



# Parliamentary Debates

(HANSARD)

FORTY-FIRST PARLIAMENT  
FIRST SESSION  
2023

LEGISLATIVE ASSEMBLY ESTIMATES COMMITTEE B

Wednesday, 24 May 2023

# Legislative Assembly

Wednesday, 24 May 2023

## ESTIMATES COMMITTEE B

The meeting commenced at 9.00 am.

### Division 38: Department of Transport, \$190 161 000—

Mr D. Scaife, Chair.

Ms R. Saffioti, Minister for Transport.

Mr P. Woronzow, Director General.

Mr I. Cameron, Managing Director.

Mr P. Parolo, Chief Financial Officer.

Mr P. Seares, Managing Director, Westport.

Mr P. Laing, Senior Policy Adviser.

[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 these details. Some divisions are the responsibility of more than one minister. Ministers shall only be examined 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, 2 June 2023. 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 Leader of the Opposition.

**Mr R.S. LOVE:** Thank you, chair, and I thank the advisers for their attendance here today. I start off by asking some questions around the situation in the Kimberley, as this is one of the more vital issues that we face at the moment. I see that part of the ongoing activities in the Kimberley is the item “Ex-Tropical Cyclone Ellie—Derby—Broome Air Services”, which will conclude at the end of this year. Can the minister explain what that service is providing?

**Ms R. SAFFIOTI:** Sorry, what page are we referring to?

**Mr R.S. LOVE:** Sorry; it is page 572 of budget paper No 2 in the “Ongoing Initiatives”.

**Ms R. SAFFIOTI:** Is it the “Derby—Broome Regular Passenger Transport Air Service” line?

**The CHAIR:** There is a line item that says “Ex-Tropical Cyclone Ellie—Derby—Broome Air Service”; is that right?

**Mr R.S. LOVE:** Yes. That is the one.

**The CHAIR:** It is about halfway down the page.

**Ms R. SAFFIOTI:** As part of improving connectivity through the Kimberley, we have funded and subsidised a Derby—Broome air service. That became operational around 18 months ago. That is, as I recall, a \$119 each way flight from Broome to Derby. It was something we trialled then extended.

As part of our response to the Kimberley floods, we increased the number of flights. On that page there are two ongoing initiatives. There is the ex-tropical cyclone Ellie Derby—Broome air service, and, post the floods, we provided an additional subsidy and an increase in the number of weekly flights. On top of that, we extended the subsidy for the service for the next three financial years. On the same page, about three lines above, it shows the “Derby—Broome Regular Transport Air Service” with \$450 000 per year. There are two parts to that issue. We commenced the trial in August 2021. It was for 12 months and we have extended it for another three years. Post ex-tropical cyclone Ellie, we increased the number of weekly services because of the connectivity issues.

In relation to the Kimberley, there is a low-level crossing that is open. I was there a few days ago and it was like it was peak hour. It was very well used. By the end of May, or early June, the second low-level crossing will be open to allow for freight connectivity. The extra air services were to improve connectivity at the time of the Kimberley floods.

**Mr R.S. LOVE:** I would like to ask about the Westport program. I refer to the “Details of Controlled Grants and Subsidies” table on page 586 and the item “Westport”. Can I have an update on the progress of the Westport program? Can the minister outline what the commitment of \$5 million to investigate relocating vehicle shipping operations resulted in? Was there an outcome from that expenditure?

**Ms R. SAFFIOTI:** In relation to passenger vehicles, the ability to move trade from Victoria Quay would free up a lot of space in Victoria Quay. We have always said that in looking at the Fremantle port, it makes a lot of sense to start the revitalisation from Victoria Quay. We have seen the Gage Roads development. We have funding to further activate around Gage Roads and then we have the Fremantle passenger terminal and there are hectares of land that are being used for roll-on roll-off vehicles. We are undertaking some studies; they have not yet concluded. In particular, we are undertaking consultation with industry, because making sure industry is comfortable with any proposed new location is a key factor. We have to look at the entire economic cost of undertaking the project. When many vehicles leave a ship, they sometimes rest on Victoria Quay for many days before going to another facility in which they are cleaned and made ready to send to car yards. We are looking at the entire movement of the vehicles, not only when they get off the ship, but also to the next stop, which is normally in a processing yard in which they are cleaned, checked and then moved to car yards. We are talking to industry and work is being undertaken. A number of options are being examined but, of course, we are very keen to see whether Bunbury can be the location for that trade.

**Mr R.S. LOVE:** In the same table, \$2 million is allocated to investigate the feasibility of relocating livestock shipping from Fremantle. What were the recommendations? Has that been completed? What is the situation there?

[9.10 am]

**Ms R. SAFFIOTI:** Money has been allocated. The Department of Primary Industries and Regional Development led some work, which we have been involved in, but we have not seen this as a priority—well, the work has not concluded.

**Mr R.S. LOVE:** I think the minister was about to say that the government did not consider it a priority. Is that what was on the tip of her tongue?

**Ms R. SAFFIOTI:** No. If the member looks at the range of things that we are working on around Westport, cars would be the bigger priority—I say that very honestly—because of the amount of space and the impact that cars will have on the future development of Victoria Quay. It is a lower priority than vehicle movement.

**Mr R.S. LOVE:** Further to the Westport program—it might be a different question, chair, so I seek your indulgence—there is a line item that outlines expenditures for Westport in the development of a business case on page 572 of budget paper No 2. There is also the line item “Enabling Works”. Can the minister explain what the enabling works of \$7 million, which are listed on page 572 under “Westport”, refers to?

**Ms R. SAFFIOTI:** What page was it?

**Mr R.S. LOVE:** It is on page 572, under “Westport”, which is under “Ongoing Initiatives”. There is the line item “Business Case” and then “Enabling Works”, with a budget of \$7 381 000.

**Ms R. SAFFIOTI:** That relates to some of the ongoing work that has been undertaken to enable works relating to Westport, including legislation, which we have announced, and environmental assessments. That includes undertaking all the referrals and other assessments for the freight corridor and other geotech investigations to support the business case development.

**Mr R.S. LOVE:** Where is the bucket of money for the purchases of land et cetera that are required for the Westport project? I understand that Westport has undertaken the planning around Anketell Road et cetera.

**Ms R. SAFFIOTI:** It is in the table “Statement of Financial Position (Controlled)” on page 587 of budget paper No 2. There is a line item called “Restricted cash”. That restricted cash has all the special purpose accounts with hypothecated revenue or accounts set up through a mechanism of a special purpose account. That holds a Westport SPA. It is under the line item “Restricted cash”, which in 2022–23 was around \$505 million, and then it drops to around \$377 million. That holds the money for the land acquisition. That is held in a special purpose account by the Department of Transport. Through our land purchasing function across the transport portfolio, negotiations are undertaken and purchases are made for projects, in particular the Anketell corridor.

**Mr R.S. LOVE:** I have a further question on that response. Is that the bucket of money that would have also paid for the land for the Yanchep line extension, for instance, or is that different?

**Ms R. SAFFIOTI:** No. We created a special purpose account, not in this budget just gone but the previous budget. As I recall, we budgeted \$400 million to undertake early land purchases along the Anketell corridor in particular, but not limited to the Anketell corridor. Because we have placed a planning control area across that corridor as we move towards detailed planning of the Anketell east-west link, we wanted to provide certainty for the landowners and their ability to sell and move on with their lives—in particular, those who are facing the Anketell corridor. Money has been provided. Significant negotiations have been undertaken.

**Mr R.S. LOVE:** The funding for that special purpose account came from what source? Was it from the metropolitan improvement tax?

**Ms R. SAFFIOTI:** No, it was from our surplus, not from this budget but the previous budget. As the member would know, with strong surpluses, we provide funding for upcoming demands. We highlighted that Westport was an upcoming demand. Because of our strong financial position, we were able to allocate \$400 million in the previous budget, or maybe even the budget before that, for Westport land acquisition.

**Mr R.S. LOVE:** Could the minister provide an update on the balance of that special purpose account?

**Ms R. SAFFIOTI:** As at 30 June 2023, we expect that balance—the estimated actual—to be \$316 million.

**Mr R.S. LOVE:** Where would I find that in the budget documents?

**Ms R. SAFFIOTI:** It is under “Restricted cash”.

**Mr R.S. LOVE:** So it is in that lump of cash. Is there no breakdown of those restricted assets that the minister can provide?

**Ms R. SAFFIOTI:** I cannot provide the breakdown for the SPAs. It is not in the budget papers.

**Mr R.S. LOVE:** Would it be possible to provide, by way of supplementary information, the balances of that restricted cash, where accounts are held and for what purpose?

**Ms R. SAFFIOTI:** The budget papers show the balance of restricted cash. Did the member want the amount in the SPA for Westport? As I said, by the end of the 2022–23 financial year, we expect it to be \$316 million. That is down from \$399.2 million allocated as of 2022. We have undertaken a lot of land purchases in that term. We will find out whether there is any further information on the SPAs. It might be in budget paper No 3.

I refer the member to the economic and fiscal outlook on page 280 of budget paper No 3. That chapter gives a breakdown of the SPAs. As I said, as part of our budgeting and financing for future demands, we created a number of special purpose accounts, which help reduce the financial impact of major decisions in the future. In a sense, we have created all these little savings accounts to help fund big expenditure items in the future. As the member can see, Westport is listed on page 280. It shows the receipts, payments made and the balance.

**Mr R.S. LOVE:** Just to be clear, \$400 million was allocated directly to the Westport account but it is reported in the documents as part of a larger pool of money, which has other SPAs.

**Ms R. SAFFIOTI:** No. With respect to the finances of the state, when there is an operating surplus, let us say, which we have run, it is like a savings account. We open a savings account for a particular purpose in the future. They are called special purpose accounts. This chapter outlines those special purpose accounts. A special purpose account was created for Westport—primarily for land acquisition. That was created in the 2021–22 budget, as this says, to support the Westport project. It was actually two budgets ago. It is a dedicated account and because it is under a special purpose account, it needs to be held somewhere. This one is held in the Department of Transport. It is then administered through Main Roads Western Australia’s land acquisition purchasing group, but it is a special purpose account and, under the Treasury guidelines, we have to use it for the purpose for which it has been established so we cannot then use this for other things.

[9.20 am]

**Mr R.S. LOVE:** What is the purpose of other restricted cash that is held, because there is a considerable amount even at the end of the forward estimates? There is \$300-odd million sitting there.

**Ms R. SAFFIOTI:** They are not other special purpose accounts. It is restricted cash. In most cases, this would be hypothecated revenue generated from non-tax or not general government business—not through the consolidated account—that is then used for particular purposes. For example, it includes the Perth parking licensing account, which is demonstrated in appendix 5 on page 275 of the *Economic and fiscal outlook*. Restricted cash may include a special purpose account, but it can also include other accounts in which there is hypothecated revenue or revenue governed by other legislation, whether it be under royalties for regions, the Perth Parking Management Act or other purposes, and that can be included in the restricted cash items.

**Mr R.S. LOVE:** Does the minister have a list of what is in the restricted cash items?

**Ms R. SAFFIOTI:** We have a list.

**Mr R.S. LOVE:** Could the minister provide that?

**Ms R. SAFFIOTI:** Right now?

**Mr R.S. LOVE:** Either that or as a supplementary.

**Ms R. SAFFIOTI:** I can do it now. The Perth parking licensing account is on page 275 and shows the current closing balance and the estimates over the next four years. I can go through that. It is in appendix 5. The closing balance in 2022–23 was \$202 million; for 2023–24, it is expected to drop to \$174 million; then it will go to \$214 million, \$256 million and \$299 million. Royalties for regions is restricted cash because it is generated from other sources. We

have some royalties for regions funding for some of our projects. In 2021–22, there was \$3.17 million; in 2022–23, the estimated actual was \$1.267 million; in 2023–24, it is \$1.267 million; in 2024–25, it is \$1.267 million; and in 2025–26, it is \$1.267 million. These are the estimates. We have done Perth parking. Westport SPA is done. I refer to Indian Ocean territories. As the member knows, we administer a number of services on behalf of the commonwealth. We receive payments from the commonwealth to administer Christmas Island and Cocos Keeling Islands. The budget in 2021–22 was \$155 000; the estimated actual for 2022–23 was \$155 000; the budget is \$155 000, then it goes on. It is always \$155 000. I suspect paid parental leave is administered and paid through another form of legislation. Paid parental leave is \$34 000 in 2021–22, \$30 000 in 2022–23, \$34 000 in 2023–24 and then it continues with \$34 000 from there. That is in total restricted cash.

**Mr R.S. LOVE:** Thank you, minister.

**Mr P.J. RUNDLE:** Paragraph 6 on page 573 refers to reliable and affordable air services, particularly between Perth and regional centres. Firstly, I want to ask about last week's announcement about Nexus Airlines. Firstly, will the government provide a subsidy to Nexus Airlines to provide that service?

**Ms R. SAFFIOTI:** Yes. I think we outlined it. I will see whether we have a specific note on that. In the announcements last week, we spoke about two key initiatives through which government will help support the flights.

[Interruption.]

**Ms R. SAFFIOTI:** Listen to that. That could be Nexus! There is a plane flying across now. The first is that Nexus will begin a Geraldton–Perth connection. The Nexus aircraft crew will be based in Geraldton and Broome. Importantly for Geraldton, that means not only will it have additional staff and workers based in Geraldton, but its first flight will be in the morning from Geraldton to Perth, which is really good for the Geraldton business community. It has been really keen to get that. As a result, Nexus will be eligible to be part of our regional airfare cap scheme and I have approved that. Nexus flights between Geraldton and Perth will be part of the \$199 fare cap program. That is similar to the other airline operating there. In a sense, that is one part of the government's support for regional airfares.

The second part is that Nexus will commence some new interregional flights. It is already running one set of interregional flights, but it is expanding it. I do not have all the reports in front of me. I am sure we will find it. An amount of \$4 million has been committed over four years to support the expansion of the interregional flight network in the midwest, Pilbara and Kimberley. This will commence very soon and provide a direct link between Geraldton, Karratha, Port Hedland and Broome. That is an additional \$4 million. Plus, Aviair, Nexus' predecessor, also runs a number of other flights throughout the area—for example, it does a bit of Broome. We subsidise that flight between Broome and Derby because we cap the price at \$119, as I recall. Many new initiatives were announced last week, but the two key ones were \$4 million to support interregional flights and the fact that the Nexus flight will now be eligible for the capped flight scheme for its flights between Geraldton and Perth.

**Mr P.J. RUNDLE:** Given that it will be flying over Carnarvon and Exmouth on the way to Karratha and Broome and so forth, was any thought given to it dropping into those locations?

**Ms R. SAFFIOTI:** The government would support and continues to support more connections throughout regional WA. I think Nexus has a pretty ambitious agenda already. It is expanding its planes. It is going from a nine-seater to a 76-seater, so I think that is pretty ambitious. I think Nexus has an ambitious agenda. We will always continue to work with all airlines to improve connectivity. If there are future proposals and the economics stack up and an airline wanted to try new routes, we would be happy to support it. Ultimately, these are decisions for the airlines. As I said, we are very keen to partner with Nexus, and we are partnering with all the airlines on our regional airfare cap scheme. I think we are helping to really improve connectivity across regional WA.

**Mr P.J. RUNDLE:** This paragraph refers to reliable and affordable air services and access to specialist healthcare and the like. Both Esperance and Carnarvon are having trouble with reliability of Rex Airlines, with a period of 10 days in late February–early March when 42 out of 70 Esperance flights were either delayed by more than 30 minutes or cancelled. I know that the minister recently talked about expanding the number of flights. What about the reliability? What is the government doing to improve the reliability of those flights?

[9.30 am]

**Ms R. SAFFIOTI:** The department is working with Rex Airlines. We have benchmarks for on-time performance. We are disappointed with what happened, but we have been working really closely with all the airlines, trying to improve their reliability and reduce cancellations or late arrivals and departures. Post COVID, most airlines have been through this. A number of the big airlines went through this for a period. We believe it is an adjustment period. We are not happy if our airlines do not meet our benchmarks, but we are very keen to work with them. There are no easy solutions at the moment. There has been a massive increase in air travel across Australia. I saw Qantas' profits, which came out the other day. There is also massive demand for aircraft crew, pilots and baggage handlers. Many of them were let go during the COVID shutdowns and the airlines are all struggling to recover. There is competition for staff. It is hard to get all the appropriate staff and pilots in place. All we can do is continue to work with the airlines to try to improve their performance.

What I have found as Minister for Transport is that, in a sense, we always go through rocky patches. We went through a rocky patch in Geraldton, for example, with the number of flights and basically flights turning up. It was the same in Broome. A lot of our regional ports have been through rocky patches. Of course, in Perth and for people flying interstate, it was also very hard for a while. We go through these periods but then we try to work with all the airlines to correct that. We are not pleased with what has happened with the cancellations. I have heard very loudly from the local members that they are not pleased either. All we can do is work with the airlines to make sure we improve their performance.

**Mr P.J. RUNDLE:** This is having real implications. It is not just about delayed flights. It is about specialist health care. Doctors are signed up for a stint at Esperance Hospital, for example. They turn up on a Thursday or whenever but are told, "Sorry; we can't get you on until the following Friday." It is having an effect on health care. It is having an effect on accommodation providers who had them booked in. The list goes on. As I said, the minister announced that it is great the government is going to put on more flights but the focus has to be on fixing cancellations and delays. That is my emphasis. I gather the licence is coming up later this year. What is the department doing to improve the situation, given that the licence is also coming forth?

**Ms R. SAFFIOTI:** As I said, all we can do is work directly with the airlines that we have under licence currently to make sure we improve their performance. My understanding is, more recently, there has been some improvement in their performance but we will continue to monitor and work with them. There are no easy solutions. As I said, every part of Western Australia has experienced some poor performances post COVID. Geraldton was a particular case where there were a lot of cancellations and a reduced flight network. Of course, now Geraldton is a beneficiary of this new program. We will continue to work with all the airlines to support more reliability and improved performance, particularly with Rex.

**The CHAIR:** Before I give the call to the member for Cottesloe, I want to note that I try not to be an interventionist chair. If the minister is happy to indulge questions that are not strictly in the budget papers, I am not going to interfere. However, we wandered quite significantly from the budget papers there, member for Roe. I want the member to know that in future cases, I might crack down so that we get to other questions related to the budget papers. The member for Cottesloe.

**Dr D.J. HONEY:** Coming back to Westport, minister, I refer to page 572 of budget paper No 2. The Westport business case is under spending changes. What funding models are being considered for the Westport port? For example, is the government going to fund this project entirely from its own capital program or will it consider some form of public-private partnership?

**Ms R. SAFFIOTI:** We are currently undertaking the business case. We have not yet finalised the business case. On public-private partnership, we would not be looking at a privately run port. It will be a government owned and run port. We have had early discussions with the commonwealth highlighting that we believe this is our next big partnership project with the commonwealth. In a sense, Metronet is nearing the end in relation to its rollout and funding. We are looking at Westport being the next big, major long-term project. We are very keen to get commonwealth support. We have not yet gone into any detailed analysis of other funding sources. We are really just working on getting all the approvals and developing the business case.

**Dr D.J. HONEY:** While the feasibility study is being done, there must be a scoping level cost estimate. What is the estimated cost of the project at this stage?

**Ms R. SAFFIOTI:** No, we do not have a scoping level cost currently. We are still doing all the numbers. There are a number of different parts to the Westport project. As we know, there is the land acquisition, which is highlighted in the budget papers. There are also the berths. We are looking at detailed design for the type of berths. They are going through all the assessments and tests of exactly what shape and form the berths will be, including the marine-side infrastructure. There are also land-side intermodals, road and rail. There are a number of different components, which we have not yet completely locked in. It is hard to put numbers out there when we are currently designing the shape and size of the berths and all the other land-side infrastructure.

**Dr D.J. HONEY:** The minister had a highly publicised task force working on this to justify the business case for moving the port from Fremantle to Kwinana. Is the minister saying she has no estimate? Is there no figure in the government's mind at all on the potential cost of this port?

**Ms R. SAFFIOTI:** As I said, there are three or four different components. We have land acquisition, which is in the budget. There is also the Anketell-Thomas Road corridor, for which we are working out the detailed design. The ultimate design will then have an estimated cost. The land side includes the logistic hubs, intermodals, upgrades to rail in particular, and there is also the berth infrastructure, and breakwaters including the need for breakwaters, size of breakwaters, and the size of the berths. All that is currently going through testing and analysis to determine their exact shape and size. That will then help get an estimate to complete a business case cost.

**Dr D.J. HONEY:** I cannot comprehend it. In my entire working career, I have never worked for an organisation that embarked on a project for which it had no idea what the cost was going to be. It is incomprehensible that the

minister does not have some cost estimate in mind. I appreciate that it will be refined as the project goes through detailed design, but surely there is, in fact, a number the government has in mind. Otherwise, how was the original business case even established?

**Ms R. SAFFIOTI:** To develop a business case, there is the estimated cost to estimated benefit, and that is what we are working through. In finalising a business case, that is when we get the estimated cost and estimated benefit. It was a recommendation of the Langoulant special inquiry into the finances that said governments should not put ETCs on projects until the full scope and deliverability has been assessed. I remember previous governments claiming projects would cost X or Y, and then they were nowhere near that number.

[9.40 am]

**Dr D.J. HONEY:** A sense of déjà vu, minister.

**Ms R. SAFFIOTI:** No, it was nowhere near that number. The Langoulant inquiry said not to put estimates to complete on projects until there was the full scope and their deliverability was determined. We are developing a business case, and that will have the full costs and benefits. That is what the business case is. We are determining a business case, and, in doing that, we will have the estimated cost and estimated benefit to get the benefit–cost ratios.

**Dr D.J. HONEY:** I refer to access to that area. There is planning going on now. I understand there is work going on on Anketell Road. The state’s major port will do 90 to 95 per cent of our container freight. At this stage, I understand that effectively the government has bet the bank on one road going into that, which is Anketell Road. Is any work being done to secure alternative roads? I assume that 80 per cent or so will go by road and not rail.

**Ms R. SAFFIOTI:** That is not the assumption we will carry forward. There is a concept just to do what is done at Fremantle and move it. We do not subscribe to that concept because we believe that assessing the role of rail and other ways of moving containers as efficiently from port to intermodals or other logistics hubs is part of the work we are doing now. We are not picking up Fremantle and moving it down the road; we are looking at modern ports, in particular how containers are moved as efficiently as possible, because that is why we want to do this, and also the role of rail or other types of rail-like movements. We are exploring all options, so I do not think the member can say we will move 20 per cent of containers on rail, because that would be very different to what we aspire to.

**Dr D.J. HONEY:** I do not know of a major port in the world where most of the freight is not moved by road. Given that a significant amount of freight will be moved by road, will there be any other major access route into that area other than Anketell Road?

**Ms R. SAFFIOTI:** Anketell Road will be the major one, and, of course, it will be linked to Tonkin Highway.

**Dr D.J. HONEY:** Thomas and Rowley Roads.

**Ms R. SAFFIOTI:** Yes, but it will be Tonkin Highway to a major north–south, east–west freight corridor. It will be a major project with a dedicated freight corridor. I am not sure whether the member is arguing for a freight corridor through the western suburbs or Fremantle, but that is not what we are considering.

**Dr D.J. HONEY:** Rowley Road was the previous designated route but the minister’s government allowed houses to be built over the road easement so it was stopped.

**Ms R. SAFFIOTI:** That is incorrect.

**Dr D.J. HONEY:** I wonder whether, for example, there is an alternative to Rowley Road so there is a second major road access into what will be critical infrastructure for the state.

