return to the bottom of page 194 and the state's strategic industrial areas. We had a discussion before about the Western Trade Coast area. One of the proposals that was championed by industry was to make that whole area, effectively, a development authority or the like. At the moment, that area is spread across three councils. My assessment is that the City of Kwinana is extremely industry focused and is cooperative, but the other two councils are perhaps less so. In any case, having to deal with three councils for that area can lead to conflict. Also, the interests of the industrial area are quite separate and different from the interests of running a community and residential area. Has any thought been given to amalgamating the Rockingham industrial area, the Kwinana industrial area and the Australian Marine Complex, with the expansion into Latitude 32, into its own separate authority? It seems that that would make an enormous amount of sense, allow a real focus and separate community council issues away from managing this massive industrial precinct.

Mr R.H. COOK: That is certainly one of those issues that we discussed in my ministerial taskforce on the Western Trade Coast area. I remember that the Barnett government looked to legislate to this effect. I mentioned earlier that one of the really good things about the ministerial taskforce is that it brought everyone into the room and allowed them to identify opportunities to coordinate, cooperate and collaborate. Pleasingly, the local government authorities saw that opportunity as well. It will not surprise the member to hear that under the leadership of the City of Kwinana, each of the councils sat down to dovetail all their processes into a single consistent planning regime. Regardless of which council dealt with it, the proponent knew that it would be dealt with in the same way right across the Western Trade Coast. That is an extraordinary outcome. It was great to see the cooperation between the councils, and we were able to celebrate that in September last year by way of a media opportunity.

Dr D.J. HONEY: I have a further question on that particular area. The discussion before was about the enormous potential for marine industries. One of the key enablers for the marine industries in that area is to have a suitable drydock facility for nuclear submarines to come into. I understand that is part of the national agreement on AUKUS as well. Will that facility progress; and, if so, when can we expect and anticipate that to commence?

Mr R.H. COOK: I will ask the director general or one of her team to provide more technical information. In broad terms, it remains a project funded by the commonwealth. As the member knows, the commonwealth is doing a significant amount of work at the moment on understanding its needs under the defence strategic review and with activities that take place under AUKUS. My understanding is that it is still an open question, but it has committed to respond to us in the short term in terms of the if, when and how.

Ms R. Brown: I re-emphasise that we have been doing the broader planning for the Western Trade Coast for the last two years in the context of understanding the commonwealth government's aspirations around the Australian Marine Complex and the Henderson area more generally around defence, whether it be in terms of shipbuilding or sustainment activities. The AUKUS announcement has brought a focus on nuclear-powered submarines. Our broader planning has been undertaken in the context of knowing that the AMC and the common-user facility will be very important. As part of the budget process, funding has been allocated to us to look at future plans for the AMC and the CUF, very much around understanding what non-defence industry is there so that, should the commonwealth progress on its intentions to create a defence precinct, we are well placed as a jurisdiction to support their aspirations and the important transition for non-defence industry. We have regular engagement with the Department of Defence in many forms and have over the last couple of years. As the Premier said, its final intentions for the AMC and the CUF have not yet been made clear to the state or the public, but we are well positioned to continue to work with it.

Mr S. Dawson: As the Premier and director general have articulated, we have been working with the commonwealth for a number of years on its requirements for shipbuilding and sustainment into the future. Then the AUKUS announcement came, and that created other considerations for what might be set up in Western Australia. The start of that is setting up a Submarine Rotational Force—West, which will occur at HMAS *Stirling*. That development is certainly underway at the moment through the commonwealth and its spend program. There are still decisions to be undertaken around the drydock. A body of work is afoot that the commonwealth is undertaking, and the state is supporting what those requirements would look like and the associated infrastructure needs. That all feeds into, and is happening alongside, the work with the Western Trade Coast, the Global Advanced Industries Hub and other work we are doing on the AMC as well. It is important that we know how we optimise that into the future. It is a very collaborative process, but we are still waiting for decisions from the commonwealth.

Dr D.J. HONEY: I am no expert on this topic, but it has been put to me by a federal colleague that this a bit of a chicken-and-egg situation. If the state was not making its commitment to this project, it could not go ahead. In fact, that was the barrier. I do not know the veracity of that assertion, but just to be clear, is the commonwealth waiting for the state to make decisions in this matter, or is it indeed the case that this is just a joint discussion and the state is cooperating fully in meeting the expectations of the commonwealth in terms of the state's role?

The CHAIR: Premier, there are three questions there, but I am sure the Premier can manoeuvre them.

Mr R.H. COOK: In technical terms, yes, we are waiting for the commonwealth to come back to us. The second way the member described it more broadly characterises the relationship, that is, we are working with the commonwealth around these things. The Australian Marine Complex at Henderson has a whole range of different players and providers. We are working with the commonwealth in terms of working out what its needs are in that area more broadly, but also specifically in terms of the enablers that will make that happen. I do not think it is because the commonwealth is waiting for us to respond. I met with the Deputy Prime Minister about a month ago. I made it very clear that we are very bullish and very ready to go the moment the commonwealth pushes the button.