**The CHAIR:** Sorry, minister, just before I give the call, I am ruling this question out of order. It is plainly not in order. We have breached the direction I gave after the member for Roe finished, and we are so far away from the budget papers now that I am ruling that question out of order.

**Mr R.S. LOVE:** I want to ask the minister about page 572 of budget paper No 2, and the line item “Towing Industry Reform” under the heading “New Initiatives”, with \$808 000 expected to be spent and several millions of dollars, up to \$3 million per year, for the next couple of years. Can the minister explain what the funding will achieve and when we will see some meaningful reform in the towing industry?

**Ms R. SAFFIOTI:** The money is dedicated to a project team to develop the regulatory systems and all the business and systems analysis and industry engagement. As the member knows, we took over this component of towing industry reform from the Department of Mines, Industry Regulation and Safety late last year. We took over the reform package. It involves legislative reform, regulatory reform and new compliance activity, which does not exist. In embarking on this, we have taken on a very unregulated industry and moved to a regulatory approach. We are setting up the entire regulatory system. Of course, the main aims will be to introduce maximum charges for towing and storage of vehicle; requiring the authorisation of tow truck drivers, drivers’ assistants and towing services; prohibiting the payment of cash spotter fees; and introducing stricter penalties. We have already introduced some other reforms—for example, the requirement that the tow truck driver has to give the guaranteed cost of moving the vehicle at the site of an incident. We have improved some of the regulatory regime around the vehicle, with what we have the

power to do. But we need additional legislative power now to increase standards for the drivers and limit and cap the price of towing and, in particular, storage, which is where a lot of people seem to get bitten. There are costs for towing, but storage costs are astronomical and vulnerable people are then left having to pay a lot of money, as do insurance companies. Insurance companies are not everyone's best friends but the cost of premiums is impacted if they are being hit with exorbitant costs.

**Mr R.S. LOVE:** Can the minister give a time line for when legislation is expected to be presented to Parliament on this matter?

**Ms R. SAFFIOTI:** We are going through the drafting process now, so it depends how quickly we can get it drafted. We are trying to draft the legislation as quickly as possible. There are a lot of different demands on parliamentary drafting, but we are working very hard at it.

**Mr R.S. LOVE:** Has most of the policy behind the legislation been formulated, and is it just a matter of drafting that into legislation?

**Ms R. SAFFIOTI:** Yes, we have a policy approach that we have announced over the past eight months, and now the legislation and regulations are being put in order to enact the policy. Normally, governments try to reduce regulatory burdens, but this is the opposite in that we are increasing and, for the first time, introducing a tougher regulatory approach to tow trucks. As I said, Transport initially had the responsibility of managing the vehicle, in a sense, not the driver or the other parts of the industry, but we took over responsibility for the policy and getting it drafted from Department of Mines, Industry Regulation and Safety in about the third quarter of last year. We are working away on that.

**Mr P.J. RUNDLE:** I refer to page 581 of budget paper No 2 and the fourteenth paragraph headed "Carnarvon Fascine", which refers to \$2.9 billion in capital funding currently allocated. What will the money deliver?

[9.50 am]

**Ms R. SAFFIOTI:** In 2020, we announced \$7 million towards addressing access issues at the Carnarvon fascine. One of the first things we did was to relocate Australian vessels in the fascine to the Carnarvon boat harbour. I do not know whether anyone has seen that; it looks pretty good. The state government built 16 new floating boat pens to provide year-round ocean access to the Carnarvon Yacht Club members. We undertook numerous studies. I think that everyone had a view on what and how to dredge. Even I became an expert on dredging after visiting the town a couple of times! We worked with all the relevant parties and we agreed and committed to doing a one-off dredging campaign around the entrance of the fascine, as well as spit stabilisation. Of course, we have seen the movement of the spit over many years. We need to stabilise that so that it does not continue to encroach into the entrance, so we will be doing work to not only dredge but also stabilise the spit to make sure that it does not continue to move and block the entrance. I think we are looking at bringing in some heavy material to stabilise the sand at the spit. We are doing a one-off dredge, and we hope that that together with the spit stabilisation will mean that the fascine can withstand the continued weather in that area.

**Mr P.J. RUNDLE:** When will the work be complete?

**Ms R. SAFFIOTI:** I think it is underway now. I thought it was going to begin in April or May. We are mobilising the dredge. I thought it was going to be in the first half of this year. I think it is underway now, in March. It has started.

**Mr P.J. RUNDLE:** Sorry, in March next year?

**Ms R. SAFFIOTI:** No—now.

**Mr P.J. RUNDLE:** What community engagement has there been to keep people in the Carnarvon community informed about this work?

**Ms R. SAFFIOTI:** Sorry, I will just confirm. We announced the dredging work in March. I am just getting further information from my team. We have announced it. I thought that the dredge was going to start in April or May. Sorry, they are starting to mobilise the dredge as we speak.

How much community engagement has there been? There were a number of town hall meetings. As I recall, there was a meeting earlier this year at which the Department of Transport team informed people about the work. As I said, everyone has a different view on what should be done with the projects, but I think that the overwhelming view—maybe the view of the yacht club in particular—was that we should try to dredge again. As I said, there was a lot of science done and we saw a lot of pictures taken over time that show how the fascine has looked over the last 30 or 40 years. But there has been a lot of involvement with the community, including I think two community forums that were held over the past four or five months, including a description and analysis of options. After all that work was done, the view from the town and the president was that we should try to attempt dredging, and we agreed.

**Mr P.J. RUNDLE:** I think we are about seven or eight years down the road from when the original weather event occurred. Can boats actually access the fascine today?



**Ms R. SAFFIOTI:** I think that the majority of boats were relocated to the boat harbour. A number were relocated to the boat pens that we built. Most boats can access the fascine on a high tide, but not on a lower tide, and that is why the dredging will be undertaken.

**Dr D.J. HONEY:** I am referring to page 575 of budget paper No 2, the outcomes and key effectiveness indicators, and the top line, which is the percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle port. As I have recognised in previous estimates, 20 per cent is a significant increase, but that is now flatlining. As the minister knows, traffic congestion of trucks in the area is significant. Does the government have any other plans, or has it just said that it is going to stick at 20 per cent, given that there is likely to be a significant time before a new port is available? Are there other plans afoot to increase the percentage of rail transport of containers?

**Ms R. SAFFIOTI:** Is the member ready for the answer?

**Dr D.J. HONEY:** Absolutely!

**Ms R. SAFFIOTI:** For the movement of containers on rail, we are really proud that we have got to 20 per cent and stuck to 20 per cent. I suppose the next win will be the continued growth, expansion and creation of new intermodals. In looking at how we move forward with both Westport and moving more containers on rail, working under Patrick and the Westport team's authority, we are looking at how we can continue to support the expansion of existing or creation of new intermodals that will work for not only Fremantle but also Westport. In a sense, the key goal is to support new intermodals and expand the capacity of existing intermodals into the future, and that will help drive more containers onto rail from Westport long term, but also more containers onto rail for Freo.

**Dr D.J. HONEY:** Obviously, the minister is very much on top of the issue of the new rail bridge that is being built. What do we expect to get when that new rail bridge is built, so that we have duplication and we are not competing with the passenger line?

**Ms R. SAFFIOTI:** We are going through that design, as the member knows. We are trying to incorporate the feedback of everyone in North Fremantle into that bridge design. I think the key for us is rail capacity, but also intermodal capacity. A lot of work is being done on the source and destination of containers, because that is another key factor in determining how we can support further containers on rail; we need to understand not only where they are coming from, but also primarily where they are going to. A lot of work is being done on that. A number of areas are not serviceable by rail, so the efficiency of using intermodal transport would not work for those areas. I think there are some big districts that do not have very strong or clear rail connections. As I said, we are continuing to look at how we can support the new intermodals more generally. We believe that will help drive more containers onto rail.

[10.00 am]

**Mr G. BAKER:** I refer to page 614 of budget paper No 2, paragraph 8 under "Asset Investment Program". Is the minister able to provide an update on the status of the Lakelands station project, and is the minister aware of any recent commentary regarding the construction of the station?

**The CHAIR:** I might need to say that that is the wrong division, member for South Perth, so we can come back to that. The Leader of the Opposition.

**Mr R.S. LOVE:** I refer to "Driver and Vehicle Services" on page 577 of budget paper No 2. I want to ask a little bit about this section. I see there is a reduction in employees in that sector. Can the minister explain why that is the case?

**Ms R. SAFFIOTI:** During COVID the Department of Transport, through the Driver and Vehicle Services Centre, increased employment under that function to staff a call centre. That call centre, of course, was stood down and some of those people were redeployed across the agency. In relation strictly to Department of Transport Driver and Vehicle Services Centres, there has been no reduction in the teams that are at the front line, delivering driver and licensing services.

**Mr R.S. LOVE:** I have a further question. Minister, I note that there are efficiency indicators that relate to the average cost per vehicle and driver transaction; average cost per vehicle inspection performed by vehicle examination centres and authorised inspection stations; and average cost per driver assessment. With regard to the average cost per driver assessment, would it not also be an efficiency indicator to put the average wait time before someone is actually able to book a driver assessment? I have raised this issue with the minister on a number of occasions. There are people who are going to great lengths to find driver assessment time slots. As the minister knows, there have been instances of harvesting and potential on-selling of those slots by individuals. Can the minister explain why she has not seen fit to put in place some sort of assessment of the average wait time for people to get a driver assessment?

**Ms R. SAFFIOTI:** Our focus has been on trying to address the issue; that is what we have been working on. With regard to the vehicle licensing system, as I have already outlined, we have seen some interrupters, in a sense—however you want to describe it; people gaming the system—which has impacted on the general community. We

saw a lot of activity online. I hate to refer back to the bots, but I will, because there are many of them. Initially we went to the driving instructors. Some driving instructors were, in a sense, attracting business by saying they could guarantee people a driving assessment. As a result, they got more business and they then, I think through a third party, managed to secure some driving tests for their clients. It was not illegal, but it was something that was happening.

The second part was someone who was described as an “entrepreneur”; that might be a nice way of describing him. I think this was in an article in PerthNow about three weeks ago. A 19-year-old had designed a system and was charging \$20 to secure a driving test. He had created a program to swipe all the available driving tests intermittently throughout the day. This is really something that has, not exactly crept up on us, but I was getting feedback—including from cousins and distant relatives—about wanting to gain access to a driving test, so we were very much keen to see what was happening. In doing that work I acknowledge that there have been, and continues to be, people gaming the system to secure driving tests.

More recently we have put some measures in place. We announced a range of measures about six weeks ago, and in the past two weeks we have also announced another change to the system that limits the number of times someone can attempt to secure a driving test to, I think, 15 per hour. That is to try to limit the operation of bots, and we are continuing to work on doing more to completely eliminate them. We hope to have something further to say on this very, very soon. We have already made more driving tests available per day, so we are seeing some results from the work we have done, but the IT teams in Department of Transport are working really hard to eliminate the impact of bots so that everyone is on an equal footing. This is a big priority of ours. I want people to have fair, open and transparent access to driving tests. I do not think we should allow people to make a lot of money by gaming the system and preying on young people who want to get their driver’s licence.

**Mr R.S. LOVE:** I thank the minister and I agree with her sentiment, but I have been raising this issue for quite some time and there has not been any action on it that has actually resulted in meaningful improvements. I understand the situation as the minister has outlined it about bots et cetera taking bookings, but at the end of the day, there is a shortage of test slots. Is that not the underlying cause? Is there a view within the department as to how to actually increase people’s access to assessments within a reasonable time line? What sort of time line does the minister think is reasonable?

**The CHAIR:** I am going to allow the minister to respond to this, but there was a political allegation within the question that is, again, a breach of my directive to stay within the terms of the budget papers. The minister.

**Ms R. SAFFIOTI:** Yes, I think there was a political allegation, and I think the Leader of the Opposition is wrong in saying that we have not done anything. We have, and we are increasing the number of assessors as well. To be frank, with the amount of bot activity or activity that continues to sweep up available timeslots it is very hard to gauge the supply and demand. We cannot get a real picture because there is interruption to the service, but we have recruited more assessors and there are some other decisions that are nearly finalised that will improve the situation. We will be making that public once we go through some other processes. We will continue to work to improve the situation. As I said, we have made some decisions, we are already onto this, and we will continue to work to improve it.

**Dr D.J. HONEY:** Minister, just for my clarity in relation to the assessment of driver’s licences, are the assessors permanent employees of the Department of Transport, or can they also operate as driving instructors on top of their assessment work with the Department of Transport?

[10.10 am]

**Ms R. SAFFIOTI:** They are permanent employees, but we do contract agents for the heavy vehicle assessment.

**Dr D.J. HONEY:** I refer to page 576 of budget paper No 2, the first dot point under “Strategic Transport Policy and Integrated Planning”. It states —

- analysis, planning and implementation of urban infrastructure projects and models to manage future travel demands;

I am especially interested in my electorate area, as the minister knows from questions that I have asked before. Traffic movement, particularly east–west and north–south through the restricted corridor between the river and sea, is becoming enormously problematic. It is the single most issue brought to my attention—more than any other in the area. Has the minister’s department carried out any modelling and has it started to develop any planning to deal with that enormous traffic congestion?

**Ms R. SAFFIOTI:** As I recall, with the change of government at the beginning of 2017 there had been a planning study about the Stirling Highway corridor. Some parts of the metropolitan region scheme were rationalised. Upon entering government, the MRS process was ending and a new MRS was gazetted for the Stirling Highway corridor. In that, they determined areas where there would be some bus priority and other initiatives. There is a reservation across that whole area. It includes what would be an impact on a number of properties. Work has been undertaken. To be honest, it will be a very high cost project because of the values in that area. We understand the concerns and challenges. However, on the other side, due to the way that we are operating the Forrestfield–Airport line, we have now increased the frequency of the rail in that area from Claremont through to Forrestfield. It is every five minutes—

actually, I think it is every six minutes. We have increased the number of trains servicing that area, but more generally, it is a very constrained corridor. Of course, the level crossing removals are something that we are keen to continually look at into the future.

**Dr D.J. HONEY:** I was told by a former transport minister that there had been some studies into the potential for tunnels to alleviate the traffic congestion. I accept what the minister has said about the difficulty of, for example, making Stirling Highway six lanes all the way down. In fact, I think the former member and Premier of that area may have sold off some of the necessary easements as well. I accept all of that. That is the situation the minister has been given, but it is seriously becoming gridlocked. Are there any plans to look at contingencies, potentially with tunnels, in that area? Is there any active work? I understand what the minister has said about trains, but it has made no difference—in fact, I would say it has got worse.

**Ms R. SAFFIOTI:** Tunnels underneath Stirling Highway or under the river?

**Dr D.J. HONEY:** As I understand, there were some proposals looked at to go from Stock Road through to the Swanbourne Barracks, sort of bypassing that area, and similarly, to take traffic south of the river to Stirling Highway, closer to the university and avoiding that gridlocked area.

**Ms R. SAFFIOTI:** That concept has been around for a long time. It would be a very costly project—we are talking in the billions. The other problem with tunnels is that when they merge, they merge slowly in a sense, and disconnect the suburb a bit. We see in Sydney that they have to pop out somewhere; as a result, there is always debate on dumping that traffic in a particular area and the disconnection of the area. It is not something that we are working on. As the member knows, our agenda has been full and our next big project is the new port. That is very much our focus.

**Mrs J.M.C. STOJKOVSKI:** I refer to page 573 of budget paper No 2, “Significant Issues Impacting the Agency”. Can the minister please advise what the driving access and equity program has achieved since it began and what measures the Department of Transport will deliver to new regions in 2023–24 to help people overcome the barriers to obtaining their driver’s licence?

**Ms R. SAFFIOTI:** The driving access and equity program is a program we are very proud of. The program was rolled out across regional and remote Western Australia and is now active in 75 locations. So far, 22 vehicles for supervision or instruction have been purchased just in the Kimberley and Pilbara. We have supported 37 people to complete a certificate IV in transport and logistics road training in Kununurra, Broome, Port Hedland and Karratha. This has resulted in 21 new driving instructors in the Kimberley and Pilbara, which is incredible. Over 300 people have been helped with identification documents, 600 learners’ permits have been issued and over 150 drivers’ licences have been issued just in the Pilbara and Kimberley.

We know that in regional WA, having access to a driver’s licence is both quite important to be able to move around and support family, but also in gaining a job. We are very happy with the results so far. We are continuing to roll the program out through the midwest, Gascoyne and the goldfields. I have heard and seen many stories of younger people, but a lot of older people, too. I heard a story yesterday of a 55-year-old Aboriginal woman who never had her licence; she had her learner’s permit a number of times, but never got her licence. She has now got her licence. She was very proud to finally get her driver’s licence at 55. To celebrate, she took her daughter out for dinner. Those are the stories that I love to hear. I love to hear the fact that people get independence, get jobs and feel good about themselves, and then feel good about contributing to society through working and supporting their family. It is a great program.

I have met a lot of people who had a lot of interactions with the justice system. In Ashburton—no, it was another group in Port Hedland; I cannot remember the name—I met people who had been in the justice system down here and had moved back up north to get away from some of the people who were probably impacting them. They went through the program to get their drivers’ licences because they wanted to get jobs up north to start a new life. It is really achieving results. We have got great partnerships with the organisations that are out there.

**Mr R.S. LOVE:** I refer to page 581, “Maritime Facilities Program”. I note that on page 583, there is an amount of roughly \$9 million in each of the forward years for that program. In the discussion on page 581 that I mentioned, paragraph 9 talks about the asset investment program. It states —

Significant projects being delivered in 2023–24 include the Fremantle Fishing Boat Harbour amenities building and services upgrade and the Jurien Boat Harbour high voltage electrical upgrade.

Can the minister explain what that upgrade is and what it will achieve? I might have some follow-up questions on that particular facility.

[10.20 am]

**Ms R. SAFFIOTI:** Sorry, I do not have further details, but we understand that it is to support improved safety and ageing infrastructure.

**Mr R.S. LOVE:** With regard to that facility in the future years, is there any plan to address the ongoing water quality problems that have been long identified and for which the department has a business case, I believe, to rectify?

**Ms R. SAFFIOTI:** There are a couple of issues. The first is the volume of seagrass wrack—it is amazing all these words I have learnt since becoming the Minister for Transport! We have increased the frequency of dredging and trialled other solutions, including trawling and the use of a bubble curtain barrier and aeration device. Further dredging was undertaken in February this year. As the member knows, there is a proposal for more significant works. We continue to seek funding to support the business case. The costs have moved from some of the original costs for the project, but we continue to seek further funding for the project.

**Mr R.S. LOVE:** Has the quality of the water at the marina caused there to be no firm expressions of interest for the areas around the marina that the department is advertising at the moment?

**Ms R. SAFFIOTI:** We are continually working to see whether we can support investment. I am not across whether we have received a firm proposal. I am always keen to see new developments and potentially help support those new developments, but I do not have that information.

**Mr R.S. LOVE:** I refer to page 572, spending changes. An ongoing initiative is the Western Australian bicycle network, including the principal shared path program, for which there is an extra \$5 million. What was that funding for, given that a program has been running for a number of years in the vicinity of \$25 million or more?

**Ms R. SAFFIOTI:** An additional \$5.4 million is to support two key PSPs—Glendalough–Hutton Street, and Mt Henry Bridge–Leach Highway, for Kwinana Freeway. This was administered through the Department of Transport, but the funds were from Main Roads. Main Roads allocated \$2.7 million and the other funds were from the unallocated PSP program to reflect the \$5.4 million, which is administered through the Department of Transport project.

**Mr R.S. LOVE:** Page 586 of the budget documents shows that in excess of \$20 million and up to \$40 million will be spent on the principal shared path program in each of the years moving forward. Has there been any impact on the design of the principal shared path network with the introduction of e-scooters and the like? Has that forced a rethink about the design to improve the safety for users?

**Ms R. SAFFIOTI:** We have already moved to much wider PSPs. I think the standard is at least four metres for PSPs. Some of the older PSPs are not as wide and flat as the new PSPs that we are developing. For example, on the Glendalough bridge over Scarborough Beach Road, which is part of the PSP connectivity program on the Mitchell Freeway, there is a separation of pedestrians and riders of bikes and e-scooters. The conflict between e-scooters and pedestrians is an issue, but we have always had that with bikes as well. When considering the program of priority, the department had three major priorities across the network. One of those was the northern suburbs and the Mitchell Freeway connectivity, because the PSP there was narrow and had to cross back and forth over the freeway and had other interruptions. The department has created a far better—and it will be—and far more direct link between the city and Warwick Road or Reid Highway. Of course, we know that a lot of people use the Causeway bridge, which is made from the old concrete slabs that my dad used to lay around the place. It is very uneven and narrow and we see there a lot of interaction between e-scooters and pedestrians. That is why we brought in the new Causeway pedestrian link. The third is the Curtin Avenue–Fremantle PSP.

I have checked out the new Bayswater PSP as part of the Bayswater train station redevelopment. In many instances, PSPs are very wide and well lit and are divided with a line down the middle to assist users travelling both ways. The faster forms of transport always seem to disregard the slower forms; that is, motor vehicle drivers disregard e-scooter riders and cyclists, and cyclists disregard pedestrians. There is always a complaint that that interaction does not work. However, we ask everyone to share the road and share the path because we all have to share those. The new PSP designs are very wide and in many instances, particularly in areas of high congestion, there will be a separation of pedestrians from cyclists and e-scooter riders.

[10.30 am]

**Mr R.S. LOVE:** I turn to page 586 of budget paper No 2 and the coastal projects and zone management allocations. I see that there has been a reduction from \$6 million this year down to \$3.6 million in the budget year and then a fairly modest investment in the years after that. What does the minister envisage the demand for coastal protection will be on the department going forward given that about 50 hotspots have been identified? I have to put on the record that a number of those hotspots are in my electorate, so it is of significant interest to people in communities such as Lancelin et cetera. Has any thought been given to the fact that at some point, coastal protection will need to be taken more seriously than it is at the moment?

**Ms R. SAFFIOTI:** The increase was the result of some election commitments. Sometimes in these estimates, we will see a bump up because of dedicated election commitments. The changes from 2022–23 to 2023–24 are the impact of one-off election commitments. This is a major issue. We have secured funding, both through election commitments and other programs, to address the hotspots. It is a major challenge for the nation. On a number of occasions, we have put forward the case to Infrastructure Australia and to both federal governments, particularly the former federal government, to try to set up a national fund to support this issue.

In relation to WA, this is not the total amount that we spend on these projects. For example, a lot of work has been done on some of the top hotspots on Rottnest Island, which were Thomson Bay and South Thomson Bay, and

Port Beach. Additional funds have been allocated to that project and other projects up and down the coast. We continually help councils support the science and management of plans. In many instances, there is always a debate between protecting existing infrastructure or a managed retreat. I think that will be a continual issue for us. Luckily, we have been pretty good with infrastructure near the coast compared with what I have seen in Sydney, New South Wales, where a lot of private homes have been impacted. We have not had that situation to the same degree. I note that we have a lot of public infrastructure. In the member's neck of the woods, we continue to monitor the impact on public infrastructure around caravan parks but more generally barbecue areas and roads. My view is that different decisions need to be made for different areas, particularly in situations in which the cost of moving public infrastructure might be less than trying to protect that infrastructure from the ocean.

The other point I wish to make is that the science of coastal erosion is very important. When I go up and down the coast, I see massive erosion because of a project that was delivered in the past that basically moved or worsened the impact on the coastline. Although I sometimes get a bit frustrated with the time that we take to undertake assessments on coastal projects, putting in a new seawall or whatever without proper plans and science sometimes means that they move and worsen the project or the issue moves up or down the coast. I have seen that occur in some projects. It is not a political statement but sometimes governments say, "We're going to do this to protect the coast", a project is carried out in the short term, and then we dig out the coastline a bit further down. It is very hard to protect against nature.