[12 noon]

Ms R. Brown: I think it has been important in the context that the state has consistently shared with the commonwealth—all agencies—the work around the planning of the Western Trade Coast, and more recently the government's investment in the activation of Latitude 32, which is obviously critical to the commonwealth's aspirations for that region, but also getting on with the planning around Australian Marine Complex and the potential relocation of the common-user facility. We have been doing all the things we need to do to be ready for when the commonwealth can articulate what it wants there.

Dr D.J. HONEY: There is a scheduled date for the home porting of the older American nuclear submarines before Australia's nuclear submarines can possibly be built and commissioned. Is the drydock facility essential for that home porting, which I believe has a hard date on it, or is that not required for it to occur?

Mr R.H. COOK: I understand that the first iteration of the relationship will be about maintenance and sustainment, which will primarily take place at *Stirling*, and there will be more permanent arrangements in place following that. If I may, I know the director general and Ms Dawson have much more insight into this stuff.

Ms R. Brown: The ability to home port nuclear submarines has significant implications for Henderson, the AMC and the CUF. They are probably the key elements that the state is now waiting on to understand from the commonwealth. I will hand to Ms Dawson.

Ms L. Dawson: The decision we are waiting on is around the depot-level maintenance—so, the Submarine Rotational Force—West is in water maintenance. Drydock is required for when the vessel is taken out and put into the drydock. The decision on depot-level maintenance and its location is yet to be made. We want to secure it in WA, and I think Western Australia has done all the things through the government to make sure we are well advanced and ready to go for when that decision is undertaken. The commonwealth needed to do some further work around environmental studies, geotechnical studies and all sorts of studies to make and inform that final decision.

Mr R.S. LOVE: On page 196 of the *Budget statements* there is an issue highlighted under global marketing, with \$12.3 million earmarked to continue global marketing efforts to drive awareness of WA, attract international students, promote investment opportunities in Western Australia et cetera. What will the \$12.3 million enable, and what programs will be funded by it?

Mr R.H. COOK: Through the 2024–25 state budget, the government has committed \$7.142 million to continue the state's global campaign to market WA's capabilities and opportunities and connect with overseas audiences, governments and industries. This builds on the success of the global campaign to date, which has reached more than 125 million people in 12 markets since July 2023, driving awareness of Western Australia and engaging with prospective investors, international students and skilled workers. It was launched as part of the Reconnect WA package. The global campaign has supported 44 missions in 27 different markets, and been activated through trade and investment initiatives across our global network.

The success of the global campaign to build awareness of and drive interest in Western Australia is measured across media, website metrics, consumer research and outcomes from trade and investment activities. Funding has been allocated for one year for ongoing creative development, paid media activity in established and emerging priority markets, and research and evaluation. A primary focus of the global campaign in 2024–25 is to inform future market strategies. The global campaign strategy, including market selection, audience identification and campaign timing, is aligned to Diversify WA, the Future State Western Australian invest and trade plan, market outlooks, trade and relevant government strategies in consultation with Invest and Trade WA and Tourism WA. The global campaign will be delivered through the continuation of five existing full-time equivalents, supporting campaign administration, optimisation and evaluation, and stakeholder management across government and partner agencies.

Mr R.S. LOVE: The Premier mentioned that one of those areas was international students. If a key aim of the state is to attract international students here, I wonder why we have set targets that are quite low. Under the outcomes and key effectiveness indicators on page 198, which show outcomes, Western Australia's share of Australia's international student enrolment in 2022–23 was seven per cent, yet the target set in the following budget was 6.5 per cent. We actually managed to achieve 7.4 per cent, and, again, the budget is set at the same level as it already is. There does not appear to be an ambition to raise the percentages beyond what is already there. Are we

seeking just to maintain the level of international students and keep the same courses full or is there a genuine desire to grow the sector?

Mr R.H. COOK: In some respects, this is outside my portfolio, so perhaps I should not be wading into Minister Templeman's area. International education is regulated by the commonwealth, subject to migration settings and things of that nature. The other aspect of that is that we are still waiting for the full return of the international student market, particularly the Chinese international student market. There is a great level of uncertainty at the moment about the total market to be captured and our share of it. An example of that uncertainty is that the Indian international student market was our eleventh largest market for international students in 2019, and today it is our fifth largest, so there has been a significant shift in this whole sector in the post-COVID world. I think these numbers will bounce around for a little while to come, but I note that Minister Templeman in earlier estimates hearings talked about his desire to work with the commonwealth to make sure that Western Australia continued to receive a growing proportion of that market, despite the recent public announcement to limit international students by asking universities to accommodate them on campus rather than placing further pressure on local housing markets.

The CHAIR: You are right, Premier; there was extensive questioning of Minister Templeman on this issue.

Mr R.H. COOK: Right; thank you, chair.

Dr D.J. HONEY: I go to my favourite page of the *Budget statements*, page 194.

Mr R.H. COOK: Everything happens on 194!

Dr D.J. HONEY: It has a lot on it!

The table on that page shows almost \$50 million allocated to the Pilbara hydrogen hub. Can the Premier outline what is proposed for that expenditure?