**Mr R.S. LOVE:** I refer the minister to the heading "Investing in Western Australia's Future" on page 573 of budget paper No 2. Paragraph 10 refers to efficient, safe and resilient supply chains. What is the department's level of activity in trying to determine how to lessen the state's vulnerability, as we have seen with the closure of rail line, not even on the Nullarbor, but in New South Wales, causing problems such as the flooding of various roads, and obviously the Kimberley situation? What emphasis is being put on that? I know the government had a little working group mainly around maritime efforts. What emphasis is there on ensuring a more secure supply chain into our state and through our state? We have a situation now in which basically one skinny road connects to the east. Is there an integrated approach towards improving that supply chain from within the department?

**Ms R. SAFFIOTI:** I will say a couple of things. First, some work has been undertaken by the Australasian Railway Association on the resilience and condition of the east-west rail line. It is not our rail line; it is a government-owned rail line, and some of the track to the east through South Australia is in very poor condition. The Australasian Railway Association has put forward an investment program. We are very keen to support that. When we look at some of the costs of inland rail across the eastern seaboard, and I suppose the challenges the new Labor government has in proceeding with that project in an economically sensible way, the challenge is big but the numbers for the inland rail are massive. For a small percentage of that cost, the federal government can improve the quality of the rail line. We are not going to ask that the entire rail line be lifted but an assessment has been made on some small improvements. We are very supportive of that approach. Although most of the work will not be done within the state, the federal government would very much support the state.

The member is right; this issue is not just about the major 26-day disruption but the other disruptions from the east coast. We have to be very mindful of the final decision on inland rail and how that will impact east-west transport. We are very much getting across what is happening. Inland rail may have a very big impact on how our distribution centres are supported in the future. I believe that we all need to work together to improve the quality of the rail line.

The second point I wish to make is that we have learnt it is very hard to replace the volume of freight carried on rail with trucks. The volume is massive. The efficiency of rail is incredible. Given that 80 per cent of the packaged goods on our shelves come from over east, it would be very hard to quickly replace that volume using trucks. The major distributors have learnt and now hold more stock. That is a good thing. It probably impacts economics a bit. We very much support the decisions by the major retailers to hold more stock.

The third component is how we can better support other modes of transport. If we look at the north west and the Kimberley, rail is not really a factor. We saw what happened with the Fitzroy River. We need a more resilient road network. Not only are we replacing Fitzroy River Bridge, but we are also turning a number of single-lane bridges into double-lane bridges, which will help withstand flooding.

[10.40 am]

I refer to the impact on communities. It was demonstrated that not only is the major town disconnected, but the communities. Things such as the quality of the airstrip is very important. As part of this work we are undertaking an assessment of the quality and grade of 34 airstrips throughout the Kimberley, because airstrips become a vital connection. Even though a lot of focus was on the actual Fitzroy River Bridge, it was the roads leading to the communities that were flooded and continued to be flooded a lot longer than other parts. We are continuing discussions with the commonwealth about responsibility for what are known as orphan roads. Council does not want to fund them even though they should be, so there is a debate on how we can improve the quality of the roads and the airstrips.

Another component is shipping. Again, as I said, although it is hard to replace the volume on rail, shipping allows us to do volume for packaged goods. We are very much looking at having a better system established ready to move.

Last time, we had no established relationships with any of the shipping lines. We had no mechanism to call upon the ships. The member for Kingsley has been very much involved in this work. We are looking at how we can have something that will stand up in a crisis and work for us yearlong, noting that in the Kimberley in particular we will have these disruptions time and again because of the extreme weather conditions. We are looking at how we can support or have a continued relationship through shipping to better move freight. With that comes capacity and capability of our ports to not only export and import what they currently do, but also improve facilities, whether they be in Derby, Wyndham or Broome, to support more general trade.

**Mr R.S. LOVE:** That is all very laudable, minister. Is there a time frame for any of the discussions to come to a conclusion so that some concrete actions can be taken?

**Ms R. SAFFIOTI:** All those actions are underway. The shipping task force is jointly headed by the member for Kingsley and will be reporting. We are linking in with what the federal government is doing. We will see a lot of movement happening there very soon. Work is underway on the two-lane bridges. The contract has been let. Work is underway on Fitzroy River Bridge. Australasian Railway Association has been sending its business cases to the federal government. We are very much supporting that. If the member looks at all the different mechanisms, he will see that we are working across all that. It will not all be done by a certain date because the challenge is massive. We also have two other projects, the Outback Way and Tanami Road, which will improve options for movement across there. Both those projects are in the process of being delivered, too.

**Mr R.S. LOVE:** Will the only outcome that we will receive be the report from the committee that the member for Kingsley is heading? Will that be the foundation of a strategy for a future plan of investment?

**Ms R. SAFFIOTI:** There is investment across ports, investment across roads and investments potentially to support shipping. That is very much reliant on a partnership with the commonwealth because shipping more than anything relies on a partnership across the nation, particularly in relation to how we enhance some shipping lines and also capacity on ships. For railway lines, we will continue to work with the association to support the case for investment in the east–west network.

**Ms H.M. BEAZLEY:** I refer to page 573 of budget paper No 2 and paragraph 6 under “Significant Issues Impacting the Agency”. Can the minister please describe the benefits of the recently introduced regional airfare zone cap scheme for regional residents?

**Ms R. SAFFIOTI:** Yes. Again, we have received very strong feedback from regional residents on this program. It is the first time it has been introduced in the nation. I think it very much supports increased availability and accessibility of flights across the state. In the first six months, 66 000 zone cap fares were used by regional residents. That has increased to over 100 000 for the first nine months of the scheme. In this budget, we have increased the amount of funding to allow the scheme to continue to roll on. The zone cap operates under a partnership with five airlines—Air North, Qantas, Rex, Skippers and Virgin and, of course, now Nexus because of the new Geraldton flight. The feedback, as I said, has been very, very strong. We see this as one of the biggest initiatives to support cost of living in regional WA. It also helps people to make the choice to relocate their family and live and work in regional WA, noting that a regional resident living within 1 000 kilometres of Perth will pay \$199 one way and those living over 1 000 kilometres from Perth will pay \$299 one way.

**The appropriation was recommended.**

**Division 39: Commissioner of Main Roads, \$2 092 638 000—**

Mr D.A.E. Scaife, Chair.

Ms R. Saffioti, Minister for Transport.

Mr P. Woronzow, Director General, Department of Transport.

Mr J. Erceg, Managing Director.

Mr P. D’Souza, Chief Financial Officer.

Mr L. Coci, Managing Director, Office of Major Infrastructure Delivery.

Mr D. Snook, Chief Operating Officer.

Mr M. Cammack, Director, Budget and Investment Planning.

Mr P. Laing, Senior Policy Adviser.

[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, 2 June 2023. 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 Roe.

**Mr P.J. RUNDLE:** I refer to page 599 and the line item “Other Works in Progress: Albany Highway—Kelmescott to Williams Pavement Rehabilitation and Hotham River Bridge Replacement”. Has the minister been for a drive to Williams in the last few months?

**Ms R. SAFFIOTI:** Not recently, no.

[10.50 am]

**Mr P.J. RUNDLE:** Can the minister outline what the \$6 million allocation in that budget year will achieve?

**Ms R. SAFFIOTI:** The \$6 million will rehabilitate 11.4 kilometres of pavement in various sections between Kelmescott and Williams to remove sections of road readily subject to pavement failures, including shoving and rutting, which will improve safety and reduce ongoing maintenance.

**Mr P.J. RUNDLE:** I am pleased to see the new bridge go in at Crossman. A very comprehensive job is being done there over a long period. As the minister knows, I have recently been in touch with her about the new works just north of Crossman and the very deep trenching in the road with those new works. We have seen a couple of accidents with road trains and the like. I have a real concern about smaller vehicles as well. What is the activity level of Main Roads Western Australia when it comes to something like the massive trenches in the road north of Crossman? What is the regime?

**Ms R. SAFFIOTI:** I followed that up after the member’s inquiry. We spoke about the issue. We are looking at trying to allocate some funds through the maintenance budget to address that issue.

**Mr P.J. RUNDLE:** I appreciate that, but what is the procedure for Main Roads when something like that is discovered? Will it be fenced off or how does it work? From my understanding, it seems to take quite a long time for Main Roads to react.

**Ms R. SAFFIOTI:** I will refer that to Mr John Erceg.

**Mr J. Erceg:** Thank you for the question. We undertake inspections of the road network regularly so we have inspectors who are monitoring the conditions and inspecting. As the member pointed out, failures occur from time to time and sometimes they accelerate more quickly than we would like. Normal procedure is to take some action initially to identify the hazard through signage and potentially make some temporary speed reductions, which I understand has occurred in parts of the section the member referred to. We then follow it up with some routine maintenance activity in the short term. The nominal treatment would be something like cutting off the shoving that has occurred and undertaking some temporary patching to try to keep it in a safe condition. It may remain under a temporary reduced speed. We would then follow up with planned works. That may be planned pavement repairs, which we typically undertake on a larger scale across the network through a pavement repair contract. It would normally occur in the drier months of the year so there may be a delay until that occurs in the upcoming summer.

**Mr P.J. RUNDLE:** I brought this up last year on a different section of road between Bannister and Armadale. When new pavement works are done, we all understand there is inconvenience, but there seems to be another level of inconvenience for another few months when we have to repair new work. Is there a tightening up of procedure or inspection for new works that are done?

**Ms R. SAFFIOTI:** Sorry, what does the member mean in tightening up?

**Mr P.J. RUNDLE:** Work on various areas on that road has been done by contractors, whoever they might be, and it seems to fail. Then we have another three, four or five months of inconvenience to repair failed works.

**Ms R. SAFFIOTI:** More generally, particularly down south, there was a lot of extreme weather over the past year with rains. With no disrespect to any of the contractors involved, our movement to bring in-house maintenance and contracting will assist us in managing those types of works. Bringing it in-house will mean we have a lot more expertise and we will not be so reliant on contractors for the work that is undertaken. Reskilling Main Roads or bringing back skills in-house will help to manage that in the future. The great southern is not yet in-house. The wheatbelt was first, then the midwest. Again, with no disrespect to any of the contractors, it is all about trying to make sure we have as much expertise within Main Roads as possible to help manage these contracts.

Of course, there has been a high volume of activity over the past couple of years, which we have never seen before. It has stretched the capacity and, in many instances, has probably stretched the working window into times when the weather has been a bit more inclement than we would have liked.

**Dr D.J. HONEY:** What is the inspection regime? I have commented on this before. I have travelled on that road regularly, in fact for my entire life. The quality of construction is appalling. I would say that every bypass lane that has been put in has failed on that road. Within a short period, there is major rutting. What is the inspection regime by Main Roads during construction of those roads? Is there one, or is it left entirely to the contractor?

**Ms R. SAFFIOTI:** I will refer that to Mr John Erceg.

**Mr J. Erceg:** With contract works, the normal practice is for us to have a contract management team from the Main Roads side that is responsible. It would be normal contract management practices with a superintendent and appropriate representatives who would monitor the works and interact with the contractor in the course of the works. That is from the contracts side. Beyond that, in a broader sense, I go back to my earlier comments about regular inspections being undertaken across the road network for the purpose of monitoring the road's condition, picking up defects, and prioritising and scheduling maintenance activities and responses. The frequency of those inspections will vary depending on the type of road. Certainly, for more prominent highways such as Albany Highway, I would expect there would be weekly inspections undertaken on a road of that calibre. For other roads with a lesser volume of traffic, they might be undertaken over a longer period but that is the nature of the inspection regime.

[Mr S.J. Price took the chair.]

**Dr D.J. HONEY:** Minister, I understand the inspection regime but that is after the horse has bolted, so to speak. For example, with the failure just mentioned that occurred only a very short period after the roadworks was completed, does Main Roads recover moneys from the contractors or does it retain money for those contractors and not pay? Is the contractor made to pay for it or does the government and hence the taxpayer pick up the cost for this shoddy work?

**Ms R. SAFFIOTI:** I will refer that to Mr John Erceg.

[11.00 am]

**Mr J. Erceg:** It is common practice to have in our contracts what is called “the defects liability period” and provisions for the contractor to remedy or rectify defects that occur after the completion of works. That is the common practice.

**Dr D.J. HONEY:** Have any moneys been recovered from contractors for the poor quality of work that has been carried out on Albany Highway?

**Ms R. SAFFIOTI:** We do not have that information on hand, sorry.

**Dr D.J. HONEY:** Can I have that as supplementary information, please, minister?

**Ms R. SAFFIOTI:** Okay. I will provide supplementary information on any default payments from the contractors for works on Albany Highway.

**Dr D.J. HONEY:** Could I also perhaps have it in a time period, such as over the last two years or some reasonable time?

**Ms R. SAFFIOTI:** Okay, over the last two years.

[*Supplementary Information No B2.*]

**Mr R.S. LOVE:** I have been listening to all this with interest because this issue has been raised about many roads. I remember a section of Great Northern Highway had to virtually be redone from scratch because of a fairly major failure of compaction. I refer to the supply of bitumen. It has been reported to me by people in the road building industry that there are different qualities of bitumen and some of the supplies that have come into the state recently have not been of the same quality as in the past. Has that been reported to the upper echelons of Main Roads? Is there any awareness of that difference of supply?

**Ms R. SAFFIOTI:** No, it has not been reported to the upper echelons of Main Roads. It is pretty easy to criticise some of our roads but the feedback I get from everybody is that our roads, our performance and our quality compared with every other state are far above the quality in other states. We have a vast network. We have had significant expenditure, and we have had extreme weather both in the north and the south. The feedback I get is generally positive. I note that sometimes there are issues with some of the works undertaken but to go back to the initial point I made: in assessing how we deliver our road maintenance and contracts in regional WA, first of all, Main Roads is one of the only organisations with a strong and permanent regional presence. We are also enhancing that. We are bringing maintenance contracts in-house. My view is that having the same people and teams working in an area for a long time helps to deliver better quality because there is in-house experience and ownership. I think the quality of everything will improve, noting that we already have far and above the best roads in the nation. The feedback I hear from some of the trucking organisations that go through Queensland and other people who drive through Victoria and New South Wales is that the quality of our roads, given their length and our geography, is much better than those of other states.

**Mr R.S. LOVE:** On page 594 of budget paper No 2, the first outcome and key effectiveness indicator is “Outcome: Facilitate economic and regional development: Return on construction expenditure”. I note that the return on construction expenditure has dropped from 2.91 in 2021–22 to 1.6, so I assume that is \$1.60 back for every



\$1 expended. Is that correct? Is that what that means? If so, what does that mean for some of the projects that have been developed by Main Roads? Has there been any revision of those and whether they are still justifiable, given the reduction in the cost–benefit score?

**Ms R. SAFFIOTI:** As part of securing funds from the commonwealth, we are required to undertake either a full business case analysis or what is otherwise known as a “project development proposal”, depending on the cost and the degree of work that needs to be undertaken. We put forward projects all the time, and we mostly get a benefit–cost ratio score of more than one—the aim is to get more than one. I note that most regional projects have a score of less than one. Albany ring-road was an example for which the BCR was about 0.7. Our view is that BCRs are important, but I raise a couple of conditions. Infrastructure Australia is changing its assessment and analysis of BCRs. The BCRs we have had to submit in the past have solely asked for the transport benefit of a particular project. For example, they look at things like congestion and safety. The definition of the term “economic benefit” in these cases is restricted to transport economics, but there is more to a lot of the infrastructure that we do, and the Albany ring-road is an example. The Albany ring-road will not only make for a safer and more efficient route for trucks, but also benefit the Albany town centre by allowing for a better tourism experience, greater land-use development and, probably, more development in Albany, but those things are not taken into account.

A concern of ours has always been that the definition of “economic benefit” under some of the existing processes does not take into account wider economic benefits, which are primarily land-use benefits that may include more opportunities for affordable housing or reduced congestion through a town that in turn will improve the tourism experience and potentially bring more tourists. BCRs are very, very important, but they are, of course, driven by inputs and outputs. If we were to strictly fund projects with a transport BCR of more than one, a lot of regional projects would not get more than that score. A lot of projects in WA have what I would call “low volume”. People in Albany would not call those projects low volume, but people on the eastern seaboard may say they are. It is all comparative. The volume for some of our projects in regional WA may not be great compared with what is happening on Hume Highway, but that does not diminish the need for the projects, with their improvements in safety and the ability of the town to then grow.

**Mr R.S. LOVE:** Is the minister suggesting that the return has fallen from 2.91 to 1.6 because of regional roads having been included in the program?

**Ms R. SAFFIOTI:** No, I think it has to do with some of the cost increases and projects, so of course the BCR changes because the cost increases. That will be across the state. There have been cost increases across the state for regional and metro projects. There is a process of developing a business case that we are very much committed to, but, as I said, every business case depends on how wide the definition of “benefit” is. My view is that that definition in the past has been very narrow. People around the state will say that these projects are needed even though the BCR may be less than one.

[11.10 am]

**Mr R.S. LOVE:** How are the mechanics of this measure derived? Is it the aggregate of all projects over a certain amount? Surely the department does not do a cost analysis of some of the very minor projects in the same way as it would the very large projects, or does it? If it is an aggregation of all those projects, would it be possible for the minister to supply a list of those projects and their returns, at least by way of supplementary information?

**Ms R. SAFFIOTI:** It is not the total investment program; it is selected projects. I think it would probably include all projects over \$100 million, because we are required to do building confidence reports or project development proposals for those. We can provide further details. I do not know exactly what detail we have on this, but we can provide detail of the BCRs for projects.

**Mr R.S. LOVE:** The minister will provide the original and revised BCRs for projects over \$100 million by way of supplementary information; is that right?

**Ms R. SAFFIOTI:** Yes. We will provide the updated building confidence reports. The original BCRs are all available through the published information, but we will provide original and updated BCRs for major road projects over \$100 million.

[*Supplementary Information No B3.*]

**Mr G. BAKER:** I refer to page 598 of budget paper No 2, asset investment program, and paragraph 5, which relates to the regional road safety program. Having driven extensively in the United States, I would agree with the minister that the quality of the roads in Western Australia is superb. Can the minister provide an update on the rollout and advise on the success of the program?

**Ms R. SAFFIOTI:** I thank the member. The regional road safety program funds low-cost safety treatments such as the sealing of road shoulders and the installation of audible edge lines or centre lines to warn drivers who may be veering outside their lane. So far, \$652 million has been spent on the program, allowing 7 500 kilometres of our state road network to be upgraded. Some early indications already show improved results in those areas where the treatments have been undertaken. We are continuing to roll out that program with an allocation in this state budget

of \$175 million, meaning by June next year we will have rolled out upgrades to more than 9 000 kilometres of WA's road network. Furthermore, we continue to work with the commonwealth to secure funding in the future. We have made a massive effort on this program. I congratulate Main Roads on the work it has done. Originally, there was funding of \$20 million a year for the regional road safety program. We are now funding it between \$150 million and \$200 million a year. It is a massive effort and we are already seeing improvements. It improves the quality of the road. The audible edge lines, the audible centre lines, the wider shoulders and in some instances the metre gap between the two lanes of traffic allow for people to make a mistake on the road and not have disastrous consequences. Again, I think we are leading the nation with this program. We will continue to very much support the program and do further analysis on some of the benefits it is delivering.

**Mr R.S. LOVE:** I refer to page 592, paragraph 5, and the significant issues impacting the department. Paragraph 5 refers to the congestion situation around Perth and initiatives such as the Smart Freeway program, the deployment of new technology et cetera. At this point, have the new cameras and technology that have been deployed along those major routes led to any traffic fines being issued?

**Ms R. SAFFIOTI:** No.

**Mr R.S. LOVE:** Are there any plans for that to happen in the future?

**Ms R. SAFFIOTI:** As I said when those cameras were installed, it is a matter for the Road Safety Council and the police. It is not a decision for us. I am not sure whether they are considering that.

**Mr R.S. LOVE:** We can follow that up in the road safety section; that is fine. I thank the minister for that.

Since the implementation of this technology, has there been a visual reduction in collisions, dingles and congestion? Can the department measure that, does it measure that, and how does it measure that?

**The CHAIR:** A technical term. Minister?

**Mr R.S. LOVE:** I am sure they will give a bit of a chat back! We do not usually get concise answers.

**Ms R. SAFFIOTI:** I think that our business case was predicated on 10-minute savings in travel time. The results on travel times came in pretty much as estimated. Of course, one problem has been that we have been rolling this out and measuring the impact through the COVID pandemic, during which we have seen some weird changes in travel behaviours. I think we have settled back down to a bit more normality. For example, I think, for a while, public transport usage was much lower and car usage was much higher than they were pre-COVID, but that seems to have settled. I do not think we have any information on road safety but our numbers on efficiency came in very much as originally estimated. The feedback that I get is that it is less stop and start, so it is a smoother ride in because of the variable message signs and the fact that the speed limit will change depending on the level of congestion. It allows for a smoother travel in. Of course, on top of that, we have had all the improvements to the freeway itself. The new Canning Highway entrance lane and all the works around Cockburn, too, have helped to improve that experience.

**Mr R.S. LOVE:** Expansions are being made to develop the smart freeways and these traffic solutions, but the minister is telling me that the department is really not measuring the success of each of those interventions? Is there no measure?

**Ms R. SAFFIOTI:** No, I said that we have measures.

**Mr R.S. LOVE:** The minister just said that she feels it is better to drive around than it was before.

**Ms R. SAFFIOTI:** I said that we have measures. I said that the estimates were based on a 20 per cent saving in travel time, and that is what we have reached.

**Mr R.S. LOVE:** So, the department has measured the success of these interventions.

**Ms R. SAFFIOTI:** That is what I said, yes.

**Mr R.S. LOVE:** I thought the minister said that the department had taken rough estimates at the beginning.

**Ms R. SAFFIOTI:** Yes, I said that we estimated a 10 per cent saving in travel time, and our data shows that we have reached a 10 per cent saving in travel time. Then I said it has been a bit tricky because of the change in travel patterns because of COVID. Initially, post-COVID, I think we were running at about 75 per cent or 80 per cent public transport usage, and about 105 per cent vehicle movements, because more people were driving than catching public transport because of COVID. That seems to have stabilised, particularly with public transport numbers going back to pretty much pre-COVID levels.

[11.20 am]

**Mr P.J. RUNDLE:** I refer to page 600 of budget paper No 2 and, about 10 lines down from the top, "Goldfields Highway—Wiluna to Meekatharra Construct and Seal Priority Sections". When will this initial section be completed?

**Ms R. SAFFIOTI:** The project is expected to commence in late 2023 and to be completed by mid-2024. Project development is also continuing to finalise the design to meet the required heritage, environmental and other approvals for construction of the 9.8-kilometre West Creek flood crossing section near Wiluna. We have engaged

with key stakeholders in the Wiluna area to plan the delivery of the project and maximise employment of local Aboriginal businesses and people. A key component of the pilot project was the training of Aboriginal students at Wiluna Central Regional TAFE, with input from Martu elders, the Shire of Wiluna and community leaders. As I said, we are working on the project whilst continuing to develop and employ the local Aboriginal workforce. We are currently finalising a heritage agreement with traditional owners to conduct a survey of the area.

As I have said in this place before, this is a road on which we really tried to work with local Aboriginal people to deliver the first section. I remember going up to Wiluna and meeting 12 to 18 local Aboriginal people who were being trained in road delivery. Some of those people have gone to employment in the mining industry, but we are continuing to focus on working with local Aboriginal people to deliver the road. We very much see this project as being one that is about improving both safety and connections and also local Aboriginal employment.

**Mr P.J. RUNDLE:** I recognise that, minister, but will the local shire or others need to be brought in to actually get this section completed? The minister talked about late 2023, early 2024.

**Ms R. SAFFIOTI:** I do not think the shire has greater capacity up there.

**Mr P.J. RUNDLE:** So who else will be brought into the mix to actually build it?

**Ms R. SAFFIOTI:** It will be Main Roads teams, together with the local Aboriginal people. Trying to get the heritage approvals and all the other relevant approvals has been a bit of a tough process, but we will continue to work at it.

**Mr P.J. RUNDLE:** Minister, this is 17 kilometres of the last 124 kilometres that need to be sealed. Has the minister put in a submission to the federal government to assist with funding for the balance of the Goldfields Highway?

**Ms R. SAFFIOTI:** I think we would have; we submit everything to the federal government for help with funding, so I think we have, and we would have in the past, but we will continue. The federal government is in a different stage at the moment. It is not really accepting or keen to look at new proposals; it is really concentrating on existing commitments and supporting those where it can, so it is not really open to new projects at this stage.

**Mr P.J. RUNDLE:** Even though it is not open to new projects, will the minister be putting her best foot forward and putting her hand up for WA to complete this really important road?

**Ms R. SAFFIOTI:** Absolutely I will put my best foot forward. I will!

**Mr P.J. RUNDLE:** So will the minister be contacting the federal minister in the very near future?

**Ms R. SAFFIOTI:** As part of future negotiations for the midyear review and other funding rounds, I will definitely be putting it forward.

**Mr R.S. LOVE:** I refer to page 600 of budget paper No 2 and the line under “Great Northern Highway”, “Bindoon Bypass—Construct New Alignment”, for which the estimated total cost is \$275 million. I note that that was the original project cost when the project was announced a number of years ago. I am wondering whether there is any belief that the minister will be able to deliver the project with that amount of money, given the cost escalations that have hit many of her other major projects?

**Ms R. SAFFIOTI:** So far we have not encountered budget issues. We have, again, been working to support Aboriginal construction through this area. This is another of the sites I visited and I was very pleased to see the amount of Aboriginal employment on the project. Under stages 1 and 2, seven kilometres of the Bindoon bypass have been completed. Construction of stage 3, 11 kilometres of the Bindoon bypass, commenced in March 2023. We have directly engaged an Aboriginal construction contractor, Garli Pty Ltd, through a supply arrangement to continue the development of this contract. Early works were undertaken ahead of the main contract to provide continuity of work and take advantage of the summer construction period. For the next 46-kilometre stage, procurement is scheduled for mid-2023, with construction starting in 2024. As I said, so far we have not encountered any major budget issues, and we are working with the Aboriginal contractor, Garli. I have been out there a couple of times and I was absolutely impressed on my most recent visit by the amount of Aboriginal employment, including people who may not have been employed in these types of jobs before, or who may have otherwise fallen through the cracks. This company very much engages with them, providing mentorship and support, and it really gives them a huge opportunity.

**Mr R.S. LOVE:** Can the minister explain to me how the contract is being managed? Is it being actively managed by Main Roads, or is it being left to the contractor the minister just mentioned? Given the context of our discussion at the beginning of this division, how is the management and supervision of this contract being conducted?

**Ms R. SAFFIOTI:** Main Roads manages the contract and has a project manager on site. The contractor also has some very skilful people helping to deliver that project.

**Mr R.S. LOVE:** Is there an agreed situation in which the contractor provides all materials? Is it a fixed-price contract? Can the minister tell me how confident she is that she is going to deliver this project for \$275 million?

**Ms R. SAFFIOTI:** It is construct only, so it is a fixed price. It is not an alliance or a design and construction; it is construct only. Stages 1, 2 and 3 were construct only.

**Dr D.J. HONEY:** I refer to page 591 of budget paper No 2 and the heading “New Initiatives”. At the middle of that table there is the line “Oakajee Strategic Industrial Area Access Road”. When I last went past that, which was not so long ago, I did not notice any significant changes there. Will that access route be completed? Furthermore, given that it is recognised as a major industrial area for the state, and a hydrogen precinct, are there any further plans to upgrade the North West Coastal Highway? I believe that the road would be completely unsuitable for heavy traffic, given how narrow and winding it is at the moment.

[11.30 am]

**Ms R. SAFFIOTI:** The Department of Jobs, Tourism, Science and Innovation is leading the Oakajee corridor project and, more importantly, the activity around the Oakajee industrial estate. We are helping with the design and some funds are allocated throughout the budget for construction of the road intersection. It depends on what the next steps are for Oakajee. There is a lot of discussion and prospectivity around hydrogen in that area and that will help determine the shape of what we do. Currently, our funding commitment is to the improved intersection. More generally, this is tied up with the Geraldton and Northampton bypass projects. That will impact some of the other connections more directly. It is more a project that is led by JTSI and not something that I have day-to-day management of.

**Mr R.S. LOVE:** On page 591, “Significant Issues Impacting the Agency”, the first dot point talks about supply constraints impacting construction and maintenance costs and its ability to deliver the program on budget. Could the minister give me an idea of how many projects she has had to seek extra funding from the commonwealth for over this period of time, and how much that funding is?

**Ms R. SAFFIOTI:** In relation how things are progressing, it changes all of the time. We are in constant negotiations with the contractors regarding budgets and so forth. The commonwealth is a funding partner for the majority of our major transport projects. It is not something that is a moment in time. We constantly look at our budget to see where there are cost pressures. We do not really have a static list of all of the projects that have cost pressures. Sometimes they resolve themselves and we can manage them internally. Other times I will need to seek further funding. That continually evolves and changes.

**Mr R.S. LOVE:** Let us look at the Bunbury Outer Ring Road, which we know has blown out by another \$100 million in this budget from the last, even though it had already gone out by from, I think, \$825 million to \$1.2-something billion. How much of that was picked up by the commonwealth and how much was picked up by the state in percentage terms?

**Ms R. SAFFIOTI:** We are in negotiations with the commonwealth. I will put this in relation to the commonwealth budget. The commonwealth, as we know, is under enormous budget pressure to try to manage the finances. We are working with it in the lead-up to the midyear review regarding funding allocations. It is undertaking a review and I would like to outline our situation compared with the eastern states. Yes, we have budget pressures and we seek commonwealth involvement. We are constantly discussing those issues. In some instances, we may have contingencies that help cover any cost increases, and in other instances we do not. States over east have billions of dollars of cost overruns. There are one or two projects in which there are cost overruns between \$5 billion and \$10 billion. We are not in that boat, but because of the demand on the federal government from all the states, particularly the eastern states, it is going through a review. As the Premier outlined yesterday, the commonwealth is going to review the total infrastructure program of the nation and we are very sure our projects will continue to be supported, and that any cost increases will be reflected through the federal budget process.

**Mr R.S. LOVE:** The first dot point on page 592 talks about, “Main Road’s accelerated delivery of the Regional Road Safety Program”. Can the minister outline how many kilometres of regional roads, in total, are expected to be treated by the program, and how many have been treated to date?

**Ms R. SAFFIOTI:** To 30 June 2023 it will be 7 500 kilometres. As part of the Main Roads rural network there are 14 000 kilometres. By the end of this June, we will have treated 7 500 kilometres and we predict that 9 000 kilometres will be treated by the end of June 2024. Just to clarify, the entire rural network is 19 000 kilometres. The area that required treatment is 14 000 kilometres, and 7 500 kilometres of those roads have been treated or are expected to be treated by the end of this year. We are expecting to have 8 500 kilometres treated by June 2024. We continue to seek further funding to roll out the project to do the entire 14 000 kilometres.

**Mr R.S. LOVE:** When the project funding expires in 2024–25—I think there is \$175 million for that program in 2024–25—is the minister hopeful of continued arrangements?

**Ms R. SAFFIOTI:** Absolutely. We see this as the biggest road initiative, and biggest road safety initiative, in regional WA. We all know statistics of people killed and seriously injured have always been worse in regional WA. We want to reduce that and make the roads safer. Again, in statistics of people killed and seriously injured, the predominant cause of accident or death has been single vehicle run-off—that is, a single vehicle leaving the road and crashing into trees or rolling over on the side of the road. This project targets that and, of course, the audible centre-lining tries to help avoid those head-on crashes as well. Our aim is to do the 14 000 kilometres and we will continue to advocate for this. We have \$175 million allocated in 2023–24, plus another \$175 million allocated in 2024–25, and we expect to get 8 500 kilometres done by the end of June 2024.

[11.40 am]

**Mr R.S. LOVE:** Can the minister outline whether the funding arrangement is 80 per cent commonwealth and 20 per cent state?

**Ms R. SAFFIOTI:** For regional road safety, yes.

**Mr R.S. LOVE:** Is that the same arrangement that the minister is seeking to extend into the future?

**Ms R. SAFFIOTI:** That is what we will be seeking.

**Mr R.S. LOVE:** Can the minister outline the source of the state funds? Is it from the road trauma trust account, royalties for regions or her own sources? Where does it come from?

**Ms R. SAFFIOTI:** It is from the road trauma trust account.

**Mr R.S. LOVE:** Which roads are eligible—is it state roads or local roads?

**Ms R. SAFFIOTI:** It is a state high-speed network, but we have also allocated funds to local governments as part of the project—I think \$37 million this year over the program.

**Mr R.S. LOVE:** Is that from this program?

**Ms R. SAFFIOTI:** Yes.

**Mr R.S. LOVE:** Who carries out that work? Does local government do it itself?

**Ms R. SAFFIOTI:** Yes.

**Mr R.S. LOVE:** Can the minister get me some information on how much has been given for the program?

**Ms R. SAFFIOTI:** It is \$35 million.

**Dr D.J. HONEY:** The middle of page 592 of the *Budget statements*, paragraph 7, talks about the achievement of net zero. There are probably two parts to this question. The agencies say that they have committed to an 80 per cent reduction in carbon emissions by 2030. Are those the agencies' internal emissions, as in its own vehicles and the like, or does that include work carried out on behalf of the agency by contractors as well as its own emissions?

**Ms R. SAFFIOTI:** Main Roads Western Australia together with all other agencies are required to develop plans to reduce scope 1 and 2 emissions aligned with net zero for 2050. We have set an interim target of 80 per cent by 2030. The Main Roads net zero transition plan will focus on scope 1, directly generated emissions, and scope 2, emissions generated by energy providers. Transport emissions from the use of the road are considered to be scope 3 and not part of scope 1 and 2. For major projects seeking environmental approval, Main Roads is obliged to produce estimates of the greenhouse gas emissions from the built infrastructure by the Environmental Protection Authority. Infrastructure Australia recently introduced interim guidance for internal assessment submissions that require greenhouse emissions to be considered, including projects aligned with the net zero emissions targets. Our plan will be developed by September 2023.

I have a couple more general points to make. On the whole emissions and sustainability area, we are supporting recycled material. We have introduced a lot of policies about recycled materials. In excess of 4.6 million tonnes of recycled or re-used material has been used on state roads between 2019–20 to July 2022. We have a process with construction and demolition waste. Again, our aim through the Roads to Reuse project is to explore the re-use of as much construction and demolition waste as possible. We used 25 tonnes of recycled C&D—construction and demolition—products in the Murdoch Drive connection to Kwinana Freeway. As of December 2022, over 161 million tonnes of crushed recycled concrete has been used on Main Roads projects.

The other interesting point concerns crumbed rubber. We set a target to use 1 200 tonnes of crumbed rubber a year by 2021–22. We are very much meeting that target. We used 2 750 tonnes in 2021 and 1 900 tonnes in 2021–22 on the state road network. We are working with industry on crumbed rubber, particularly with the number of old tyres in the state from the mining sector. I understand that the rubber content in those is much higher than with non-mining tyres. Therefore, crumbed rubber is a good alternative in Western Australia.

**Mr R.S. LOVE:** I refer to page 600 of budget paper No 2 and the line item “East Perth Power Station Footbridge”. It is a \$38 million project. Has a tender been let for that project? Can the minister give me an update on whether that is going ahead? Is it the case that the project was originally costed at \$35 million, in which case it has already blown out before it has even started?

**Ms R. SAFFIOTI:** What was the first part of the member's question on the footbridge?

**Mr R.S. LOVE:** Is the tender being let for the bridge?

**Ms R. SAFFIOTI:** No. We have done some design work and nearly completed that design. I suppose we will then be guided by the Minister for Lands on the timing of that bridge, as it will be part of the overall redevelopment of the former East Perth power station. Once the design is finished, I suspect we will be guided on the construction timetable by the Minister for Lands.

**Mr R.S. LOVE:** Does the minister feel it is likely that the minister will let the tender out soon?

**Ms R. SAFFIOTI:** Do I feel it is likely? To quote Ross Lyon, “I don’t deal with hypotheticals.” I will get guidance from the Minister for Lands.

**Mr R.S. LOVE:** The rail crossing program on the same page has a \$35 million estimated total cost, with \$5 million expenditure each year. I think the situation of attempting to improve the rail level crossings in country areas and the possibility of applying for a federal fund established under the former coalition government that had \$180 million attached to it has been raised with the minister on a number of occasions. Is there any plan to approach the federal government to join in that program using the \$5 million at least?

**Ms R. SAFFIOTI:** I think I have said this a number of times, but, anyway, we will go through it. First, we have undertaken a review on rail safety in the state and the outcome of that will be announced very soon. As I have said on a number of occasions in Parliament, of course the state will ask for federal funding. We are one-third of the nation. The idea that we would not do so is just ludicrous. Irrespective, the federal government’s level crossing safety program has released \$6.3 million—\$1.7 million for level crossing safety data improvement grants and \$5.4 million for level crossing safety research and innovation. That is money it has put forward as a grant program, and we applied for those funds. But those are the only funds that have been released from the \$180 million. I do not understand how many times I have said this: there was \$180 million in there, but it has not released those funds yet; it is under review, but it has done two grant programs of \$1.7 million and \$5.4 million, which we applied for.

We are very keen to get the federal government’s money, of course—why would we not? As soon as the money is available, we will be keen to partner with it. It has not distributed the \$180 million; it has not told us how it is going to spend the \$180 million. We will keep rolling out our program, which is extensive. As I said, we will make an announcement very soon about the rollout of funds and what other initiatives we will take. The federal government has not told us yet how the \$180 million will be broken down.

[11.50 am]

**Ms H.M. BEAZLEY:** I refer to page 602 of budget paper No 2. Paragraph 4 under financial statements refers to additional funding under the disaster recovery funding arrangements for Western Australia. Will the minister update the chamber on the government’s efforts to reconnect the Kimberley, including the progress of the new Fitzroy River bridge, and advise what this means for local jobs and Aboriginal businesses?

**Ms R. SAFFIOTI:** Absolutely. I was in the Kimberley last Thursday with the member for Kimberley as we visited Fitzroy Crossing. Demolition of the existing Fitzroy River Bridge commenced last Thursday. It was an amazing afternoon watching the bridge being eaten away by a massive machine. It was incredible. I talked to a lot of local Aboriginal groups in the area. They had set up their chairs to watch the demolition of the old bridge. It was a big afternoon for a lot of people. The demolition means that construction of the new bridge will start very soon. A lot of the equipment and some of the material is already up there.

I also drove across the low-level crossing. I was blown away by how many people were using it. The crossing operates well under the traffic management. Currently the bigger trucks have to break down if they want to move freight across. We believe the new low-level crossing, which has been built for freight movement, will open by the end of this month. That two-way crossing will facilitate the movement of freight.

Local Aboriginal people are involved in all elements of the contract, whether it be helping with the surveys, assisting with the approvals or supporting the contractors as they engage with local Aboriginal people about creating training opportunities. It is a massive project. I again congratulate the Main Roads team. It has received really positive feedback throughout the Kimberley about the work. The team on the ground has moved very quickly. To have those connections already open, and then to have construction about to commence on the bridge, has been an incredible effort and I thank all the teams involved.

**The appropriation was recommended.**

**Division 40: Public Transport Authority of Western Australia, \$2 983 983 000 —**

Mr S.J. Price, Chair.

Ms R. Saffioti, Minister for Transport.

Mr P. Woronzow, Director General, Department of Transport.

Mr M. Burgess, Managing Director.

Ms R. Lamont, Chief Financial Officer.

Mr A. Vincent, Managing Director, Metronet.

Mr L. Coci, Managing Director, Office of Major Transport Infrastructure Delivery.

Mr P. Laing, Senior Policy Adviser.

[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, 2 June 2023. 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 member for Cottesloe the call.

**Dr D.J. HONEY:** I refer to page 609 of budget paper No 2 under service summary. What does the cost for the line item “Metropolitan and Regional Passenger Services” comprise? Is it simply the operating costs of those services, including subsidies, or does it include any capital estimate or component as well?

**Ms R. SAFFIOTI:** Yes, it is the operating cost.

**Dr D.J. HONEY:** Does that include all the wages and salaries of the department, or is that purely the subsidy for those specific transport services?

**Ms R. SAFFIOTI:** It is the total operating cost of the passenger services, both metropolitan and regional, and also includes central staff who are apportioned to this as well. It reflects all those who support them, in a sense—the town site and metropolitan public transport services.

**Dr D.J. HONEY:** From my simple arithmetic, in 2021 there were just over 100 million journeys. That equates to a cost of around \$14 a journey from the taxpayer for that service. If we project that there will be a recovery in passenger numbers to the best we saw between 2010 and 2020 of around 150 000, going forward in this year we are talking about at least a \$10 subsidy a journey for just the operating cost of those services. Is the government cognisant of how much it costs to provide that service and whether that is the best application of public moneys and, in particular, the expansion of that network, given the considerable cost?

[12 noon]

**Ms R. SAFFIOTI:** If we want to have a philosophical debate about public transport, I am very happy to do that. I remember this argument being run when the Mandurah rail line was built, with people saying the economic cost did not justify it because the number of people who would use it could not justify the expenditure. If we had not built the Mandurah rail line, what would we have? We would probably have had to at least quadruple the size of Kwinana Freeway. What is that economic cost? We would have had to maintain the freeway. What would that have cost? We would have had significant congestion and time loss for hundreds of thousands of individuals. When we price in time and congestion, what would that have cost? There would have been issues with accessibility and a lack of impetus to provide new housing developments and affordable housing in that area. What would have been the cost of that? Instead of people paying \$5 to travel from Mandurah to the city, they would probably be paying at least \$30 for petrol and parking. What is that cost? Young people who live in lower socio-economic households and cannot afford a car would not be able to get a job if they had no access to a train. What is that cost? It would lead to unemployment.

If we want to sit here and argue the cost of public transport, I am happy to do that. But to come in here with one line and say something is not justified or ask how I can justify expansion, I can justify expansion for all those reasons because it saves money and it gives people opportunities to get jobs, access workplaces and access training. It saves on massive road expenditure. It saves on road maintenance. It saves people from being killed or seriously injured on our roads. I did not even talk about the cost of road safety and the lives that would have been saved with that expenditure.

As I said, we can have a philosophical argument about public transport. I did not even talk about climate change. Let me talk about climate change. What is the best way of tackling climate change? It is mass transit. I have seen the analysis. One person on a train that is fuelled by electricity—of course, we will have net zero electricity when we transform to the south west interconnected system—is the most climate friendly way of moving people. Even when we have the climate change argument, mass transit will win any day of the week.

**Dr D.J. HONEY:** May I ask a further question, chair?

**The CHAIR:** Are you sure you want to go there?

**Dr D.J. HONEY:** Absolutely! I could sit here and ask lots of questions but time does not permit. I have one further question on this matter. That estimate will go out to \$1.8 billion in the future. What are the journey number estimates that underpin that extra estimate of subsidy? I assume it is based on the estimated number of journeys. Could the minister please provide me with the estimated number of journeys for the forward years?

**Ms R. SAFFIOTI:** I do not have all those details but can we provide them by way of supplementary information?

**Dr D.J. HONEY:** Yes.

**The CHAIR:** Minister, can you clarify what you will be providing please?

**Ms R. SAFFIOTI:** Is it the number of boardings for the out years?

**Dr D.J. HONEY:** Yes—the approximate number of journeys that underpin the assumption for the subsidy.

**Ms R. SAFFIOTI:** We will provide figures on the estimated boardings until 2026–27.

[*Supplementary Information No B4.*]

**Mr P.J. RUNDLE:** I refer to the second last item, “Regional School Bus Services”, on page 609 of budget paper No 2. I note that the budget this year is \$140 million, which went up by \$9 million, and then it will go up to \$147 million over the forward estimates. I am pleased to see this increase. Is this part of the response to the recent review by the Public Accounts Committee?

**Ms R. SAFFIOTI:** I will get the member some further details on what that increase represents. I understand there has been an increase in costs and services. The implementation of some of the recommendations of the report has not been fully funded yet. There was some small expansion of the team, responding to the recommendations, and also management of the services.

**Mr P.J. RUNDLE:** Two of the most important recommendations that were left in limbo were the nearest appropriate school and also the district high school/senior high school recommendation, if you like. Yesterday I noticed \$6 million for school bus services in the education budget, which has never appeared before. I am trying to get to the bottom of this. Has the minister discussed this with the Minister for Education? Will those two recommendations in particular be implemented?

**Ms R. SAFFIOTI:** I have had some initial discussions with the minister, but I have not really progressed to any decisions. It is probably one of our toughest policy issues—that is, the school of choice versus supporting the district high schools and what impact a school of choice would have on a district high school. We just want to move students to their schools. From the Education point of view, the role of district high schools more generally is probably one of the biggest and more contentious education issues across the state.

I went to a district high school. I finished in year 10. I turned out okay.

**Dr D.J. HONEY:** You were the dux, were you not, minister?

**Ms R. SAFFIOTI:** I was the dux of Kelmscott Senior High School when I moved down the hill. Moving to Kelmscott in year 10 was a completely different experience for me but I still managed to make dux! I have had some initial discussions but no further discussions.

[12.10 pm]

**Mr P.J. RUNDLE:** We are in late May now. These families are trying to sort out their education for next year. Also in the response to the report, the government said it was looking at 2024 for implementing the recommendations for the School Bus Service. I suggest that time is of the essence. Obviously, noting those two increases in the budgets, I am looking forward to an implementation of those recommendations for 2023–24.

**Ms R. SAFFIOTI:** I understand. It is complex. The Public Transport Authority team is working with the education group and going through all the recommendations. Some are very easy to roll out, including having a year’s notice for changes, like the Jarrahdale example, but those big ones are the tougher ones. The agencies are working on those, more generally, but I suspect they will then require a big decision of cabinet, but initially it is between me and the Minister for Education.

**Mr R.S. LOVE:** I am looking at page 615 of the *Budget statements* and “Works in Progress: Metronet”. The list of rail projects starts with Bayswater and runs all the way down to Yanchep at the bottom. I just wanted to ask the minister about the cost escalation of most of the projects. I think we will deal with them as a group, rather than go through each one. I highlight that some of them have blown out greatly. The Yanchep line extension started off at \$437 million; it went to \$607 million last year and now it is \$982 million. The Premier advised it was over \$1 billion by the time we put in the land acquisition, which is not part of this agency’s costs. The Morley–Ellenbrook line has gone from \$1.123 billion last year to \$1.651 billion this year. Given the very large cost escalations on some of the projects, could the minister provide, perhaps by supplementary information, a list of those program escalations and what percentage of the cost has been met by the commonwealth, or is that a standard formula that the minister can give me now?

**Ms R. SAFFIOTI:** It is similar to the road question; we are in discussions with the commonwealth. All our major infrastructure is being jointly funded and we are in discussions about the extra funding. I want to make a couple of notes because I think it is really important to note the significant contribution that has been made by the commonwealth. I want to go to the asset investment program on page 161 of budget paper No 3. It shows that of the Metronet expenditure over the next four years, \$2.6 billion will be from the commonwealth and \$2.4 billion will be from the state’s consolidated account.