Mr R.H. COOK: The government is leading the establishment of hubs that stimulate demand and facilitate the production of clean hydrogen for domestic and key export markets. The Pilbara hydrogen hub will comprise a proposed hydrogen and ammonia pipeline, a clean energy training and research institute, road and intersection upgrades to facilitate the import of clean energy equipment and investment in future hub expansion studies. It is obviously an important step forward for Western Australia becoming a global centre for hydrogen production, use, export and scale. The Department of Jobs, Tourism, Science and Innovation is working with the commonwealth for the implementation of the commonwealth's clean energy hubs implementation program in Western Australia.

In December 2023, JTSI signed the grant agreement that provides for a matched amount of \$70 million each in funding from the commonwealth and the state to implement the \$140 million Pilbara hydrogen hub project. The project provides the opportunity for government to demonstrate the ongoing fair and thorough engagement with Aboriginal people and to provide support, investigate and deliver long-term successful outcomes and properly consider the land use and cultural impact as part of the clean energy transition. The \$14 955 500 in the 2024–25 financial year is expected funding to be received from the Australia government, and that money is to be passed on to the Pilbara Ports Authority for port upgrades.

[12.10 pm]

Dr D.J. HONEY: The Premier mentioned that that is part of a \$140 million package. What other works is the government planning to fund? I am not sure I heard clearly whether that was for the Pilbara hydrogen hub exclusively or for hydrogen hubs across the state.

Mr R.H. COOK: It exists specifically for the Pilbara hydrogen hub and it contains four component activities. Part A is a hydrogen and/or ammonia pipeline between Maitland and the Burrup Peninsula to assist with decarbonising existing industry on the Burrup. Part B is the development of a clean energy training and research institute across Karratha and Port Hedland to develop a clean energy taskforce locally. Part C of this work is the Lumsden Point road infrastructure upgrades to support the import of renewable energy equipment. Part D is a hydrogen hub expansion study to consider broader infrastructure requirements.

Dr D.J. HONEY: Given the substantial investment being made in that area, does the Department of Jobs, Tourism, Science and Innovation have a permanent on-ground presence in Karratha or is that activity managed out of Perth?

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

Ms R. Brown: We do not have a permanent presence in the Pilbara. We do in other regional areas, but we work very closely with the Pilbara Development Commission and all development commissions. However, our key contact would be through the CEO of the Pilbara Development Commission. We also work closely with the Pilbara Ports Authority, which has a presence in the Pilbara and Perth. We are very close to our key partner agencies that are on the ground in the regions.

The CHAIR: While the member for Moore contemplates his question, I welcome the students from North Morley Primary School.

Mr R.S. LOVE: Investment and trade is an area of focus on page 196, and paragraph 10 refers to Invest and Trade WA's overseas office network. It also refers to establishing a new investment and trade commissioner in Singapore. Can the Premier give me an idea of the average cost of each of the offices located overseas and how much the new office being established in Singapore will cost?

The CHAIR: That might be a little diffuse for the Premier to answer, but the member can also ask further questions if necessary.

Mr R.H. COOK: There might be an average cost per office, but it will probably be pretty unhelpful because the circumstances of each area change significantly. For instance, the office in London is based in Australia House, and Australia has probably owned that since shortly after colonial times. No, that is not true. They had an office across the road from Australia House back in the 1980s. The office in Singapore—which is already established, by the way—would have an entirely different cost profile associated with it. I will ask the director general to make some comments shortly, if I may. However, I will confirm for the meeting today that we have just established a second trade office in China, in Hangzhou in the Zhejiang Province, as part of our ongoing efforts to expose and promote Western Australian industry to that important part of the region. Zhejiang is our sister state in China. Having an office there in addition to the Shanghai office represents an important opportunity to continue to promote Western Australian industry and seek to facilitate strong investment and trade with China. I will hand over to the director general.

Ms R. Brown: Thank you, Premier. The funding in this year's budget, as the Premier outlined, enables the establishment of a dedicated commissioner in Singapore. This is very much in response to the significant growth and opportunity for Western Australia in the Association of Southeast Asian Nations region. The trade commissioner position in Singapore would complement the trade commissioner position that already exists in Jakarta. The funding in the budget enables us to meet the costs of having the additional commissioner. The costs associated with the Singapore office are part of the existing budget that the Department of Jobs, Tourism, Science and Innovation already has. I think it is also important to note that, as part of the state government's presence in the ASEAN region, we have been able, through the model, to expand our presence with new locations in Ho Chi Min City, Kuala Lumpur and Manila, while continuing to service other important markets in all the key export areas and investment opportunities for Western Australia. It is a very strong and important market, close in proximity with significant population growth.

Mr R.S. LOVE: The Premier mentioned the London office. I take it that is the Agent General being referred to?

Mr R.H. COOK: That is correct. Yes.

Mr R.S. LOVE: As I understand it, that is a statutory position and not the same as a normal trade office. Does it operate the same as other trade offices, or does it have any different roles?