We have been very successful and we have had the support of both sides in government in rolling out Metronet. I have to say we had a lot of support for the project from the previous federal government, and that I think that



level of support and excitement has been matched by the current federal government. It has been a bipartisan project, federally, and both the Labor and Liberal governments have very much supported what we have done. We have been successful and we will continue to be successful in having 50–50 funding of the projects.

**Mr R.S. LOVE:** But can the minister confirm the percentage of cost overruns that are being picked up by the commonwealth?

**Ms R. SAFFIOTI:** I showed the member the table that has it. It shows the total projects and then the commonwealth–state split.

**Mr R.S. LOVE:** I must admit I could not find the piece of paper in the time, so I was relying upon the minister's description there, which is always a bit flawed.

Given the overruns that have been experienced, does the minister think it is realistic to expect that the Byford rail extension will cost the \$797 million that was first put into the budget last year and is still in the budget this year, given that the Morley–Ellenbrook line, for instance, went from \$1.1 billion to \$1.6 billion? I think it would be quite brave to suggest that the Byford line will still cost the same amount of money as in the estimate in 2022. Also, the Armadale closure and the rail elevations are still pretty much at the level from back over a year ago now when the government announced that program. Is that still realistic? It has already poured heaps of the concrete. Has it come in on budget thus far? Do we really expect this project to be delivered for the amounts that are in this budget at the moment?

**Ms R. SAFFIOTI:** It is a challenging environment in which to deliver major infrastructure. I was thinking about that this morning. There has not been a time when the challenges were as great as they are now. The past three years—with COVID, supply chain interruptions and, of course, Russia's invasion of the Ukraine—have been the most challenging time to deliver major projects. We have been working really well with the contractors. We have tried to take a very cooperative and alliance-based approach, noting that everyone is in the same boat. Whether someone is building a pergola or buying a car, every private sector company and every major resources sector company has had similar increases. For individual projects, the impact of all these escalations depends on what was struck and what was priced in those contracts. The three that we announced that have cost escalations were contracts struck well before any of these cost pressures had come in. Of course, we have seen labour and other components increase in cost. The unit price of steel has had a major increase—about 60 per cent. Unit prices and unit volumes are also different, but we have seen an up to 276 per cent increase in concrete prices. We have always taken an approach that when the cost escalation materialises, we present it, and that is what we have done. We have not seen any of those others present. As I said, the cost increase depends on when the contract was struck and these were struck before.

I think the Premier made the point the other day, and I make the point too, that our costs per kilometre are still well below those in other states. The majority of our Metronet lines—including the Thornlie–Cockburn Link, Yanchep and Byford lines—are coming in at less than \$100 million a kilometre. In the eastern states, one of the projects is coming in at \$1.4 billion a kilometre. The prices over east are astronomical. Given these challenges, we are very, very content with the progress we have delivered. Again, the feedback that I get has been very positive, and, of course, I say a big thanks to the workforce that has been out there working very hard to deliver these projects.

[12.20 pm]

**Dr D.J. HONEY:** I have a point of clarification, please, chair.

**The CHAIR:** Yes.

**Dr D.J. HONEY:** Is Metronet under division 40 or does it stand alone?

**The CHAIR:** It is an off-budget item.

**Dr D.J. HONEY:** Okay, so we will consider it now.

**The CHAIR:** Yes.

**Ms R. SAFFIOTI:** There are two components. There is the Metronet office, which has projects under development. Once they start being delivered, they flick over to the Public Transport Authority program. Over time, the Metronet section is getting smaller and the PTA section is getting bigger because the projects have been going from the planning to the delivery stage.

**Mr R.S. LOVE:** Has the minister had any preliminary discussions with the federal Minister for Infrastructure, Transport, Regional Development and Local Government about whether the commonwealth will share any further cost escalations, especially for the Armadale line that the department is now moving towards developing?

**Ms R. SAFFIOTI:** As I said before, both the federal Liberal and Labor Parties have been very supportive of Metronet. I think both sides used it in their campaigns for the last federal election. Both sides were very keen to have photos near every Metronet project. We have already had discussions and the federal government is very clear that it 100 per cent supports Metronet. We will continue the joint partnership in delivering these projects.

**Mr G. BAKER:** I refer to page 614 of budget paper No 2 and paragraph 8 under the asset investment program. Is the minister able to provide an update on the status of the Lakelands station project? Is the minister aware of any recent commentary on the construction of the station?

**Ms R. SAFFIOTI:** I thank the member for the question. Lakelands is an exciting new project. We are opening it on 11 June; it is another Metronet project being delivered. It is an entry building with two marginal platforms—it sounds like they just exist, but they are not island platforms—an eight-bay bus interchange and a car park with 400 bays. The car park used 100 per cent recycled rubber. The project has diverted 85 per cent of construction waste from landfill and the bus interchange’s roof canopies will support the installation of a 120-kilowatt solar photovoltaic system. We are very proud to develop and deliver this project.

I have not wanted to be too political in the discussion today, but I take some offence to some comments made by the federal member for Canning, Andrew Hastie. In a media statement, he made a number of claims about what I supposedly said about Lakelands station. I want to take this opportunity to say that he was completely wrong and he should apologise. I will be asking him directly to apologise for that. He made some claims about what I said about Lakelands. I made some comments in relation to Lakelands that it was an embarrassing commitment. I was referring to when the federal government claimed to deliver Lakelands for \$10 million. The federal Liberal Party at that time made a \$10 million commitment to Lakelands and went out saying that it was going to deliver Lakelands. It had put a \$10 million price tag on it. At the time, I said it was an embarrassing commitment and it was a nothing commitment. The federal member recently put out a media statement saying I claimed that Lakelands was an embarrassing commitment. No. I said that \$10 million would not build Lakelands and I was correct; \$10 million was not going to build Lakelands. I am very keen and happy about the station being delivered. The team has done a great job. The members down south, including David Templeman, Robyn Clarke and Lisa Munday, have been very supportive about this project from day one. They are very strong advocates for it. I do politics like many people, but he completely misquoted me and made those claims. As if I would ever insult a train station! It is not in my DNA.

**Dr D.J. HONEY:** I refer to the Metronet projects. Page 55 of budget paper No 3 notes that the state government has not received formal, written confirmation regarding additional commonwealth funding for the jointly funded major transport projects that have had cost increases. Which of the Metronet projects does that impact?

**Ms R. SAFFIOTI:** It is the ones for which there have been cost escalations, which are outlined in the budget papers. It is primarily Yanchep, Ellenbrook and Thornlie. In saying that, we got verbal advice, but because of the budget cut-off dates, there were some issues. We got confirmation of other funds. For example, \$550 million was confirmed for ports in the north west, which is not in the budget numbers. Through the midyear review, we will be able to reconcile all the additional money that is not in the budget papers and the further funding for which we have verbal advice but have not received formal, written confirmation.

**Dr D.J. HONEY:** Given that the commonwealth is undertaking a review of its capital projects, when is it expected that there will be some certainty from the commonwealth on the funding arrangements for the additional cost overruns?

**Ms R. SAFFIOTI:** As I said, we have had verbal advice. We understand where it is at. The commonwealth is undertaking a review, which I think is estimated to take three months. It will be very much in the next three to four months leading up to the midyear economic outlook. As I said, we are very confident. We have had verbal advice. Across the budget, we have also picked up further funds that we have not budgeted of about \$550 million. We had not had written confirmation of it, so we did not include it in the budget, but now we do have written confirmation. There have also been some other movements whereby we have picked up some extra funds. It is to do with the timing of the two budgets and the budget cut-offs this time around. The budgets were presented within three days of each other. The commonwealth had a later cut-off date and we had an earlier cut-off date, so there were some movements either way.

**Mr R.S. LOVE:** I have a very quick question about page 609. For the service summary line item for country passenger rail and road coach services, the amounts of money over the forward estimates are pretty much the same each year. I wonder about the state of the Transwa fleet. Those vehicles were all purchased around the same time, I think by the previous government with a royalties for regions boost. They are surely coming to a point at the end of the forward estimates when they need to be considered for replacement. Are there any plans afoot to replace or improve the fleet?

**Ms R. SAFFIOTI:** First of all, two new buses were just delivered. I was driving to Fremantle one day and I saw them at Victoria Quay. Two new buses have been delivered to support some of the extra services we will need to run. My advice is that the buses in the fleet will go through a midlife refurbishment, which will commence very soon over the next year. They will go through a midlife refurbishment, plus we have added another two brand new ones to the network. We might take off those RFR stickers when we do the midlife refurbishment!

**Mr P.J. RUNDLE:** I refer to page 617 and paragraph 3.1, which states —

a reduction in revenue received for Optus Stadium services (\$8.8 million);

Can the minister enlighten me what that is all about?

**The CHAIR:** A lack of Eagles supporters, mate!

**Ms R. SAFFIOTI:** We are also running new buses that leave at three-quarter time! Sorry, that was nasty!

**Mr P.J. RUNDLE:** The minister will not be invited to the end-of-year function!

**Ms R. SAFFIOTI:** I never have been!

Which line are we talking about?

**Mr P.J. RUNDLE:** We are talking about paragraph 3.1 on page 617 of budget paper No 2.

[12.30 pm]

**Ms R. SAFFIOTI:** This is quite complex. We have changed the funding arrangements for major events at Optus Stadium. I was receiving representations, not so much from the football codes, but from everybody else, about charges for public transport. We have now changed the funding arrangements and it is a very complex arrangement. Now, VenuesWest will charge the users and we just get appropriated, so it is slightly different. That is why there is movement in some of those numbers. The services have not changed, just the funding flows. The payment goes to VenuesWest and the government gives us an appropriation. We are out of the loop, which is great.

**Mr P.J. RUNDLE:** I hear what the minister is saying in relation to services. While our Public Transport Authority people are here, last Saturday I was lining up with about 50 other people half an hour before the game to catch the 659 or the 658 from Canning Bridge. Bus after bus of the 658 went straight past half full, and the 659 was full, which is the one that stops at regular stops. There needs to be a change in dynamic by which a half-full bus stops to pick up people rather than leaving them to arrive five or 10 minutes before the game. I want to thank Krishnan, driver 270158, who actually stopped, and I appreciated it, and so did the other 50 or 60 people in the line.

**Mr R.S. LOVE:** He might be disciplined now!

**The CHAIR:** Yes, he might get into trouble!

**Mr P.J. RUNDLE:** That model is not working.

**Ms R. SAFFIOTI:** We will take that on board. It is important to know that we are always looking at how we can continue to support the moving of people to Optus Stadium. The interesting thing is that the modelling for Optus Stadium was based on the majority of people catching trains rather than buses, but the buses have proven to be very, very popular. We have extraordinary demand for buses—for trains, too, but people very much like the bus system. I take that on board. I am always trying to work out the best bus and which one will stop. One of the buses went past me the other day, and I took the driver's name, too—only kidding!

**Mr P.J. RUNDLE:** There was a bus driver in the queue right front of me and he was irate, I can assure the minister.

**Ms R. SAFFIOTI:** The other point to make is that with the Armadale rail line shutdown commencing later this year, we will have to look at the movement of people, particularly in the south east corridor, because the rail line will be out of action. We will look at how we can support and improve bus movements because a bigger percentage of people will be using the bus.

**Mr R.S. LOVE:** The minister just mentioned the shutdown of the Armadale line. I note that there is \$23 million in the budget for the PTA to facilitate the shutdown. I think there is \$7 million for Main Roads and \$700 000 or \$800 000 for the Department of Transport. From that money, which is over \$30 million, to facilitate the shutdown, what will the commuters see delivered? Will it just be a program of getting people on existing roads? The minister talked about doing bus lanes and the like. What are the plans for the shutdown? If the shutdown extends beyond 18 months, what are the budgetary implications for the PTA?

**Ms R. SAFFIOTI:** Last week, we announced the first round of initiatives to support the shutdown. They include three new interchanges, one in Armadale, one in Cannington and one in Victoria Park. They are major bus interchanges to facilitate movement. We will also support improvements in road infrastructure on Shepperton Road, Albany Highway and Welshpool Road, with about 1.2 kilometres of bus priority lanes, together with limiting or improving turning lanes off those major roads. We are also installing CCTV cameras at all of the new bus interchanges, plus a number of bluetooth receivers across the network to manage traffic movements. Together with that, a dedicated incident response team will be set up, similar to that of the Graham Farmer Freeway tunnel, so that in the case of an incident or an accident, things can be moved. There will also be bus priority given through traffic light signalling and technology supporting the more efficient movement of people through traffic lights. That will work by the buses communicating with the traffic lights and getting priority through them. That has already been announced. We will also appoint a number of bus routes, and we will announce a lot. We have also retained an extra 100 buses to support the extra bus routes. There will be a lot of new bus services and improved infrastructure, and some of that infrastructure will remain in the future and will probably be supported by the local community. There will be a lot of work to make sure that we have a smooth shutdown. Of course, there will be disruption. Trains are very efficient, that is why people love them. They go from A to B as quickly as possible. Of course, buses do not do that, but by supporting new bus lanes, new intersection controls and new priorities, I am sure we will give people a very good experience.

**Mr R.S. LOVE:** Will the bulk of the effort be to simply replicate where the Armadale line runs now from the CBD? What will be the emphasis to get people to the city?

**Ms R. SAFFIOTI:** There have been a lot of surveys. There was a major survey of commuters, and in that we identified key destinations. For example, it was pretty clear that Cannington was a major destination. In delivering and determining new bus routes, we are making sure people can get to the destinations they want to. That is why Cannington bus interchange is a very key point. People may go directly to Cannington, and there will be different options of using existing services with increased frequency or new direct services that go straight to Cannington and allow connection to other services throughout the area. As I said, a lot of work is being done on looking at destinations. Schools are another key point. Sometimes the traffic is contraflow, so people may be coming from one point to the outer schools. I cannot remember, but I think there are a number of schools, about 13, along that line, particularly high schools, that people really need the ability to connect to. From the Armadale and Kelmscott way, which I know pretty well, the other point to connect to is Cockburn through Armadale Road. Because of all the improvements, Armadale Road is now a very quick and direct way of moving to Cockburn. The people of Armadale are very keen on the Armadale Road connection to Cockburn. We are looking at how we can support that. That provides a very efficient way to travel into the city. If you want to go into the city from Armadale, you may go via Cockburn station. Otherwise, if you want to go to Cannington or other major employment areas along that corridor, there will be bus services as the alternative.

[12.40 pm]

**Dr D.J. HONEY:** I refer to page 621 of budget paper No 2 and the Metronet projects under development. Is the minister able to provide a breakdown of the provision there for the projects under development? What projects are under development?

**Ms R. SAFFIOTI:** I am sorry; that is a separate division.

**The CHAIR:** Yes, Metronet projects under development is off-budget; it is separate.

**Dr D.J. HONEY:** We are doing it as a separate division; we had better get our skates on, then!

**Mrs J.M.C. STOJKOVSKI:** I refer to page 608 of budget paper No 2, significant issues impacting the agency, and paragraph 7. As someone who has a key interest in local manufacturing, I ask: can the minister provide an update on the commissioning of the first C-series trains?

**Ms R. SAFFIOTI:** I know; it is very exciting! On 22 December last year, I went out at midnight—I ended up getting home at one o'clock in the morning—to Nowergup to ride the first test train on the public transport network. It was pitch black, and riding on the test train was quite an incredible, eerie experience. There are now two test trains on the network. They are sending information back to the facility at Bellevue, which is currently building a third train. That third train will be the first to be used on public transport to carry passengers. There has been a lot of diagnostic testing. That night was the first time we tested the brakes at any speed, which is always interesting, but they did work! That information is all being used to develop and finalise the third train. That third train is currently in Bellevue and will be leaving soon. I have seen the latest look of it; it looks very good. Again, that will be tested before it is used on the public transport network. It is one of the greatest achievements, and I take my hat off to everyone at the Public Transport Authority who made it happen. We did it in record time.

Of course, other states are very much looking at what we have done. The then New South Wales opposition leader, Chris Minns, came over with the shadow transport minister to look at what we have done. We took him for a tour through Bellevue. We know that New South Wales rejected local manufacturing; actually, I remember that it laughed at it. I remember meetings at which the former Minister for Transport in that state seemed to have the idea that no-one cared about local manufacturing. Of course, New South Wales has problems with its trains in particular, with trains not fitting into the tunnels. We are now very much leading the discussion, particularly because of the facility that we supported and built at Bellevue. It is a very modern facility. As I understand from some people who work for the company, it is one of the best facilities in the world, which, again, is a very proud accomplishment.

### **The appropriation was recommended.**

#### **Metronet projects under development —**

Mr S.J. Price, Chair.

Ms R. Saffioti, Minister for Transport.

Mr P. Woronzow, Director General, Department of Transport.

Mr M. Burgess, Managing Director, Public Transport Authority.

Ms R. Lamont, Chief Financial Officer.

Mr A. Vincent, Managing Director, Metronet.

Mr L. Coci, Managing Director, Office of Major Transport Infrastructure Delivery.

Mr P. Laing, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

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, 2 June 2023. 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:** There is a provision of \$865 million for Metronet projects. Is the minister able to provide a breakdown of what that \$865 million comprises by project and by year?

**Ms R. SAFFIOTI:** We have the projects that are there. We do not provide a breakdown of estimated total costs for these projects yet because, again, we do not provide the ETCs until we are further into the development and contracting process. But the projects in this area include high-capacity signalling; the Morrison Road level crossing removal; and the William Street level crossing removal, otherwise known as the Beckenham project, which is added onto the Victoria Park–Cannington project. There was a late confirmation of that project because it was an election commitment by the new federal government, so that will be added to the Victoria Park–Cannington level crossing removal project. There is also funding for upgrades for disability access. Those are the projects.

**Dr D.J. HONEY:** I appreciate that the minister will not be able to provide the estimated total cost for those projects, but this line item must comprise individual components of which there is an estimate of cost to date. On the understanding that we definitely will not be trying to quote the minister as saying that that is the estimated total cost, can the minister identify by project and by year the costs allocated under this budget item, fully appreciating it is not the estimated total cost for the project?

**Ms R. SAFFIOTI:** There will be funding allocations. As I said, we do not have ETCs yet because the actual scope or detailed design has not been undertaken in some of those—for example, Morrison Road, which I know the member for Moore went to visit. We have allocated funding but we do not have ETCs because, as I said, the full detailed design has not been highlighted.

We can provide by way of supplementary information the funding that has been allocated to these projects, but, as I said, they are not ETCs.

**Dr D.J. HONEY:** Yes; that is clear.

**Ms R. SAFFIOTI:** We will provide by way of supplementary information funding allocations for the Morrison Road level crossing removal, the William Street level crossing removal and—what was the other key one?—high-capacity signalling.

[*Supplementary Information No B5.*]

**The CHAIR:** That completes the examination of the Metronet projects under development.

**Division 43: Department of Planning, Lands and Heritage—Service 1, Planning \$167 810 000 —**

Mr S.J. Price, Chair.

Ms R. Saffioti, Minister for Planning.

Mr A. Kannis, Director General.

Mr M. Hanrahan, Chief Financial Officer.

Ms E. Saraceni, Director, Reform Delivery.

Mr A. Wilkinson, Acting Executive Director, Market-led Proposals.

Mr D. Sanderson, Executive Director, Land Use Planning—Metropolitan.

Mr P. Laing, Senior Policy Adviser.

Ms E. de Jager, Senior Policy Adviser.

[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, 2 June 2023. 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.

[12.50 pm]

**Dr D.J. HONEY:** I refer to page 715 of budget paper No 2 and paragraph 6, market-led proposals. It was stated in the budget speech that the government has updated the market-led proposals policy to improve transparency and accountability. One of the concerns of people in my area and around Perth is that when they discover the existence of market-led proposals, the government has effectively already made a decision. Can the minister explain the detail of what the government is doing to make that a more transparent process so that communities are not surprised about projects that, effectively, seem to have already been approved by government?

**Ms R. SAFFIOTI:** In relation to transparency, we are seeking to ensure that the economic justification, or value-for-money concept, is presented when the decision has been made. With regard to some of the comments about MLPs that have been approved, we are trying to make sure that people can understand, in a readily available format, the value-for-money proposition for government. In relation to the member's area, it is a tricky balance between the intellectual property that MLPs are meant to bring to the concept versus the community understanding of what is happening. I made a major announcement last Friday: We are orientating some of the MLP process to be more government-led. I know that sounds a bit odd for an MLP process but, in particular, we are looking at land or developments to become problem-opportunity statements. That is when government goes out and identifies the problem or the opportunity and asks the private sector to be involved. One of the issues with MLPs, particularly in respect of land and developments, is that it is important to gauge the level of interest from the market, and problem-opportunity statements assist with doing that. There may be the same sorts of issues, but government identifies what the proposal should be or what the concept is and then goes to the market. That way, everyone is more fully informed on what is happening.

**Dr D.J. HONEY:** Using the East Perth power station site as an example, one of the concerns about market-led proposals is that after the decision to award that location to the proponents, the government then made the decision to allocate substantial funding—I think of more than \$100 million—to, effectively, projects that enhanced that location. How do we ensure that it is actually a level playing field for proponents, and that all proponents are aware of what government is planning? The minister perhaps partially answered that question with what she has already said, but that is my concern: that after the decision has been made, other proponents may have come in if they had known the government was going to contribute so much.

**Ms R. SAFFIOTI:** Yes. As I said, the reform of MLPs, particularly with regard to problem-opportunity statements, is about trying to ensure that there is clarity at the front end. On Friday we released a problem-opportunity statement to the market in which we asked for the construction of a train station. As part of that package, the potential proponent gets to own 35 hectares of land, but is requested to tell us how it will build that train station and what is the net cost to government. The tender document that was released tries to identify exactly what we expect for a train station, and what we know in relation to the land, as in these are the constraints and this is the potential draft structure plan, and so forth. The revisions to the POS process, or the creation of this enhanced POS process, is basically about trying to get innovation from the market to make sure everyone is in the same place in respect of knowledge. That is why, in particular, we have tried to make the prospectus documents we are putting out as clear as possible about what we expect, to give the market and the industry the ability to innovate in order to deliver a solution.

**Mr P.J. RUNDLE:** I refer to paragraph 8 on page 715, planning reform. Can the minister enlighten us as to what changes the government is considering for the development assessment panel system, and what the new assessment pathway for significant developments will comprise?

**Ms R. SAFFIOTI:** The Premier announced this about two months ago. It is the next round of planning reform. I will talk about the pathway for significant developments later, but there are a number of components. There is further planning legislation being drafted and amendments to the Planning and Development Act that will be introduced into the Parliament. Those will help support some of the legislative requirements or changes. There will be updated regulations to support the act and also to implement other key proposals such as DAP reform. We are continuing to reform the DAP process, reducing the number of DAPs and changing what can be sent to DAPs. There will not be mandatory thresholds but there will be the option for proponents for projects of more than \$2 million. We are also including multi-unit developments in that process. We will create a state referral unit in the agency, which is all about trying to coordinate referrals to state government agencies and to better coordinate the entire state government position on projects, rather than the more ad hoc or, if I can use this term, inconsistent views on projects across agencies. We will try to coordinate a better referral system. We have set up a new developer contribution team, with some expertise in the accounting and finance world, again to try to make sure that the developer contribution process is much fairer and more transparent, particularly for landowners in the area. We are creating a major projects team within the department, which is all about facilitating planning; helping support initiatives like the

housing diversity pipeline and other projects like the problem–opportunity statements; helping to support the cabinet housing subcommittee, which includes the Minister for Housing and me; and running projects like the infrastructure development fund.