Mr R.H. COOK: It is an interesting point, member. The actual legislation that establishes the Agent General position does not mention the words "Western Australia", because it predates the establishment of the Western Australian state. It is one of our oldest acts of Parliament. As a result of that, the Agent General role in the UK is hardwired into its systems of government because it has been established for such a long period of time. Under our current configuration, it is part of our Invest and Trade WA international network. The Agent General undertakes the role of a trade commissioner. This role is a pretty special case in point. I will use the word "quasi-diplomatic", which is probably clumsy language because it is not a sovereign office, although sometimes we wonder.

Mr D.J. KELLY: We are not a country yet!

Mr R.H. COOK: Yes, we are getting there. It has an important role to play as part of the overall presence of Australia in UK life. The director general has one point to add to that.

Ms R. Brown: I think it is important to add that although the Agent General has a position established in statute, the office, its staff and the network in which they operate, including as part of Invest and Trade WA and the JTSI broader network, come within the broader remit consistent with the other overseas offices.

Mr R.S. LOVE: Since the UK was severed from the European Union, has there been any thought of further representation in Europe itself rather than on an island a few kilometres offshore from the mainland?

Mr R.H. COOK: Great question. We have established the Frankfurt office. I think I announced that midway through last year or the year before. That program is ongoing. I think we can see a point in time in the future when we will ultimately land a free trade agreement with the EU and there will be other more enhanced activity in our relationship with Europe. Maybe there will come a point when the roles are separated, but at the moment, the Agent General is responsible for representing Invest and Trade WA in both the UK and Europe.

[12.20 pm]

Mr R.S. LOVE: I take it that the Frankfurt office is less resourced than the London office. The Premier mentioned a possible free trade agreement in times to come, but surely trade is still possible between the nations within the European bloc and Australia without a free trade agreement. Why would we wait for a free trade agreement before further reinforcing that office?

Mr R.H. COOK: It is not a question of waiting for a free trade agreement. If there were a free trade agreement, there would be even more activity, potentially leading to an enhancement of our invest and trade network in the United Kingdom and Europe. The establishment of the Frankfurt office was important to acknowledge the strong relationship that we have with Germany, particularly in advanced manufacturing in the oil and gas sector. From that perspective, we will continue to look for opportunities as appropriate and as needed right across that market.

Mr R.S. LOVE: Paragraph 10 on page 196 finishes with a discussion on the negotiations around free trade agreements. What role does the department and the Premier have in any such discussions?

Mr R.H. COOK: I can certainly speak to my experience with the UK free trade agreement and the advanced discussions on the European Union free trade agreement. The commonwealth liaises with the Western Australian government across a range of things that it is contemplating under those free trade agreements. It checks in with us on whether any of the outcomes of those negotiations are a matter of material importance for us. One of the key things that the commonwealth talks about in free trade agreements is tariffs—the low-hanging fruit—but also opportunities and approvals for foreign investment in the other market. In Western Australia, we have laws that govern the way in which someone accesses, for instance, our minerals and resources. The commonwealth will come to us to understand whether its negotiation terms might impact us, and I assume it replicates that with every other state in Australia.

Dr D.J. HONEY: There has been recent public commentary about the Agent General and what appeared to be unbelievably generous holiday provisions in his package whereby the Agent General, in short order, had two holidays with his partner to the United States and spent many tens of thousands of dollars to do that. I am unaware of any other employment arrangement that would allow that.

The CHAIR: Member, this is not about you giving information. This is about asking the Premier a question. Can you just pose a question?

Dr D.J. HONEY: Premier, who is responsible for negotiating, if you like, or establishing the conditions under which the Agent General is employed?

Mr R.H. COOK: The Agent General is an important role in which the government invests significant resources to make sure that we achieve good outcomes in what is our longest established and most reliable market. The Agent General represents WA in the UK and works to attract business investment and grow trade opportunities for WA businesses in the UK, European and Israeli markets. We want to attract the very best people to that particular role. The current Agent General, Mr Langoulant, has decades of experience across the public, private and not-for-profit sectors and considerable experience undertaking government reviews. As I said, UK and Europe remain key markets for the continued diversification of the state's economy.

Mr Langoulant began in his role in October 2021. He continues to do important work for us and has a range of delegations associated with his appointment. With the chair's permission, I will ask the director general or one of her team to go into the details of the contract, because I want to be careful to not say the wrong thing at the wrong time.

Ms R. Brown: The first comment is that the department has input into the contracts of each of the trade and investment commissioners and the Agent General, and it is the responsibility of the commissioner to progress those contracts. It is not unique to have a clause in a contract around enabling a return to Perth. Many aspects of our contracts are modelled on research into other jurisdictions, the Department of Foreign Affairs and Trade and Austrade. We consistently look to benchmark against what other jurisdiction do to look after—dare I say it—staff in the market. The ability to have a provision in contracts for either a holiday or a return to Perth is pretty standard. We look after all the contracts. In regard to the Agent General, because it is a statutory ministerial appointment, the agency has a responsibility to inform the relevant minister of the nature of that contract. We very much look across the contracts of all our commissioners and the Agent General to benchmark, where we can, against other jurisdictions and other arrangements, and reflect those often-changing in-market conditions as well. We have seen some very rapid changes, particularly in the UK office, but we know that some inflationary changes will impact on some of our other offices.

Dr D.J. HONEY: I am aware that contracts for expats may involve a return-to-home provision. I am not aware of any arrangement whereby expats are entitled to take first-class taxpayer-paid trips to another country for a holiday—two in short order, in this case—staying in high-class accommodation. As I say, I accept the return-to-home provision,

but do any other contracts for the state's overseas officers include the ability to take paid holidays in addition to the return-to-home provisions in their contract?

Mr R.H. COOK: I will ask the director general to answer.

Ms R. Brown: The provision in the Agent General's contract provides an option to utilise that allocated funding—dare I say it—for that return to Perth for holiday-type purposes.

Ms S. Spencer: The other investment and trade commissioners have an annual leave flight entitlement for a return home, but if they choose to not return home and take that annual leave entitlement elsewhere, they are eligible to take it to another country.

Dr D.J. HONEY: How many other officers are entitled to do that?

Ms S. Spencer: So the investment —

The CHAIR: The Premier can respond. Please wait for the call, Ms Spencer.

Mr R.H. COOK: I defer to Ms Spencer.

Ms S. Spencer: All the investment and trade commissioners have an allowance within their contracts to allow them to take annual leave and return home, and if they do not return home, they can use it in another jurisdiction.

Dr D.J. HONEY: Does that entitlement include the ability to book first-class air travel and luxury hotels when they arrive that is paid for by the taxpayers of Western Australia? Is there some limitation on that? In my former life, I was never allowed to take a first-class trip —

The CHAIR: Member, we are not interested in your experience.

Dr D.J. HONEY: Of course you are.

The CHAIR: We are interested in you asking the Premier a question about his responsibilities under this portfolio.

Dr D.J. HONEY: I know that secretly you are.

Mr R.H. COOK: I will refer that to Ms Spencer.

Ms S. Spencer: The investment and trade commissioners are not entitled to business class travel as part of their contract, with the exception of one secondment arrangement. Ms Monks was entitled to business class travel as part of her role as the CEO of the Great Southern Development Commission. Given that it is a secondment model, her entitlements have been matched, but as level 9 senior executive service officers, none of the investment and trade commissioners is entitled to business class travel.

[12.30 pm]

Dr D.J. HONEY: Why is the Agent General allowed to take first-class travel when surely the norm would be that business-class travel would be adequate for someone in that position?

Mr R.H. COOK: Ms Spencer.

Ms S. Spencer: He is not entitled to first-class travel; he travels business class.

Dr D.J. HONEY: My understanding from the media reports was that it was first-class travel. I am happy to be corrected, but was it not first-class travel, and the Agent General took business class to the United States?

Mr R.H. COOK: Ms Spencer.

Ms S. Spencer: Correct.

The CHAIR: Before I call the member for Swan Hills, I welcome the students from the Australian Islamic College.

Ms J.J. SHAW: I refer to page 195 of budget paper No 2, volume 1, and paragraph 6 of the significant issues under the heading "Industry Development". Could the Premier give an update on the government's efforts to support the development of the critical minerals sector in Western Australia?

Mr R.H. COOK: I thank the member. This is an incredibly important piece of work by the government. Yesterday, I launched the WA battery and critical minerals strategy refresh, which outlines key activities to support further development of the state's industry. The original strategy was launched in 2019. Members might ask why we are already refreshing the battery strategy in 2024. In 2019, the value of our critical minerals production was around \$6 billion. Today, it is over \$22 billion. Since 2015, we have seen over \$9 billion in investment in the critical minerals sector. It is a rapidly changing and evolving part of our industry, and it is clearly important that we make sure that the strategies that drive that continue to be contemporised to meet the current place that the industry is up to. The strategy will help guide future investment as the state pushes to become what I believe we can become, which is a major global player in downstream processing of critical minerals.

I am often pulled up by commentators who say, “Surely we’re not in a position to create batteries in Western Australia; that will always take place in China or big jurisdictions like India, Japan and the US.” My response is yes, we absolutely can. I do not think there will ever be a gigafactory location in Western Australia, but we have the capacity to really drive ourselves up the value chain of battery manufacturing. Currently, we are offshoring a lot of spodumene as part of our lithium industry, with 50 per cent of the global supply of lithium coming from Western Australia. We want to add value to that, and that is why there is the development of Tianqi Lithium Energy Australia’s lithium hydroxide plant in Kwinana and the Albemarle lithium hydroxide plant in Kemerton outside Bunbury, and now Covalent Lithium is developing its facility in Kwinana as well. We are really seeing our whole industry drive itself up the battery manufacture supply chain. We could develop, construct, manufacture and deliver niche batteries, particularly batteries that can service small and isolated communities. That is one of our competitive advantages; we know how to do that. Think of the tens of thousands of small villages around Indonesia, a country that needs to decarbonise. There is a huge opportunity for us to develop these small-scale battery banks to service small communities. The strategy is a really important part of making sure we realise those opportunities.