With regard to the special pathway, we are creating a permanent special pathway for projects valued above a certain amount. That will make the Western Australian Planning Commission the decision-maker for those projects. Projects will be assessed by the state referral unit we are establishing. We will also create a new, dedicated time frame for assessment, which will be 120 days; currently there are no time frames for assessment. We brought the details of the special pathway to Parliament as part of the changes to the Planning and Development Act, because the authority for the existing pathways expires at the end of this year.

**Mr P.J. RUNDLE:** Will the state development assessment unit that the minister set up during COVID continue on a long-term basis through this state referral unit?

**Ms R. SAFFIOTI:** Yes. There is the assessment authority and there is the decision-maker. The decision-maker, with regard to the special pathway, will continue to be the WAPC, and the SDAU will fall into the state referral unit. As I said, this is more about government getting its own act together and making sure that the agencies are talking and are reflecting their required time frames.

**The CHAIR:** Thank you, minister. We have run out of time.

**The appropriation was recommended.**

**Division 44: Western Australian Planning Commission, \$ 113 421 000 —**

**The appropriation was recommended.**

*Meeting suspended from 1.00 to 2.00 pm*

**Fremantle Port Authority —**

Mr D.A.E. Scaife, Chair.

Ms R. Saffioti, Minister for Ports.

Mr M. Parker, Chief Executive Officer.

Mr D. Good, Chief Financial Officer.

Mr P. Laing, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

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, 2 June 2023. 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 Leader of the Opposition.

**Mr R.S. LOVE:** Welcome along, everybody. I refer to page 623 of budget paper No 2 and the significant issues impacting the government trading enterprise. Paragraph 7 refers to retained dividends and states —

The Authority will retain its forecast 2022-23 dividend payment ... resulting in a total of \$97.6 million to fund future infrastructure investment.

I just want to get an idea. Are these investments some of the outlined matters regarding the redevelopment of the inner Fremantle port, or are they completely separate and those investments are unknown or yet to be allocated?

**Ms R. SAFFIOTI:** As part of the Expenditure Review Committee or government financial decision-making process, government trading enterprises were allowed to retain dividends for 2022–23. This gave the GTEs the ability to fund future projects. Those projects will be subject to the normal budget process whereby business cases are put forward and projects are either supported or not supported. That will be the same for every GTE. The future projects will be subject to the deliberations of government and normal budget requests.

**Mr R.S. LOVE:** These investments will not support any of the programs underway at the moment. The funding will be for completely new projects that are not yet known or envisaged. Will the authority itself come forward with its own ideas and put them to government?

**Ms R. SAFFIOTI:** Yes. It is similar to normal budget processes, except there is now a funding source that is retained within the GTE itself.

**Mr R.S. LOVE:** Given that the Kwinana outer harbour is under the same body, will this contribute to the Westport project in any way?

**Ms R. SAFFIOTI:** Possibly, given the port authority is part of wider government. I think everyone is very aware that every investment made needs to have the lens of future port operations put over it. The Fremantle Port Authority is represented on the Westport committee and is also involved in every other part of planning for the future of Fremantle. It could do, but it could also help assist with continuing to fund the operations of the port in the meantime and supporting other initiatives that may continue to exist beyond the container train moving.

**Dr D.J. HONEY:** Thank you very much. I will say at the outset that this is not a conflict of interest, but Mr Parker is my former boss.

**Ms R. SAFFIOTI:** How was he as a staffer, Mr Parker?

**Mr M. Parker:** Very dedicated.

**Dr D.J. HONEY:** That is it; well said. He was an excellent boss as well, can I say.

**Ms R. SAFFIOTI:** I might leave you two to get a cup of coffee!

**The CHAIR:** I cannot continue if there is no minister here, so you are going to have to stay.

**Dr D.J. HONEY:** I refer to page 628 of budget paper No 2, “Income Statement”. There was an expense of \$194 million in round terms and a net profit of \$66 million. That is a profit margin of 34 per cent, and if we look at the cash flow profit, it is about 45.3 per cent. Given the Fremantle port is the principal port for importing all the goods and services we need, including for the minister’s Metronet projects, does the minister think that profit is too high and the port could reduce its charges and still remain a viable operation for government? I am wondering about the philosophy of how we set the charges.

**Ms R. SAFFIOTI:** As representative shareholders of the state in a sense, which is all Western Australians, I think we should be proud that we have a profit-making port authority. I may ask Mr Parker to provide further comments on this. As a result of a higher level of activity, our figures show that the economic rate of return is eight per cent. That is still pretty good at this current time, but I do not think it is extraordinarily high—it is solid. As I said, the fuelling of very strong economic growth has been due largely to the level of economic activity through imports.

**Mr M. Parker:** Thanks, minister. As a port authority, we have experienced fairly solid revenue growth from trade over the last two to three years as a result of COVID. That is both in the inner and outer harbour. Our five-year strategic plan has a target rate of return of seven per cent, compared with the eight per cent that has just been mentioned. As we looked at our fees and charges for the next financial year, we kept our pricing increases across the board at 2.5 per cent, which is well below current inflation rates.

**Mr R.S. LOVE:** I refer to page 623, paragraph 2. This question is just for my instruction, really. Do the plans for the expansion of Henderson and Garden Island—which are in proximity of the port operations—hold any implications for the development of the port? If so, what role does the port have going forward in discussions around the whole Cockburn Sound area and the naval presence there?

**Ms R. SAFFIOTI:** The commitments that have been made by the government, particularly around HMAS *Stirling*, are not seen to have a significant overlap. However, for Henderson Island there would be some interaction. Through the Westport committee, Patrick Seares is in constant dialogue with the Department of Defence and helps to provide inputs on some of the science and other work that is being undertaken. We provide input into what the Department of Defence is doing. The Henderson site would be the big one, not as in impact, but in areas of common interest to Westport planning and also issues around Henderson and the expansion of the marine facilities there.

[2.10 pm]

**Mr R.S. LOVE:** Further to the plan going forward, with the switch to a different use for Fremantle port in the future, what is envisaged for the development of tourism in and around the inner harbour? Is that a key consideration of the port development plan? What part will cruise ships and other visiting vessels such as those play in the future of the port?

**Ms R. SAFFIOTI:** As we said, part of the remit of the Future of Fremantle Planning Committee is to help plan for the future of the port, in which Fremantle Port Authority is involved. As I outlined before, the redevelopment of Fremantle port has a number of stages. Some funds are allocated for the first stage, for greater activation around the Maritime Museum at Gage Roads, the potential re-use of some of the sheds and better connectivity into Fremantle proper—the City of Fremantle and Bathers Beach. Stage 2 is the area towards the bridge, further around from the passenger terminal, and further activation of Victoria Quay. We envisage a lot of tourism opportunities in the medium term with short-stay accommodation, other hospitality and entertainment precincts, and cruise ships. Ideally, we envisage Victoria Quay being a vibrant tourism, short-stay accommodation and hospitality precinct as we can see in some repurposed wharves and berths around the world. The key question in North Quay is about residential, further economic drivers, maritime precincts and all those types of other areas that we may pursue when planning for the future of Fremantle. Cruise ships are great, sensational places for people to be based and are a great visitor



experience. Upgrades have been made to the current Fremantle Passenger Terminal—it is much better than it was—including extended canopies and an improved visitor experience. We have done that. It is envisaged that over the next 10 years Victoria Quay will be repurposed into an exciting hospitality and tourism precinct.

**Dr D.J. HONEY:** In relation to the developments at Victoria Quay, I understand that when a movie studio was promoted as an idea for that area, significant concerns were expressed by those at the port about the potential conflict between that and the operations of the port. What are the constraints on those other developments, given that it is still an operating port and military vessels and other vessels are seen at Victoria Quay? What are the constraints on development and what concerns has the Fremantle Port Authority expressed about that?

**Ms R. SAFFIOTI:** One of the issues about the film studio was the bulk of the studio in that area. When it was under serious consideration, the port had a volume of imported vehicles as it had never seen before and a lot of area around Victoria Quay was being used for storing vehicles. Demand for imported passenger vehicles and other vehicles continues at a record high. That continues to be the case. The real issue with the studio was timing and the bulk of the film studio. I had the opportunity to visit the Docklands film studios recently and I appreciate that inside the film studios are incredible areas, with the right insulation and capacity to build incredible movie sets; however, to be honest, externally they are very much big, tilt-up concrete facilities. I will not say that they are big sheds, because that dismisses what they are. The bulk and some of the timing, in a sense, was a consideration when the existing terminal is still needed to facilitate the large number of roll-on, roll-off vehicles in that area and that is why the issue was reconsidered and a more appropriate setting was found.

In relation to further activation, there is a lot of land around Victoria Quay. I will not say it is baby steps, but Gage Roads and B Shed, the ferry terminal, are being redeveloped. Work has been done to strengthen the berths in that area and a sinkhole was fixed. We believe that enormous capacity exists to provide further hospitality and tourism venues around Gage Roads and heading towards the bridge. This is why the area for roll-on, roll-off vehicles is fundamental. It is a massive demand for space and, as a result, it sterilises the land for a long time. That is why the relocation of vehicle imports is a priority. When considering size and location, vehicle imports are a big blocker to further development and we need to progress with that as the first priority.

**Dr D.J. HONEY:** Some of the vessels that come into the port are military vessels packed with high explosives—that is, visiting naval ships and Australian Navy ships. Is there a safety zone around those? For example, if ammonium nitrate is being loaded—I know that is not done there—there must be a safe operating zone around it. I thought naval vessels would require a safe operating distance and that may mitigate other activity at the port.

**Ms R. SAFFIOTI:** I will make some preliminary comments and will then refer to Mr Parker to provide more detail. There is already a buffer for types of accommodation there. For example, permanent accommodation cannot be located in the Victoria Quay precinct while it is an operating port because of the buffer. There can be short-stay and tourism accommodation, but not permanent or vulnerable users. That constraint already applies. That is why Victoria Quay is very much seen in the medium term as a hospitality and tourism precinct, because it does not conflict with any of the existing zoning or buffers in place.

**Mr M. Parker:** We have had naval vessels visit Victoria Quay in the past 12 months and there have been no additional special requirements around those, so we have been able to berth them alongside C Shed, which is in close proximity to where the public can access it. In addition, from a buffer and a dangerous goods perspective, that is probably more an issue for us on North Quay with container imports coming through. As the minister said, there are buffer zones around that for what are currently considered compatible land uses.

[2.20 pm]

**Mr R.S. LOVE:** I refer to the asset investment program on page 625. The fifth paragraph refers to the replacement of the authority's ageing pilot boat fleet. Have those vessels been purchased; and, if so, from where are they being purchased?

**Ms R. SAFFIOTI:** I was in Geraldton a few weeks back when we announced that a new pilot boat would be built by Dongara Marine in its new facility in Geraldton. Again, this had not happened in the past. I congratulate the port authority and the port authorities around the state that are now supporting local manufacturing. I think Dongara Marine has built a number of pilot boats for other authorities and some resource companies. It will build the Fremantle Port Authority pilot boat.

**Mr M. Parker:** The contract has been awarded to Dongara Marine for the construction of the two pilot vessels. I saw photos the other day of the shell that is starting to get designed. At this stage we expect to get our first pilot boat in the middle of next year and the second one a number of months after that. At this stage, at the end of next year we will be the very proud owners of two WA-built pilot boats, which will set us up for the future to provide safe and efficient passage for our pilots to embark and disembark vessels.

**Ms R. SAFFIOTI:** Through the Geraldton port redevelopment, we have facilitated the expansion of Dongara Marine through the Mid West Ports Authority, which we may discuss later. Its facility is incredible. The pilot boats and all the other work being undertaken there is quite incredible. I think its order books are pretty full. It continually produces quality products. Of course, it built *Tricia*, the latest ferry on our river system.

**Mr R.S. LOVE:** *Tricia* was actually built in Dongara, not Geraldton. It is probably the last of the big boats.

In terms of the pilot services that operate from the port authority, the government employs resident Western Australian pilots who are happy to drive Western Australian boats. Not all port authorities have that experience. I ran into that problem some time ago.

I wish to move on to other matters relating to the asset investment program. Down the very bottom of page 625 is paragraph 8, which says that \$54.3 million will be spent on upgrading the Kwinana Bulk Terminal. I refer to the concreting of the export stockyard area. Will that concreting be done from the stockyard area to a car yard area? Is that the plan? What does that refer to? Money will also be spent on upgrading material handling import infrastructure. Is that common-user infrastructure or one particular organisation's berth? Can the minister explain what that is?

**Ms R. SAFFIOTI:** I will ask Mr Parker to explain that.

**Mr M. Parker:** First, I will cover the import circuit. That is essentially common-user infrastructure. It will be owned by the Fremantle Port Authority. That is currently under construction. I was at the Kwinana Bulk Terminal this morning and we were able to check on that progress. That will provide an import circuit for cement clinker that comes into the state. All the clinker that comes into Western Australia comes through the outer harbour, through our bulk terminal. Clinker is the fundamental ingredient used to make cement. One of the nice things about this project is that it will have a direct conveyer, which will go into Cockburn Cement's new facility, which it is building right next door to the bulk terminal. A large storage dome will also be built, which will be able to hold about 40 000 tonnes of product, which is essentially a shipload's worth of product. BGC Group will be able to collect that product by truck and transport it to its facilities, which are very close by as well.

**Dr D.J. HONEY:** I refer to the Westport and port development plan on page 623 of budget paper No 2. The Fremantle Port Authority is assisting with that process. What time line is the authority basing its plans on in terms of movement of those services to a new port? Clearly, if it is going to be 20 years, the authority would be making significant capital investment decisions. If it was going to be five years, it would not. Clearly, it has to plan future development expenditure on the basis of when it thinks that move will occur. Do we have a date for the estimated move from Fremantle? I think the minister indicated earlier that it may be done in parts. Do we have some anticipated time line for that, which the authority is using for its own planning?

**Ms R. SAFFIOTI:** We are very much in the process of undertaking detailed planning on every aspect of Westport. That will all be made clear to the finalised business case that will be presented in the next year. As the member can see, I think the port continues to operate very efficiently and profitably and will continue to operate, noting that we have to be aware that making long-term decisions could be redundant expenditure, but we also need to continue to spend to make sure that we run an efficient and safe port. We have that difficult balancing but until a decision is made on the time frame, the authority will continue to operate the port as is.

**Dr D.J. HONEY:** The new port will be a massive capital project. I have had figures put to me that it would be at least a decade before that is an operating port, if not longer. Are there any major pieces of capital equipment at the existing Fremantle port that will need significant expenditure beforehand if there was a 10-year plus time frame?

**Ms R. SAFFIOTI:** The Fremantle Port Authority continuously maintains its assets to make sure that the assets are safe and can operate efficiently. It is hard to speculate on the timing of the move, and whether it will be done in one or two stages. I would not want to speculate or deal with hypotheticals in this move. A systematic project is being developed through Westport under Patrick's guidance. Final decisions will be made on the shape, the form, the supply chain and the development of intermodals. All those issues will be sorted as part of the final business case.

**Dr D.J. HONEY:** If that port continued to operate for the next 10 years, how much would we expect container freight to increase in the next 10-year period?

**Ms R. SAFFIOTI:** I think there have been differing estimates on container trade. It has been one of those X factors. For example, in some instances, progress is not linear. We saw some expectations that container growth would not be as high as first thought on the original Westport data. As we have seen over the last three years, there has been strong growth in container imports. The expectation is that the growth of containers will continue to be strong because of the overwhelming positive economic conditions. Some further assumptions on container growth are being made in the Westport analysis. Growth is expected to be between 2.5 and three per cent. As I said, sometimes it is not linear; there will be movements. Again, it is all about making sure that we feed this into our final investment decision or final business case.

**Dr D.J. HONEY:** Given that growth, what capacity is available for the port of Fremantle to handle growth in containers, if we assume it is just three per cent? If it is compounded, it will be more than 30 per cent. If we saw a 30 per cent increase in container freight over the next 10 years, would the port of Fremantle be able to cope with that with the existing equipment?

[2.30 pm]

**Ms R. SAFFIOTI:** There have been different studies and analysis. I think there is a couple of issues here. There are demands and requirements for further dredging and berth redevelopments if Fremantle port were to remain for

a long period. There are also the movements of containers and the transport network to consider. The previous Westport study showed that there would be a significant cost in keeping Fremantle in its current form for decades to come, in particular, costs for further dredging, berth redevelopment and other transport upgrades.

**Dr D.J. HONEY:** The minister did not answer my question, which was: could the port cope with a 30 per cent increase in freight with its existing equipment? That was my question. I understand the broader discussion around the business case and the like, but I am really trying to understand: do we have sufficient capacity there to cope with the likely scenario?

**Ms R. SAFFIOTI:** I do not want to spend too much time on this because I know there are other ports, but there are issues to do with efficiency, particularly in how our port manages because of the constrained site and the inability to continue intermodal expansion. There is limited capacity. We can always cope with something, but whether it is efficient and delivers on the demands of industry and the economy is another aspect. I think it is very clear, and the feedback I get from industry in particular is that it is very keen for a more efficient port. That is no criticism of the way the port is managed currently, but it is a constrained site. There are constrained avenues to bring in containers, and the ability to grow or to manage things more efficiently is limited, given the space.

**The CHAIR:** That completes the examination of the Fremantle Port Authority.

#### **Kimberley Ports Authority —**

Mr D.A.E. Scaife, Chair.

Ms R. Saffioti, Minister for Ports.

Mr L. Westlake, Chief Executive Officer.

Mr C. Nganga, Chief Financial Officer.

Mr P. Laing, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

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, 2 June 2023. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

Are there any questions?

**Mr R.S. LOVE:** Yes.

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

**Mr R.S. LOVE:** Thanks, minister, and thanks to the people from the Kimberley Ports Authority; welcome.

I want to start by discussing the Kimberley ports amalgamation and where that process is at. The amalgamation between Wyndham, Derby and Broome is mentioned in the significant issues impacting the Kimberley Ports Authority. Can the minister give us an update on its progress?

**Ms R. SAFFIOTI:** I ask Mr Westlake to provide the answer.

**Mr L. Westlake:** It has fully transitioned, so the ports of Derby, Wyndham and Yampi Sound are under the authority of the Kimberley Ports Authority.

**Mr R.S. LOVE:** I would like to ask some questions about the situation at the Derby port. We know it was critical in supplying parts of the eastern side of the West Kimberley in recent times. What is the situation with the port at the moment in terms of its capacity to have larger vessels visit? Is it completely reliant on a barge trade? Can the minister outline how its operations are structured?

**Ms R. SAFFIOTI:** It received a number of shipments, particularly with the Kimberley flooding. I think there is some discussion about potentially expanding the capacity at Derby, but I will ask Mr Westlake to provide further details.

**Mr L. Westlake:** There are very few port users in Derby. There are no international trade imports or exports. It services Mount Gibson Iron's Koolan Island iron ore operation, primarily with barges and landing craft. It also services Barramundi Group's Cone Bay barramundi operations. Fish is imported over the wharf and fodder and ice are the export products to those operations. Other than that, small cruise and fishing vessels are the only trade there. The facility caters well for that trade.

**Mr R.S. LOVE:** I understand there is a mineral sands mine in the nearby area that is looking at exporting from either Broome or Derby. Does the minister have any knowledge of that?

**Ms R. SAFFIOTI:** I refer that to Mr Westlake.

**Mr L. Westlake:** Kimberley Mineral Sands is looking at exporting mineral sands and its intent is to export through Broome. It looked at Derby as an option. If it were to export through Derby, it would have to do it as a transshipment operation and that is largely due to the depth—the access—in the berth pocket. Therefore, it is looking to export through Broome.

**Mr R.S. LOVE:** In terms of a strategy going forward, does the minister see Broome being the only option for a more active port facility? Derby does not sound like it has a great deal of capacity unless there is a large investment.

**Ms R. SAFFIOTI:** There are a couple of things to look at through the Kimberley. We are looking at the resilience of the whole area and making sure that places like Derby can receive essential products more easily in the future.

Wyndham is an area in which we have a lot of prospectivity and a lot of interest. There is a number of companies looking at what can happen at Wyndham to support their export activities. I know that the Minister for State Development, Jobs and Trade recently met with a number of proponents who are all scoping Wyndham as a potential export hub. I think Wyndham is being seriously considered for a number of different types of exports and given its strategic location, this is something we are very keen to continue to explore.

**Mr L. Westlake:** I will add that Derby has the potential to be an export facility, so if there are interested parties and trade looking to export out of Derby, that certainly is still an option.

**Mr R.S. LOVE:** The minister mentioned transshipping, which is taking off in the Onslow area with iron ore. Is that something that the government would ever envisage investing in, or would it be something that a private investor would need to come forward with a plan for?

**Ms R. SAFFIOTI:** In relation to investment, we normally support more common-user infrastructure. Therefore, we see the majority of government investment in facilities that can be used by a number of different proponents. Of course, we would all like to see further economic activity in Derby, particularly at the port. I am not sure. The Department of Jobs, Tourism, Science and Innovation is always looking at how it can invest to support more common-user facilities rather than directly supporting one proponent.

**Mr R.S. LOVE:** I return to the proposal for mineral sand exports through Broome and what that will mean. I assume that strictly speaking this question is outside the ports brief, but what concerns are there around the development of heavy traffic through an area that is basically between Cable Beach and the town? Has there been any thought or discussions about the need for further development of the transport system to the port as part of any proposal to have more significant bulk exports?

**Ms R. SAFFIOTI:** This is probably more of an issue for Main Roads than for Ports. A traffic impact assessment will need to be undertaken and a traffic management plan will need to be prepared. That will involve more community consultation to make sure we limit the impact of new traffic in the community. That is all required to be undertaken.

[2.40 pm]

**Mr P. LILBURNE:** I have a new question.

**The CHAIR:** Member for Carine, I am not minded to, given the amount of time we have left for this session.

That completes the examination of the Kimberley Ports Authority.

#### **Mid West Ports Authority —**

Mr D.A.E. Scaife, Chair.

Ms R. Saffioti, Minister for Ports.

Mr D. Tully, Chief Executive Officer.

Ms S. Pigdon, General Manager, Trade and Corporate Services.

Mr P. Laing, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

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, 2 June 2023. 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 Leader of the Opposition.

**Mr R.S. LOVE:** Hello and welcome. I thank you for your attendance. I understand the port has a significant amount of work on at the moment so I will not keep the advisers very long because they have to go back and do that.

Can the minister give a brief update on the capital expenditure for this year, mainly on the eastern breakwater port maximisation and the firefighting system, which are underway and have significant allocations in the budget this year?

**Ms R. SAFFIOTI:** The port has a significant capital budget with a number of different components that are being worked through in the time frame of delivery. The maritime precinct is one of the first projects. We talked about the relocation of Dongara Marine and some of the commercial activities that are happening there. We are seeing a significant explosion of activity there. One of the first projects in the port maximisation is to improve the port's interface to the road network and the community. The construction of a significant roundabout at the entrance is now underway. I will defer to Mr Tully.

**Mr D. Tully:** The port maximisation project is well underway. We are currently in the detailed design phase of that project and moving forward we will be making valuations. We have started those early works such as the road network leading in and out of the port and we will see some aspects of construction start this coming financial year. We are going to submit part 4 and 5 environmental applications in June this calendar year. The member referred to the eastern breakwater jetty. There was a commitment from government to help activate the Abrolhos Islands and we will see construction on a jetty at the eastern breakwater begin in June this year. We expect completion later this year in around October. The final project that was discussed is the port-wide firefighting project. We are currently working through a tender process with two tenderers at the moment before proceeding to award the contract, hopefully, in the near future.