The priority actions for the government, which have been outlined in the strategy, include creating a more efficient approvals system, planning and investing in common-user infrastructure, and targeted support for strategic important projects. A good example of the common-user infrastructure is in this budget. We set aside \$100 million for a critical minerals advance processing hub, which is about developing common-user infrastructure that all members of the industry can enjoy. The actions have been supported by several other key budget initiatives, such as the \$500 million strategic industry fund to help unlock our strategic industrial areas for critical minerals processing. We are already also carrying out a \$43.3 million reform to overhaul the environmental approvals system and improve government coordination and resourcing of approval agencies. As I said, we have our \$100 million contribution towards the \$200 million critical minerals advance processing hub. We are hopeful that the commonwealth will be part of that and make a further contribution of \$100 million for the full funding of that project.

Critical minerals are a centrepiece of our economic diversification story, and we are working to position our state as a major global leader in downstream processing. I was born and raised in Perth. I have watched Western Australian industry over many years and we have never been good at downstream processing. If we are developing renewable energy, which changes the business model for a lot of these downstream processing facilities or opportunities, I think now is the time to significantly add value to the products that we export. That means more jobs and more value for the Western Australian economy, which will continue to contribute to our prosperity.

As I said, we want to be a renewable energy powerhouse and an exporter of renewable energy to decarbonise not only our economy, but also the economies of South-East Asia and other major trading partner regions. The development of critical minerals is a key part of our contribution towards the global effort to reduce emissions and reduce the impact of climate change.

Here is something I prepared earlier. It is *Western Australia’s battery and critical minerals strategy 2024–2030*. This is an important refresh, because we want to continue to drive this industry and grow it in the coming decade.

The CHAIR: I think I will wait for the film, Premier.

Mr R.H. COOK: It is a very beautiful brochure.

Mr R.S. LOVE: We were talking earlier about trade officers, and the member for Cottesloe asked about the conditions of employment for the Agent General.

The CHAIR: Page reference, please.

Mr R.S. LOVE: I refer to page 196 and investment and trade. Can we turn to the situation with the Trade and Investment Commissioner for the India–Gulf Region? On 13 May, *The West Australian* reported that that commissioner had employed a family babysitter as an executive assistant and that a family member had been offered a role as a chef at a special event. Does the Premier have concerns around those reports, and does he feel that it is appropriate to describe a babysitter as an executive assistant? If that is the case, have there been any investigations into the circumstances of those reports and what has been done?

The CHAIR: I will give the Premier the call, but there should have been a preliminary question to that: are those reports accurate? And then you can comment on it.

Mr R.H. COOK: I appreciate the chair’s guidance. Obviously, integrity in procurement in all government departments is absolutely central to good government. Our Invest and Trade WA officers, who are part of our international network, are no different. They are functions of the Western Australian government and it is appropriate and important that they undertake their work with the same levels of integrity that we expect in any part of the WA government. Yes, I saw those media reports. It was a fine piece of journalistic work! If the member read fully through that article, he would have seen the allegation outlining the appointment of those two particular people, one in an employment role and another as a contract. They were both identified very early on in the piece as

a potential conflict for the individual in question—in this case, the trade commissioner. The department then undertook the appropriate measures that we would always take in the normal course of action. When there is a conflict of interest, or a perceived conflict of interest, we manage that and ensure that there is no tainting of the procurement process by virtue of that conflict of interest. I will ask the director general to provide further comments on that issue.

[12.40 pm]

Ms R. Brown: As the Premier stated, we take seriously the necessary support, policies and procedures for the operation of all our overseas office network. It is an important part of the state government's ability to operate in market and leverage outcomes for industry and Western Australia. Since the reopening of borders post the pandemic, we have seen an enormous amount of activity across all our offices. That includes ensuring that all offices have trained staff in the necessary policy and procedures and also that the Perth hub provides the necessary support and that any concerns that are raised around practices in our offices across the world are taken very seriously to ensure that there has been no breach of any of the relevant policies and procedures. I am satisfied that both matters raised in the article are not serious and that there is a relevant background to what has been undertaken. Particularly with regard to Ms Chowdhury's sister, it was a matter that was raised as an opportunity by Austrade, which similarly used her sister in market, and the commissioner raised it immediately with the Perth office and removed herself from any engagement or discussions on or selection of her sister for that role.

Mr R.S. LOVE: Prior to the employment of the executive assistant, is the Premier aware whether that person had ever been paid by the department for work?

Mr R.H. COOK: I will hand that to Ms Spencer.

Ms S. Spencer: This individual was employed as a contractor, an interpreter, for a week during two concurrent investment and trade missions in India. The department paid that individual just over \$A500 for that service. There were two missions: one was the Speaker's mission and the other was an international education mission, which meant that the in-market team did not have enough individuals available for language translation. We were moving a significant number of delegates around market, so to be able to make sure that drivers were given correct directions and that logistics were managed, this individual was in our employ for that one week.

Mr R.S. LOVE: Was the individual known to the department and were the circumstances of the individual's employment as a babysitter known to the department?

Ms S. Spencer: Ms Chowdhury engaged this particular individual as a carer for her children—not a babysitter. One of her children has profound disability, so he provides services such as making sure that the child has effective medication administration, which is something that other care and support staff in her household are not able to do. We are aware that Nashid has paid for that out of her own income and that is not something for which the department has incurred costs.

Mr R.S. LOVE: Was there any declaration of a conflict of interest at any point during these engagements?

Ms S. Spencer: Yes, the human resources department was made aware of the connection and that was managed through the recruitment process in relation to the one-day-a-week backfill for the EA role on a temporary basis.

Ms J.J. SHAW: Premier, it sounds as though considerable steps have been taken to tighten up the way the overseas office network arrangements are administered.

The CHAIR: Question?

Ms J.J. SHAW: Yes, thank you, chair. Will the Premier please remind me what it was that occasioned the tightening up of the overseas office network arrangements and what steps have been taken to tighten things up? What was it that prompted the need to make such considerable improvements?

Mr R.H. COOK: As the member knows, a number of events were raised in the media with regard to the conduct of both trade commissioners, or overseas representatives as they were probably more generally referred to then, and delegations that were travelling. We all saw the uncomfortable information that came out about a delegation of upper house members to Japan and, of course, an inquiry was held into the conduct of the Japan government representative at the time. That led to an extensive analysis and review of the overseas trade officers to make sure we understood that they were doing what we wanted them to do, which was to build trade and to attract investment into Western Australia. I am immensely proud of the work that has been done to improve the way we undertake the work we do. A key part of that has been, rather than utilising people who are predominantly at the end of their career —

Ms J.J. SHAW: Reward postings?

Mr R.H. COOK: — or maybe enjoying gin and tonics on the verandah of the Raffles or something like that, and treating these positions as more quasi-diplomatic outposts, we see them as important strategic workers inside the public sector to ensure that we get a strategic outcome. The work JTSI has done has significantly improved and tightened up on those things. Most of the trade commissioners are employed at non-senior executive service

level 9 under the Public Sector CSA Agreement. A lot of those people are now working under a secondment model. They have been brought out of other parts of the public sector and provided with this rare and exciting opportunity to work for three years in market to continue to drive the show. Natasha Monks in the US is a classic example of that. She was chief executive officer of the Great Southern Development Commission and is now enjoying the role of trade commissioner for the Americas region. She is doing a fantastic job in an exciting and very important market.

Each of these now work to a strategic plan, rather than being simply people at large abroad. They are required to report to the team about inquiries and on investment and trade leads and report on the development of those leads into actual deals. Since it has been brought under this new regime, we have got significantly better at accountability and transparency and outcomes as a result of that process.

Ms J.J. SHAW: Like a proper business development framework.

Mr R.H. COOK: Indeed. I will ask Ms Spencer to provide the chamber with an indication of some of the statistics that underpin that work to really understand what the outcomes have been.

Ms S. Spencer: To support the Premier's point around the investment and trade leads, over the past three financial years, Invest and Trade Western Australia has serviced a total of 2 553 qualified investment and trade leads across a range of sectors aligned to Diversify WA. The priority sectors with the most qualified investment and trade leads included primary industries at 33 per cent, energy at 16 per cent and international education at 15 per cent, followed by mining equipment technology and services. That gives a sense of the importance of the overseas offices in achieving that industry diversification focus for the Western Australian government. The regions with the most investment and trade leads have so far been North-East Asia, where a hub has generated 33 per cent of total leads; the Association of Southeast Asian Nations Hub, with 31 per cent, which is a critical region for not just ourselves, but also the commonwealth government under its new South-East Asian engagement strategy; and the India–Gulf hub coming in at 18 per cent.

I think what is really important for the network to note is that this is not handing out business cards, attending a trade show or getting an introduction. We have a very rigorous process whereby we assess what becomes a qualified lead and how we service it appropriately. We have limited resources in servicing comparative to our state and territory colleagues, so we need to make sure that for each of those opportunities, there is a net economic benefit that is worth putting in that time, energy and effort to service it.

[12.50 pm]

Mr R.H. COOK: For clarity, perhaps Ms Spencer could provide a definition of a qualified trade lead.

Ms S. Spencer: A qualified trade lead is when we have done some active servicing of the investment lead or the trade lead. That will involve things such as due diligence—making sure that either the in-market team or the Perth hub has established the bona fides of the particular counterparty for the local Western Australian business that we are looking to link them with. We also assist in things such as market introduction to distributors. A lead or servicing for a trade lead would involve registration of that product within market and facilitating that process in market. For an investment lead, it can involve things such as famils, or inbound delegations to Western Australia, in which we show them particular land availability and we introduce them to other state government agencies with responsibility for approvals or industry proponents here. We have had a significant number of inbound delegations. Our servicing has involved 133 inbound delegations in the last year across a wide range of markets and industry sectors.

Dr D.J. HONEY: I refer to page 194 and my favourite table, at the top of that page. The estimated actual spend on the Collie coal rehabilitation assessment is \$250 000. Is the Premier able to inform me about the estimated rehabilitation cost for the Collie coalfields, given that it would appear on the current trajectory that, in the foreseeable future, those coalfields will be undergoing rehabilitation?