**Mr R.S. LOVE:** What will be the status for public access or use of the eastern breakwater jetty?

**Ms R. SAFFIOTI:** I will refer that to Mr Tully.

**Mr D. Tully:** The eastern breakwater jetty will be a commercial jetty to help activate the Abrolhos Islands as a tourism prospect. At this stage, we are planning to limit it to commercial operators.

**Mr R.S. LOVE:** I refer to the outcomes and key performance indicators and the outcome to be a sustainable port. The number of reportable environmental incidents was seven, which is less than the budget number of 10, I guess. What type of environmental incidents are typically experienced at the port? Bearing in mind it is in the middle of the town, it would be interesting to know that.

**Ms R. SAFFIOTI:** Just to clarify, the estimated for 2022–23 was none.

**Mr R.S. LOVE:** None was estimated but seven were experienced in 2021–22 and none have been recorded since. I am wondering what those particular ones were.

**Ms R. SAFFIOTI:** In 2021–22?

**Mr R.S. LOVE:** Yes.

**Ms R. SAFFIOTI:** That was last financial year not this budget. Mr Tully will answer.

**Mr D. Tully:** We have an environmental licence, which the port takes very seriously. We actively report any exceedences. Those previous exceedences the member referred to were accumulations of dust. We have an active program at the moment to reduce the impact of dust on the community and the fishing boat harbour on a wide range of projects across the port.

**Mr R.S. LOVE:** Is that done mainly through the use of the dust-taming fence? I think that is what it is called.

**Mr D. Tully:** That is one part of a large number of projects across the port.

**Mr R.S. LOVE:** Has the port received ongoing complaints about dust since those measures were taken?

**Mr D. Tully:** We actively work with the fishing boat harbour and we have had discussions about the amenity of dust in the fishing boat harbour. We continue to do that on an ongoing basis.

**Ms M. BEARD:** It is a short question. I refer to page 640 and paragraph 2 under significant issues impacting the government trading enterprise, which states —

The Authority is seeing continued approaches from potential new customers on projects within the Mid West region, including mining projects and break-bulk cargoes, particularly wind turbines.

I am interested to know whether the Mid West Ports Authority, given it has had numerous approaches for projects, has been approached for a deep-water port in or around or north of Geraldton, taking in Carnarvon and Exmouth as well? Has there been any interest in those areas?

**Ms R. SAFFIOTI:** To be honest, I think we have approaches every day from a new proponent who wants to either import wind turbines or export hydrogen. There is massive demand currently. I would say there is a lot of frenetic activity. I recently met with the ports minister—sorry; not the ports minister; I am the Minister for Ports. It was

the Minister for State Development, Jobs and Trade. JTSI, the port authorities and the Department of Transport are all being approached by different proponents about their projects. We are going to work together across the port authorities, the Department of Transport and JTSI to map out—it is already half done—all the different proponents, their demands and their prospects of going ahead and try to manage that because it is a significant issue.

The ports themselves get approached and they look after entire areas, but, from a state perspective, particularly for things like facilitating the import of wind turbines, we are not only trying to get the space in the berths but also the transport logistics to move them. We need to have a consolidated approach across the state because they are big things and require a lot of space both to land them and then to move them. We even need to consider things like intersection treatments, because they could probably wipe out all the associated infrastructure alongside the road. We are working on that because there is a lot of demand just for the importation of wind turbines alone. There is significant demand for renewables and for the export of hydrogen in whichever form it is in. We are trying to work to have a consolidated view about how we manage this across the state.

[2.50 pm]

**The CHAIR:** That completes the examination of the Mid West Ports Authority.

**Southern Ports Authority —**

Mr D.A.E. Scaife, Chair.

Ms R. Saffioti, Minister for Ports.

Mr K. Wilks, Chief Executive Officer.

Mr B. Granville, Chief Financial Officer.

Mr P. Laing, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

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, 2 June 2023. 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 refer to page 657 of budget paper No 2. I am looking at port development. Coal importation is one of the areas I am interested in. The state government has committed to continuing with coal importation if it is required. There is significant doubt about the viability of a least one of the existing coal mines that provides for the government's power station. When coal was unloaded prior to Christmas, or at least over that period, two ships came in and there were substantial delays. I wonder about the capacity of the port to handle the importation of significant volumes of coal.

**Ms R. SAFFIOTI:** As I understand, there has always been some level of coal shipment into Bunbury port. Around Christmas, there was an increase for the ongoing support for the south west interconnected system. I will ask Mr Wilks to provide more information.

**Mr K. Wilks:** The issues were of a short-term nature across the summer period when we had multiple importers trying to import at exactly the same time. It was further compounded by landside logistics issues in taking the coal away and trucking availability. The port could discharge it much faster than the landside logistics could take the coal away to the customers.

**Dr D.J. HONEY:** What is the capacity of the port to import and handle bulk solids, please, minister?

**Ms R. SAFFIOTI:** I think it was outlined that the port itself has capacity, it was just some of the landside logistics. I will ask Mr Wilks to provide further details.

**Mr K. Wilks:** It would depend on the product, but we have equipment available to do it at quite a considerable rate—500 tonnes an hour—that relies on trucking to remove the products.

**Dr D.J. HONEY:** What is the actual capacity of the port to import bulk solids in terms of tonnes per day?

**Ms R. SAFFIOTI:** He just said.

**Dr D.J. HONEY:** Sorry, I missed it; I was distracted.

**Mr K. Wilks:** We are able to do at least 500 tonnes an hour.

**Dr D.J. HONEY:** Is that on a continuous basis or is it campaigned amongst other solids? Is it on a continuous basis for 24 hours a day?

**Ms R. SAFFIOTI:** I refer the question to Mr Wilks.

**Mr K. Wilks:** I can confirm it would be 24 hours a day.

**Mr R.S. LOVE:** I would like to get an understanding about the biosecurity of the coal. Two key points in the budget are the commitment to sustainability and the protection of the environment. I understand that coal is imported from Newcastle and Newcastle has been contaminated with the varroa mite, which is deadly for bees. What steps are taken to ensure the coal that comes in is clean to protect the apiaries and bee populations in Western Australia, where we do not have the varroa mite?

**Ms R. SAFFIOTI:** I think the member asked this question before and we said to refer it to the relevant minister. I am not sure whether Mr Wilks has any more information on that.

**Mr K. Wilks:** The port has sentinel beehives in accordance with the federal Biosecurity Act, which we check for any imported issues.

**Dr D.J. HONEY:** The minister indicated through her adviser that there are logistic issues on the port side. The port has plenty of capacity to import bulk solids, but there were significant issues unloading those bulk solids onto trucks. Is that a constraint in the port? Is an upgrade of facilities needed for loading solids onto trucks or handling trucks at the port or was it just a temporary logistics issue?

**Ms R. SAFFIOTI:** The issue was the availability of trucks and truck drivers because of the volume that needed to be moved in such a short period. I remember having a discussion about it. The demand was great for a very short period so quite a lot of trucks and a lot of truck drivers were needed. As we know, similar to most other occupations in this state, there was limited capacity for the right trucks and the amount of truck drivers.

**Dr D.J. HONEY:** Is there a requirement to upgrade the port side facilities for truck access to the port or is it adequate?

**Ms R. SAFFIOTI:** No, it is adequate. Of course, with the Bunbury Outer Ring Road, we are also going to have more efficient links to the port. We have a lot of land available in Bunbury.

**The CHAIR:** That completes the examination of the Southern Ports Authority. I do not think we are going to move to the Pilbara Ports Authority—are we, members? No. We say to the advisers from the Pilbara Ports Authority that we appreciate their attendance but their lucky number has come up today and they are not required.

**Pilbara Ports Authority —**

**The CHAIR:** For the minutes, I note that the Pilbara Ports Authority was not examined.

[3.00 pm]

**Division 36: Local Government, Sport and Cultural Industries — Services 4 and 5, Racing and Gaming, \$35 712 000 —**

Mr D.A.E. Scaife, Chair.

Mr R.R. Whitby, Minister for Racing and Gaming.

Ms L. Chopping, Director General.

Ms E. Gauntlett, Deputy Director General, Management and Coordination.

Ms J. Shelton, Executive Director, Racing, Gaming and Liquor.

Ms L. Kalasopatan, Executive Director, Finance.

Mr L. Carren, Executive Director, Corporate Services.

Mr T. Monaghan, Senior Policy Adviser.

[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, 2 June 2023. 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 Roe.

**Mr P.J. RUNDLE:** I refer to page 529 of budget paper No 2, “New Initiatives” and the line item “Office of the Independent Monitor—Oversight of Burswood Casino Remediation”. I note there is \$7.9 million in 2023–24, dropping down to \$3.95 million in 2024–25 and then nothing further in the out years. Will the office remain functional after that date?

**Mr R.R. WHITBY:** The Office of the Independent Monitor is a recommendation rising from the Perth Casino Royal Commission. The Independent Monitor is required to ensure that there is appropriate remediation of the activities and functions of the royal commission. The intention has always been that that office operate for a two-year period.

**Mr P.J. RUNDLE:** Considering it will only be a two-year period, can the minister outline the functions and who will oversee the role from then onwards?

**Mr R.R. WHITBY:** The Independent Monitor is Mr Paul Steel. He is a former assistant commissioner of police and a man of high integrity who brings decades of experience in organised crime investigation, organisational transformation and senior leadership to his oversight role. The appointment of the Independent Monitor and a small staff to approve, monitor and report on the remediation plan for the casino licence over a two-year period was, as I said, recommended by the casino royal commission. It is an intense function intended to ensure that the recommendations of the royal commission for the operations of the casino and its integrity are delivered in an appropriate way. There is a time period in which that can happen and at the end of that we will consider the outcome. Hopefully, the casino will then be operating as the royal commission recommended and as we want to see it operate.

**Mr P.J. RUNDLE:** Does the minister foresee that Paul Steel will be out of a job at the end of that two-year period?

**Mr R.R. WHITBY:** He has been employed on a two-year contract. The outcome of him doing a good job will be him ensuring that his job is complete.

**Mr P.J. RUNDLE:** Can the minister foresee that if he still has concerns at that time, he would extend Mr Steel’s contract?

**Mr R.R. WHITBY:** The two-year period was seen as appropriate for the remediation process to occur but if there was a concern that further work and remediation was required to ensure there was full integrity at the casino, it would be appropriate to extend that term.

**Mr P.J. RUNDLE:** I have a new question along the same lines. I refer to page 538 of budget paper No 2 and service 4, “Regulation of the Gambling and Liquor Industries”. Has the monitor been charged with reviewing Crown Perth’s historical taxation payments?

**Mr R.R. WHITBY:** No.

**Mr P.J. RUNDLE:** We understand that there were questions about \$61 million of underpaid taxes owed by Crown Melbourne in Victoria. We are trying to get an indication of whether the same arrangement or investigation into Perth casino is required.

**Mr R.R. WHITBY:** There was a response in Western Australia to ensure that there was no underpayment of tax, as was reported in Victoria. A process was undertaken and there was verification of the tax paid by the casino to the Treasury, and it found that there was no underpayment. From memory, there was a small overpayment of \$11. There was detailed worked done. Believe me, if there was money owed to the state, we would want to recoup it, but a thorough process was done and completed and there was no underpayment and, in fact, a very small overpayment, which was refunded.

**Mr P.J. RUNDLE:** Can the minister unequivocally state that there are definitely no outstanding tax issues in relation to Crown Perth?

[3.10 pm]

**The CHAIR:** I just have to say, member for Roe, I counselled you earlier today about this. Budget estimates is not an extended question time to ask questions about policy issues; it is to interrogate the budget. The minister has given you the answer that what you are asking about is not funded in the budget.

**Ms M.J. DAVIES** interjected.

**The CHAIR:** I am sorry, member for Central Wheatbelt?

**Ms M.J. DAVIES:** It is if it is related to funding.

**The CHAIR:** I do not need the interjection and I will start calling you to order if you do that again. It is a difficult question for me to allow. If the minister wants to indulge it, I will let him, but I am starting to lose my patience with this.

**Mr R.R. WHITBY:** Thank you, chair. Just to make it absolutely clear that there is no suggestion of any underpayment that we are aware of, I will respond by saying that the agency has intensified its processes to ensure that the correct amount of tax is paid by the casino, and there has been no evidence or information to suggest that there has been any underpayment. But that is a continual process, and we will continue to ensure that there is rigour around making sure that the exact amount of tax is paid.



**Mr P.J. RUNDLE:** I thank the minister.

I turn to page 529, new initiatives, and the Perth Casino Royal Commission implementation. It also crosses over, of course, into the last item that I was asking questions about—the gambling and liquor industries. How is the increased regulation as a result of the casino royal commission being funded?

**Mr R.R. WHITBY:** The funding for the regulation of regulated entities—in this case, the member is referring to the casino—comes via recoupment from the casino. When the Gaming and Wagering Commission requires finances to ensure the proper regulation of the casino, it recoups those fees from the regulated entity. But, in a broader sense, some of the infrastructure changes within the agency that have a more efficient and updated agency that monitors regulation of gaming more generally are funded by consolidated revenue.

**Mr P.J. RUNDLE:** Have any other payments for regulation come from any other source at all or is it all from consolidated revenue?

**Mr R.R. WHITBY:** Those are the two sources—consolidated revenue and fees paid by regulated entities.

**Mr P.J. RUNDLE:** I refer to regulation in the gambling and liquor industries. I assume that the casino will actually have to pay an amount itself for this increased regulation. Does the minister have a figure for that?

**Mr R.R. WHITBY:** The intent is to have a Gaming and Wagering Commission that is fit for purpose. The design and model of that is yet to be decided in terms of the exact structure and how it will look, but the intention is also for the regulated entity to pay a fee that equals full cost recovery of the cost of its regulation. In a situation in which regulation is required but there is not a regulated entity that can pay a fee—it might be a form of broader community gambling such as a community raffle that does not involve the casino or Racing and Wagering Western Australia—that funding would come from consolidated revenue. But, certainly, the major cost points would be ensuring that the entities that are licensed to operate pay a fee, and that would be based on full cost recovery for their regulation.

**Mr P.J. RUNDLE:** Along that same line, the minister mentioned the racing and wagering scenario. Does the minister foresee a similar amount being charged to the WA TAB?

**Mr R.R. WHITBY:** My response is similar to the last answer. Once we have worked out the model, we will make sure that the appropriate fees are paid. That is a decision we are yet to reach.

**Mr P.J. RUNDLE:** If I were sitting on the executive team of the TAB, I would be wondering how long it will take to decide that model and how much potential funding will come out of the system. Can the minister enlighten us on that?

**Mr R.R. WHITBY:** It will be by the end of the year. The model will be announced in July and the fee structure by the end of the year. I will maybe go more to the point of the member's concern. As a government, we have indicated that after the process for the sale of the TAB ended, the government's commitment is to make sure that the racing industry is properly resourced, and that will continue to be our intention.

**Mr P.J. RUNDLE:** I thank the minister. Of course, I am concerned that a large fee will potentially be put on the TAB for this self-funding mechanism, if you like, for regulation of that industry. That could potentially damage regional and other racing. At the end of July, the minister will announce the figure and what the model will be for the likes of the TAB.

**Mr R.R. WHITBY:** If I can clarify, the model will be announced by July and the fee structure will be announced by the end of the year. Although I think there is probably a community acceptance for the regulation of the casino to be fully self-funded, the racing industry is something I will carefully consider, being very aware of the important role that racing has, particularly in regional areas, and the social function of race clubs in communities. I am very aware of the issues the member is alluding to. I will be very mindful of any impost and will have regard to those concerns.

**Mr P.J. RUNDLE:** I appreciate that response from the minister. The minister knows my passion for regional racing and harness racing, of course. Can the minister outline whether there is any potential of the TAB being looked at again as a sale proposition?

**Mr R.R. WHITBY:** Member, we both share a passion for this industry. I have a family background in racing and my parents have owned horses in the past, so you have a minister who cares about this industry.

The Treasury was the agency responsible for the sale process, so it would have to be a decision of Treasury. But I think the government has indicated very clearly that that process has finished, and we are getting on with looking at the future under the current arrangements and ensuring that the best interests of racing are looked after.

[3.20 pm]

**Mr P.J. RUNDLE:** I thank the minister. I will move back onto the TAB a little later on, in the next division, and ask a new question now. I refer to page 529 on budget paper No 2 and the line “Banned Drinkers Register/Takeaway Alcohol Management System—Kimberley, Pilbara and Goldfields”, under the heading “Ongoing Initiatives”. We see a figure of \$4 3 million for 2023–24, dropping to \$3 6 million in 2024–25. Firstly, can the minister explain why that figure then disappears to zero in the two following out years?

**Mr R.R. WHITBY:** Yes, member. As we have always indicated in the initiation of all the banned drinkers' registers, they are trials; we have actually called them "banned drinker register trials", starting in the Pilbara, Kimberley and goldfields, and we have now announced a new one for the Gascoyne. There is a set period for these trials. Obviously they have been funded on the basis of being trials, but I am very optimistic that they are having a positive impact, so at that point there will be an arrangement: The government will consider the ongoing funding into the future, but for now we are not going to pre-judge their success. We are going to wait and see what independent reviews find, and if they are worthy and worthwhile, there will obviously be a decision to continue them and seek funding for that.

**Mr P.J. RUNDLE:** I thank the minister. Who will be conducting any review of the trials, and what is the time frame for that to occur?

**Mr R.R. WHITBY:** They are independent reviews. The first evaluation was done by UWA of the Pilbara trial, and there was a published summary. It is my understanding that we will go to market to seek evaluation of subsequent trials. I am advised that the Pilbara trial has been completed, the Kimberley trial is underway and the goldfields and Gascoyne trials have just started, so they will be done subsequently. They will all be evaluated.

**Mr P.J. RUNDLE:** Will one decision be made for the whole area of the Kimberley, Pilbara and goldfields, or will the government take each region into account?

**Mr R.R. WHITBY:** I think the idea to have trials located in certain regions and treating them independently is probably a good idea. The member will be aware that, when required, we already have liquor restrictions across Western Australia that are bespoke to certain communities; not every community is the same. Some of the remote communities are very different from some of the regional towns, and some of the towns are tourist centres and therefore different again. I think it is a good idea to treat each region on its own merits and requirements, and evaluating each separate regional BDR is a good idea. I am not pre-judging anything, but when we come to the end of the process we might find that it is very effective in one region and not in another. I do not know whether that is going to be the case; they might all be equally effective or otherwise, but having separate evaluations gives us the ability at the other end to make more bespoke decisions rather than lumping all those regions into one. We will treat each region on its merits and look at the results.

**Mr P.J. RUNDLE:** That is a good comment. Thanks, minister. There is obviously the potential to say, "We need to keep the trial going in the Kimberley, but we're satisfied that the trial is no longer needed in the Pilbara and goldfields; we can separate them into different areas."

**Mr R.R. WHITBY:** Yes. I am very loath to give thought to those possibilities because we do not yet have the information to make those judgements. One is free to speculate on a range of outcomes, but another issue I would raise is that the BDR is never going to be a magic bullet for all alcohol-related harm. It is certainly an important trial, but other responses include restrictions on alcohol sales and volumes, which are also important. That is why, again, we have a range of responses that are bespoke to certain places.

**Mr P.J. RUNDLE:** When the review is completed, will the results be fully published?

**Mr R.R. WHITBY:** We will be publishing what we can, but when those reviews are completed they will most probably contain commercial-in-confidence information because we are looking at individual businesses. We would not want to betray any commercial confidences, so we will be respecting the right to privacy of licensees, but information will certainly be made available.

**Mr P.J. RUNDLE:** Can the minister detail the number of people on the banned drinkers' register who have been referred to health services by the department from 2022–23?

**The CHAIR:** Are we still on the same line items, member for Roe?

**Mr P.J. RUNDLE:** Yes.

[3.30 pm]

**Mr R.R. WHITBY:** The question the member asked is, I guess, probably a bit ill-targeted as a question relating to the BDR. It is not the function of the BDR to refer people to health services. It is a broader function of the agency. The agency has representatives in contact with health services and the police and it gets involved in liquor accords. The agency, when appropriate, certainly does refer people to house services given the alcohol harm they may be suffering. However, it is independent of the banned drinkers register. There may be people on the BDR who have been referred and there may be others who are not. Given that, we are introducing new legislation to beef up the BDR and get more people on the list. If that response does not satisfy the member, I can ask the director general to elaborate further.

**Mr P.J. RUNDLE:** How many people in the Pilbara, Kimberley and goldfields are on the banned drinkers register?

**Mr R.R. WHITBY:** I will give the member the latest numbers broken down by region. There are 93 in the Pilbara, 111 in the Kimberley, 66 in the goldfields and 11 in the Gascoyne. I think that adds up to just shy of 300.

**Ms L. METTAM:** The minister referred to 66 individuals from the goldfields being on the register. How many of those are from Leonora and Laverton?

**Mr R.R. WHITBY:** We do not have that information. There would also be privacy issues in revealing the addresses of people.

**Ms L. METTAM:** The banned drinkers register has been in the goldfields for some time now. I appreciate that the model has been enhanced, in some respects. However, we have seen a significant spike in antisocial behaviour and alcohol-fuelled violence as a result of the removal of the cashless debit card. Can the minister talk to the changes to the banned drinkers register and the impact it is having on the ground there? What assurances can the minister provide that it may be able to address some of these issues?

**Mr R.R. WHITBY:** Sorry, I just want to get to the crux of the member's question. Is the member asking what impact would changes to the BDR legislation have?

**Ms L. METTAM:** What changes is it having in the goldfields where there has been a significant spike in alcohol-fuelled violence in Laverton and Leonora?

**The CHAIR:** Because we have been on this topic for a little while, I am just going to repeat my guidance from before. This is not a chance to get into policy debate. The questions need to relate to the budget items. Just because the banned drinkers register is a line item, it does not mean that any question about the banned drinkers register is in order. The minister has been indulging the questions. If he would like to continue to do so, he can, but there will come a point where I am going to rule a line under these.

**Mr R.R. WHITBY:** I am ever the indulgent one, so I am very happy to respond, but I take the point you are raising, chair. I also make the point that the changes to the BDR legislation will happen later this year. The rollout of the BDR in the goldfields has been of the existing and initial design. The BDR has been operating in the goldfields for 12 months. It was the third region to come online. In Laverton, there have been ongoing liquor restrictions under section 64 of the Liquor Control Act. There are some initiatives designed to reduce excessive consumption of alcohol and alcohol-related harm. In Laverton, packaged liquor may only be sold from midday to 9.00 pm on Monday to Sunday, except for when the sale is to a lodger at a hotel. Packaged liquor may not be sold in the quantities of an individual container of more than one litre when the liquor has an alcohol content of six per cent or more. For example, wine in casks of more than one litre and glass bottles of 400 millilitres or more of beer are restricted or cannot be sold.

I cannot answer the member's question on whether there are people who reside in that town on the BDR. However, Laverton has also had section 64 liquor restrictions in place. The member would not be looking at the impact of one initiative, but at the impact of the liquor restrictions as well as the BDR. It would be difficult to define which was having the impact. As a general rule, the member would be aware that the BDR is about targeting individuals who have an alcohol-related issue and the alcohol-sale restrictions are about a broader community impact.

**Ms L. METTAM:** Given the dire situation in these towns, will the minister consider enhanced income management—as the Prime Minister has called it—or an alternative version of the cashless debit card if the BDR does not work?

**The CHAIR:** Member, you cannot say I did not give you warning. I am ruling that question out of order because it does not relate to a budget item.

**Mr P.J. RUNDLE:** I have got some questions on that same line, specifically on the Kimberley, Pilbara and goldfields' takeaway alcohol management system. How many takeaway alcohol management system machines does that total funding represent—both active and spare?