Mr R.H. COOK: A lot! No, it is not true. We appointed Preston Consulting to provide advice on the Collie coal basin rehabilitation matters in 2023–24. This advice will provide an understanding of the rehabilitation liabilities held by the operating coalmines in the Collie basin. These are private sector liabilities and the results of the report are therefore going to be confidential in the context of that. But as the member can understand, this is a significant open-cut mine that has been developed over many years, so the costs associated with the mine rehabilitation will be significant.

Dr D.J. HONEY: Is the department aware of the example of the coalmines in former East Germany that, with the reunification of Germany, were assumed into West Germany and rehabilitated? That was effectively in a similar regulatory environment as we have, and massive landslide failures occurred.

The CHAIR: Question?

Dr D.J. HONEY: That is my question. Is the Premier aware of those?

The CHAIR: That is a yes or no answer, presumably.

Dr D.J. HONEY: And that has meant the German government has had enormous rehabilitation costs.

Mr R.H. COOK: I am not aware personally. I will ask the director general or Dr Gorey or Mr Dawson to talk about their awareness of it.

The CHAIR: Which one?

Mr R.H. COOK: Dr Gorey.

Dr P. Gorey: There are examples around the world of very, very good and quite poor mine site rehabilitation. The geotechnical stability of closed mine sites is one of the core issues. Across the state agencies, JTSI, the Department of Energy, Mines, Industry Regulation and Safety and the Department of Water and Environmental Regulation very much work together. The principles for mine closure, which have been in place now for many years within Western Australia, are around it being safe, stable, non-polluting and sustaining.

Stable means making sure that those designed landforms are geotechnically stable. That is one of the key issues and, to a large degree, it is one of the key drivers for the final landforms as well, simply because of that connection between making sure that the landforms themselves are stable and the costs associated with moving volumes around. Particularly on the member's question, but this is the same for all sites, the mine closure planning process in Western Australia is around, initially, a very clear understanding about what the end land use will be. That will drive both the cover and landform design.

The Department of Energy, Mines, Industry Regulation and Safety has within its workforce geotechnical engineers. They make themselves available to other agencies to provide that geotechnical advice. The same geotechnical engineers are providing advice on, for instance, tailing storage facility construction. Instability is a key risk for those as well. We are aware of the inherent risks that happen when constructing engineered landforms at the end of mine life. The way that that is mitigated for both the work that JTSI does and the work of other agencies is to utilise those geotechnical experts the state government has in the mine closure planning process up-front.

Dr D.J. HONEY: What reach does the government or the geotechnical experts have into the detail of what is being proposed? The devil is always in the detail in these things and, ultimately, the state will be left carrying the can if these proposals are flawed.

Mr R.H. COOK: I will get Dr Gorey to answer that.

Dr P. Gorey: Very closely, because in the case of the work we are doing with the Collie basin, we have networks across the government and DEMIRS is represented on those working groups, so we can feed straight into those geotechnical people.

Dr D.J. HONEY: We will finish off on a positive one, Premier. The Western Australian industry participation strategy has —

The CHAIR: That is page 194, is it, member?

Dr D.J. HONEY: It is. It is in my favourite table! It has a bit over \$400 000 allocated in the next financial year and the out years. What is the purpose of that allocation of funding?

Mr R.H. COOK: The Western Australian Jobs Act 2017 and the WA industry participation strategy—WAIPS—have been independently reviewed, including consultation with agencies and suppliers. The budget allocation of \$1.439 million over four years is required to progress the priority resulting from that review. The review recommended a broadening of the scope of the WA jobs act and WAIPS to give greater specific focus to local participation in health and medical supplies, digital technology and innovation. Additionally, increased training and workshops are planned for agencies and suppliers. Further areas of enhancement include the streamlining of WAIPS outcomes reporting through the introduction of the under-development WAIPS portal and selective verification of WAIPS outcomes reporting.

The review found the operation and effectiveness of the WA jobs act and WAIPS have achieved significant outcomes in local employment, workforce skilling and levels of Western Australian participation. The latest data is that since October 2018, WAIPS supply has realised over 83 000 jobs, 6 400 apprenticeships and traineeships, and 88 per cent local content. Over the same time, contracts valued at \$47 billion have been covered by WAIPS, with \$41.3 billion of this value retained within the state. I want to particularly commend the reviewers of the WA jobs act and the WAIPS process. They are now really laser-focused on making sure that we accrue great outcomes for local participation in the health and medical supplies industries. This is really important because we know we spend a lot of money on medical supplies and medical technology, and a lot of it is manufactured here in Western Australia. It is a great outcome.

The CHAIR: Premier, I need to interrupt you at this stage.

Extract from *Hansard*

[ASSEMBLY ESTIMATES COMMITTEE A — Thursday, 23 May 2024]

p327c-358a

Chair; Dr David Honey; Mr Roger Cook; Mr Shane Love; Ms Jessica Shaw; Hon Dave Kelly

The appropriation was recommended.

Meeting suspended from 1.00 to 2.00 pm

[2.00 pm]