**Mr R.R. WHITBY:** Is the member talking about in all regions?

**Mr P.J. RUNDLE:** Yes, or the minister can give me a breakdown of how many machines are in each region, if he likes.

**Mr R.R. WHITBY:** I will get the executive director, Jennifer Shelton, to respond. It is not straightforward.

**Ms J. Shelton:** I thank the member for the question. The machines are leased by region and we pay a contract fee to a contract provider. That is not for a specified number of machines, because there are breakdowns of machines as well. It is a fee for service and they provide a service. Some licensees have one machine because they are just a walk-through bottle shop, but other licensees could have two because they may have one at the point of sale inside the licensed premises and one through the drive-through bottle shop. A specific number cannot be provided because we do not actually lease them per terminal.

**Mr P.J. RUNDLE:** Do we not actually have a handle on how many machines are sprinkled throughout the three regions?

**Mr R.R. WHITBY:** I think the member completely missed the point of what he was just told. He was told that we contract for a service. It is up to the service provider to provide that service. They may determine it is X number of machines. The machines are never owned by the government; it is a lease arrangement. As the member has heard, there may be one machine per licensee or a number to another and there might be the provision of spare machines in case some break down. The obligation is on the service provider to make sure the licensees have enough

machines to operate and provide the service. The government does not go out and buy machines and it does not have an inventory of them. The department contracts for the service and it is then the obligation of the service provider to ensure there are enough machines to do the job.

[3.40 pm]

**Mr P.J. RUNDLE:** I heard the response from the minister, but I thought there would be a summary of the number of licensees or licensed outlets in those three regions and corresponding information about whether someone has a takeaway bottle shop or a pub next door. I thought the question would be: how many machines are leased? I hear what the minister says about the service provider, but surely there must be a grip on how many licensed outlets there are and machines to go with them.

**Mr R.R. WHITBY:** I can respond in a general sense. We know there are 210 licensees across the state in the banned drinker register regions who have volunteered to be part of this process. Whether each has one, or obviously some have two or more, that gives an idea of the number of licensees in each region. There are 78 licensees in the Pilbara region; 74 in the Kimberley; 66 in the goldfields; and 16 in Carnarvon. Obviously there is also spare equipment for breakdowns. We must remember that currently the BDR is a voluntary scheme. Most licensees in those regions are part of it, but the new legislation will make it mandatory.

**Mr P.J. RUNDLE:** The minister says that the new legislation will make it mandatory. What will be the structure of that? Will it be the same leasing, fee-for-service, arrangement, or will there be another arrangement?

**Mr R.R. WHITBY:** Yes, we thought it was important to make it mandatory because as much as there has been a lot of goodwill and cooperation from many licensees, the review has found that some have not been using them or have not been turning them on, and there is no way to deal with that because it is a voluntary scheme. To increase the effectiveness, and in consultation with industry—we have broad support from industry for this—the government will make it mandatory so that everyone is playing according to the same rules. In terms of the provision of this equipment, we want to ensure we get the best deal for the taxpayers of Western Australia. We are currently out to market for when these machines in licensed premises are needed in the future. We want to make sure that the provider offers good value for the taxpayer.

**Mr P.J. RUNDLE:** The minister says that he does not know which licensees turn them on or turn them off and his department does not know how many machines there are individually for each licensee.

**Mr R.R. WHITBY:** We could seek that information. The independent review would certainly tell us the instances of when machines have not been turned on. I will refer that question to Ms Shelton.

**Ms J. Shelton:** The minister previously provided the number of machines within the licensed premises in each of those regions, but I will state them again. The Pilbara has 78 machines, the Kimberley has 74, the goldfields has 66, and Carnarvon has 16. The contractor that provides that service to us has spare machines and is obligated to change those out if there are breakdowns. Depending on the licensee's operation of business, they may have multiple machines and the department keeps a record of how many machines a licensee has. The department also keeps a record of compliance—when the machines are turned on and how many people have been scanned through the machines on a daily basis—and liaises with licensees on a regular basis. As the minister mentioned, this is a voluntary system and the legislation will mandate the BDR for those licensees. Some licensees have chosen not to use the system at present, based on their purchase data, because they sell very low levels of packaged liquor. Once the legislation is passed, it will become mandatory.

**Mr P.J. RUNDLE:** I thank Ms Shelton for that information. Is the minister prepared to supply as supplementary information the number of machines and where they are located throughout those three areas, so that we have that clarity?

**Mr R.R. WHITBY:** I think the member has just received absolute clarity from Ms Shelton.

**Mr P.J. RUNDLE:** So the minister is not prepared to supply that information?

**The CHAIR:** I think the minister's point is that it has been supplied.

**Mr R.R. WHITBY:** We have just supplied it.

**Mr P.J. RUNDLE:** I want a closer breakdown, as in which machines in which towns. The department has provided the figures by region and has also told me that some people turn them on and some do not.

**Mr R.R. WHITBY:** If the member wants to put a question on notice in Parliament about that, we can seek that information.

**Mr P.J. RUNDLE:** I move on to a different question, but in the same vein. I refer to page 529 of budget paper No 2 and the banned drinkers register, takeaway alcohol management system, in Carnarvon. The budget item for that goes out over the three out years. My understanding was that those machines were a result of a liquor restriction through the section 64 process and there is a 12-month review that the director of Liquor Licensing is overseeing. Why are these machines being budgeted out past the 12-month arrangement—in fact, out over three years?

**Mr R.R. WHITBY:** The member is conflating two distinct issues. The director of Liquor Licensing recently determined certain restrictions for Carnarvon. That is one issue. The other issue is the implementation of the banned drinkers register trial in the Gascoyne which, I might add, the community called for, and we responded as a government to trial it in Carnarvon and the Gascoyne. They are two distinct issues. The BDR is separate from the restrictions announced by the director of Liquor Licensing.

**Mr P.J. RUNDLE:** Ms Shelton just supplied the information that there will be 16 takeaway alcohol management system machines in Carnarvon. Why does the figure increase from \$565 000 to \$836 000 and then to \$859 000 over the out years?

**Mr R.R. WHITBY:** To which line item is the member referring on page 529?

**Mr P.J. RUNDLE:** It is the line item “Banned Drinkers Register/Takeaway Alcohol Management System—Carnarvon”.

**Mr R.R. WHITBY:** I will get the director general to answer that.

**Ms L. Chopping:** The 2022–23 figure is the part-year figure, because obviously the BDR has not been running for the whole year in Carnarvon. The 2023–24 figure includes the education function around the BDR, because we expect to be doing a whole lot more education with licensees and local community organisations and individuals. It is anticipated that it will be evaluated in the out years. Although the trials finish next year for the BDR for the other sites, the project will be ongoing for Carnarvon for the trial period, so it will be evaluated in 2025–26 and a decision will be made about its continuation. It is specifically for the BDR, not necessarily the liquor restrictions which, as the minister said, will be reviewed on an ongoing basis, but reviewed after 12 months.

[3.50 pm]

**Mr P.J. RUNDLE:** Can the minister clearly outline the time line for the review of the banned drinkers register; that is, when will it be reviewed? When will a decision be made on whether it is extended?

**Mr R.R. WHITBY:** I will refer that question to Ms Shelton.

**Ms J. Shelton:** I thank the member for the question. The trial period for Carnarvon is a two-year trial of the BDR. The trials in the other areas have commenced—in the Pilbara, the Kimberley and the goldfields.

**Mr P.J. RUNDLE:** When will the public or the licensees know that the trial will potentially end? Will there be an extension? Will there be some sort of review at the 18-month mark or will it just be a straight out two years and that is it?

**Mr R.R. WHITBY:** I think I have already explained the process around the BDR. After a two-year period, there will be an appraisal of its success or otherwise and then a decision made on its continuation. I will again ask Ms Shelton to elaborate on that response so it is clear.

**Ms J. Shelton:** I thank the member for the question. The legislation for the BDR has been tabled in Parliament. The trial period for the Carnarvon region is two years. It is anticipated that once the legislation is in place, the trial period for the BDR and the legislation going hand in hand with that will provide a good platform for evaluation at the end of that period, given that it will now be mandated for licensees. That will be an evaluation of all the regions that are currently trialling the BDR—the Kimberley, the Pilbara and the goldfields.

**Mr P.J. RUNDLE:** Once the legislation comes through the ranks, is the minister thinking later this year or something along that line? The trial will not begin from when the legislation comes in; the trial has already started, so a fresh two-year trial will not start when the legislation comes in.

**Mr R.R. WHITBY:** That is correct.

**Mr P.J. RUNDLE:** My concern is that when the new legislation comes in, it will be a trigger for all regions to have a two-year continuation, if you like. Is that not part of the legislation?

**Mr R.R. WHITBY:** No. If it was working, I do not know what the member’s concern would be. They are two-year trials and obviously there has been a staggered approach because some trials started earlier than others. The introduction of the legislation has no bearing on those trial times; the legislation is about improving the effectiveness of the system.

**Mr P.J. RUNDLE:** Can the minister guarantee that the Carnarvon situation will not extend 12 months longer than the other trial periods in the goldfields, the Kimberley and the Pilbara? Are they all having a genuine two-year trial? That is what I am getting at.

**Mr R.R. WHITBY:** The Gascoyne trial that covers Carnarvon is the very latest to start, so it will be the one that finishes its two-year trial last.

**Mr P.J. RUNDLE:** I seem to recall a sunset clause in the legislation relating to the two-year trial. Is the minister sure that will not have some effect?

**The CHAIR:** It seems like a question for consideration in detail of the legislation or something like that rather than the budget.

**Mr P.J. RUNDLE:** It is the minister's legislation.

**Mr R.R. WHITBY:** Chair, I think Ms Shelton is happy to respond to that.

**Ms J. Shelton:** I thank the member for the question. The former Minister for Racing and Gaming released a consultation paper towards the end of last year. The feedback from the consultation paper has informed the drafting of the legislation. There is a sunset clause in the BDR legislation, which is two years after proclamation. That ties in with the trial period but that does not prohibit the government from coming back to amend the legislation if a decision is made during that time that the BDR has been effective, which will be evaluated through the evaluation just mentioned, and the government could then make a decision on whether the BDR will continue beyond that.

**Mr P.J. RUNDLE:** In fact, this legislation could take months, into early next year, to grind through and then the sunset clause could potentially trigger another two-year trial period for the Gascoyne or the like.

**Ms J. Shelton:** The sunset clause will not commence until the bill is enacted, so until the legislation is live. It will be two years from the enactment of the legislation.

**Mr P.J. RUNDLE:** I want to ask about the wraparound services. The minister mentioned in the second reading speech that medical practitioners and social workers can refer people to the banned drinkers register. Does the minister have any more clarity on that scenario? Obviously, I understand that medical practitioners can refer people. I wonder how it will work with social workers. That was the wording in the second reading speech.

**Mr R.R. WHITBY:** At the moment, as I think the media statement mentioned, police and health service workers can refer people to the BDR. We are currently reviewing and working out what other prescribed officers could be included, and that will be dealt with in regulations.

**Mr P.J. RUNDLE:** I also want to go back to the takeaway alcohol management system machines. I understand that an app has been developed. Can the minister enlighten me on how that compares with the TAMS machine? I understand that the app could potentially be used rather than the actual machine.

**Mr R.R. WHITBY:** As I mentioned earlier, we are very keen to get not only the best technology, but also the best value for Western Australian taxpayers. As the member probably heard, there are alternatives to the fixed machine, such as an app on a phone or tablet. We are open-minded in procuring the best technology at the best value. Perhaps I will ask Ms Shelton to provide the rest of the response.

**Ms J. Shelton:** I thank the member for the question. We do have an app, and licensees have trialled the app. We have taken their feedback, which has been fed back to the contractor. The app has proved problematic for the licensees in that it is not on a stable surface. Their preference is to use those hard fixed machines. That seems to be the trend in other jurisdictions as well—the rate of scanning is more successful on a fixed scanning machine.

[4.00 pm]

**Mr P.J. RUNDLE:** Obviously, the app is being tested at the moment. Is it more expensive or is it better value for money?

**Mr R.R. WHITBY:** I am not defining which is better value. We are looking at what is available and trying to ascertain that, but also it has to be effective and work. Perhaps Ms Shelton can elaborate.

**Ms J. Shelton:** The app is included in the cost of the contractor under our current contractor engagement, so the technology is already available to us.

**Mr P.J. RUNDLE:** How many licensees have trialled the app?

**Mr R.R. WHITBY:** Ms Shelton.

**Ms J. Shelton:** We do not have an exact figure of the number of licensees who have trialled the app, but it was trialled in the Pilbara and the Kimberley.

**Mr P.J. RUNDLE:** How long was the trial?

**Ms J. Shelton:** I think we are still engaging with the licensees at the moment to make sure that the technology is functioning correctly and that information is being fed back to the contract provider.

**Mr P.J. RUNDLE:** Thank you. You are doing a good job there, Michelle; I appreciate the information.

**Mr R.R. WHITBY:** It is actually Jennifer Shelton.

**Mr P.J. RUNDLE:** I am just about wrapped up here, minister. I have a further question on Carnarvon. Will the services at the drug and alcohol centre in Carnarvon be scaled up given the potential impacts of drinkers who abuse substances and the like? As we always say, we need wraparound services to go with it. Will the government scale up the drug and alcohol centre?

**Mr R.R. WHITBY:** The member raised the crisis that is going on in Carnarvon and the issues still faced there. They have been very, very serious. I think I have outlined in Parliament before the extensive response across all government agencies that have turned out to Carnarvon to support the community there. Whether it is extra police resourcing through the communities, family support services, the Target 120 wraparound services to help juveniles

or the expenditure that Department of Local Government, Sport and Cultural Industries has made into afterschool and holiday care for juveniles, government support for Carnarvon has been extensive. It goes beyond this portfolio, so I will not speak to the detail of what may exist under other ministers.

Another thing I will say is that alcohol abuse, as the member would well know, is a very complex and difficult issue that has been with us for a long, long time and it is particularly an issue in remote communities and small towns across Western Australia. It is a very complex issue to deal with and requires a multi-agency response, but it also requires a response from all levels of the community. It requires community goodwill and community support to reduce the impact of alcohol abuse. This government will continue to do everything it possibly can to assist and this agency will do everything it can to assist to prevent alcohol abuse and harm, and other agencies in government play their role, but I think it is important to highlight the community response needed in Carnarvon and the unfortunate attitude that exists within, I hope, a minority of licensees within Carnarvon.

I have just been given a copy of a letter that sent to the director general, Lanie Chopping, who is sitting here beside me. She received this letter today from the former head of the Carnarvon liquor accord, who is also the President of the Shire of Carnarvon, Mr Eddie Smith. I think it is important to put this on the record so that the member hears directly the issues that are occurring in Carnarvon from someone who has worked for so long to address them and to ensure an appropriate community response in Carnarvon to the very serious alcohol-related abuse and harm that has been going on in that community. I read it directly —

Dear Lanie,

I'm writing to update you on the impact of the Liquor restrictions imposed in Carnarvon 5<sup>th</sup> May 2022. There has been a concerted effort to vilify myself by a number of people that are very quick to take my statements out of context to benefit their agenda, by informing the community that the Shire President is responsible for implementing the restrictions.

Whilst this is disappointing as it impacts the entire Shire Council as a whole, I want to reiterate my support for the restrictions as I believe the majority of the community are accepting the parameters of the restrictions and like any change it will take time to become the normal. I have noted positive comments since the implementation of the restrictions including praise for the reduction in smashed glass on a number of our streets. I have also not received any complaints about alcohol related anti-social behaviour for the past 10 days, previously complaints were almost daily.

I resigned from the Liquor Accord this morning as I believe there is an element within the Accord that is not interested in working collaboratively and has an agenda that is not for the community good. I will continue to work with WAPOL and DLGSC as I believe what has been implemented will benefit the community.

Kind Regards

Eddie

That letter is from Eddie Smith, who is a very frustrated man. I use this opportunity to congratulate Eddie on his efforts. He should not have had to put up with the nonsense, the ridicule and the stuff that is going on in Carnarvon. He has done his best for that community. But it points to a lack of resolve among certain individuals in the town, and I think the director of Liquor Licensing, who made a decision on restrictions earlier this month, made the right decision. We are seeing the impact in Carnarvon delivering results, according to Eddie, and I think it is a measure of Eddie and these restrictions; they are having an impact.

The thing I would say to the member about Carnarvon is that this issue needs a community response, and I urge everyone there, including licensees, to be part of the solution and not indulge in selfish self-interest that gets in the way of positive community outcomes.

**Mr P.J. RUNDLE:** I think we will move on to Racing and Wagering Western Australia, thanks, chair.

**The CHAIR:** I will put the question.

**The appropriation was recommended.**

[4.10 pm]

**Racing and Wagering Western Australia —**

Mr S.J. Price, Chair.

Mr R.R. Whitby, Minister for Racing and Gaming.

Mr I. Edwards, Chief Executive Officer.

Mr D. Hunter, Chief Racing Officer.

Mr T. Monaghan, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

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, 2 June 2023. 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 Roe.

**Mr P.J. RUNDLE:** My first question refers to page 289 of budget paper No 2, volume 1. Under asset investment program, I refer to paragraph 1.1 and the \$5.4 million for the development of wagering products. I asked the minister before about the sale of the TAB, which obviously did not go ahead. Can the minister enlighten us about “the development of wagering products” and what the TAB is doing to improve its suite of products now that the sale is not taking place?

**Mr R.R. WHITBY:** I might refer that answer to Mr Edwards.

**Mr I. Edwards:** The line item for wagering systems and products refers to enhancements to the wagering business. We always planned for the non-sale of the TAB, should that be the ultimate outcome. Such that it was, we will continue to invest in the products in the way we planned to prior to that process.

**Mr P.J. RUNDLE:** To remain relevant in a competitive market with the likes of Sportsbet, Ladbrokes and others that already have much more advanced innovation, will the department bring some of the technology from competitors into the mix with the TAB?

**Mr R.R. WHITBY:** Mr Edwards.

**Mr I. Edwards:** We do have various business-to-business arrangements with other parties. No immediate changes are planned to that, but that is not to say we could not change it at some point in the future.

**Mr P.J. RUNDLE:** For not only technology but also the capital value of the TAB, is the minister disappointed that the sale did not go through?

**Mr R.R. WHITBY:** I would have to say yes because I think that was the desire of the government and the first priority was a positive outcome for racing and all codes. We do not control the market and we were not going to sell it under a price that did not represent fair value or was on fair terms. I think the appropriate decision was made under the circumstances. We indicated that whether or not it was sold, we would continue to work in the best interests of the industry.

**Mr P.J. RUNDLE:** If, let us say, a new bidder turned up out of nowhere, would the government consider re-looking at the sale of the TAB?

**Mr R.R. WHITBY:** Are you making an offer, member? How much is your farm worth again?

**Mr R.S. LOVE:** One dollar!

**Mr P.J. RUNDLE:** The member for Moore might be able to handle it but I do not know if I can.

**Mr R.R. WHITBY:** The process is closed and we need to provide certainty for industry. It went through a period of uncertainty when the sale process was happening, but obviously there was a key assurance to the industry all along that it would be supported and that the outcome we secured would be best for racing. To answer the question, the sale process was led by Treasury and it is not my role to speak on behalf of the Treasurer. I will not do that but the key thing we need to know is that the process has been finalised. We are beyond that now and we want to provide certainty and stability for the industry.

**Mr P.J. RUNDLE:** I refer to paragraph 1.2 on page 289. It reads —

\$1.2 million for racing infrastructure improvements at various thoroughbred, harness, and greyhound sites ...

Can the minister enlighten us on what those are?

**Mr R.R. WHITBY:** I think that is pretty self-explanatory. It is for some of the basic infrastructure around courses, whether they be thoroughbred, harness or greyhound. It is important to note that this table does not include any funding to race clubs. It is for Racing and Wagering Western Australia’s capital expenditure on owned assets. There is other money provisioning funding provided to the race clubs from which they can improve their infrastructure.

**Mr P.J. RUNDLE:** I refer to paragraph 1.3, which reads —

\$2.8 million for specific head office building improvements and building maintenance throughout the Authority.

Can I get some detail there?



**Mr R.R. WHITBY:** The headquarters is quite ageing. It is from back in the 1980s. If members have been there, they would recognise it is a very 80s building that requires ongoing maintenance. It is a large premises and obviously even ongoing minor maintenance and upgrades can be expensive.

**Mr R.S. LOVE:** My question is around the asset investment program. It relates to small country racecourses. Toodyay has not had a race meeting of late. Has any investment been considered for the Toodyay race club to enable it to get back on its feet and conduct races again?

**Mr R.R. WHITBY:** I might get David Hunter to that question.

**Mr D. Hunter:** The situation with Toodyay at the moment is the club is still in operation but conducting its race meetings at Belmont Park. There are some issues to work through with its local government authority around tenure of the land, the lease expiring and investment in the public facilities there going forward. Unfortunately, at the moment its facilities are not fit for purpose.

**Mr R.S. LOVE:** I presume once the hurdle is cleared with the local government, the minister's organisation will be keen to assist them.

**Mr D. Hunter:** Obviously, our grants program is finite with funds so that is something we would need to work through. We do not have external infrastructure funding outside what we generate through our own wagering business and race field fees. Our focus tends to be on racing assets such as tracks, stalls, running rails and safety aspects, so I could not give a guarantee that we would be in a position to fund public facilities for Toodyay.

[4.20 pm]

**Mr P.J. RUNDLE:** I have a final question about that. Is there any detail about any country racing infrastructure, whether it be harness or thoroughbred? Is there any detail of any clubs receiving improvements in infrastructure as part of that \$1.2 million?

**Mr R.R. WHITBY:** Yes, a range of clubs would be receiving support, but I think it is important to note the definition that Mr Hunter provided, which is about the obligation for Racing and Wagering Western Australia to fund the racing infrastructure per se. The other community type venues are the responsibility of the local community, so something like a function centre on the course or that sort of facility. In many communities, local government often plays a role in owning, funding or supporting those. Those facilities have multiple roles. They can be event facilities and other clubs and organisations can use them. It is true that in many towns it is important to sustain and support facilities, and many clubs look outside racing to maintain and support them.

**The CHAIR:** That completes the examination of Racing and Wagering Western Australia.

*Meeting suspended from 4.21 to 4.30 pm*

**Division 41: Water and Environmental Regulation — Service 5, Environment; Climate Action, \$46 495 000 —**

Mr S.J. Price, Chair.

Mr R.R. Whitby, Minister for Environment; Climate Action.

Ms M. Andrews, Director General.

Ms H. Manderson, Chief Finance Officer.

Mr A. Wiley, Director, Waste.

Mr D. Nevin, Executive Director, Strategic Policy.

Mr S. Meredith, Executive Director, Green Energy.

Ms E. Briggs, Deputy Director General, Climate and Sustainability.

Mr D. O'Reilly, Deputy Director General, Strategy and Performance.

Ms K. Faulkner, Executive Director, Compliance and Enforcement.

Ms A. Lam, Senior Manager, Native Vegetation Strategy.

Ms M. Juesten, Senior Policy Adviser.

[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, 2 June 2023. 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 Moore.

**Mr R.S. LOVE:** I must admit, I am struggling to understand how the department now works, because we have service 5 of this division, which Minister Whitby is here to discuss, and then tonight we have service 5 again with a different minister. I am not sure how we divvy up this service area. Perhaps I will have to ask the minister to explain how it is that he and Minister McGurk share this particular service of the Department of Water and Environmental Regulation, and how that all works in practice.

**Mr R.R. WHITBY:** I thank the member. In very short order, Minister McGurk has water and I have environmental regulation.

**Mr R.S. LOVE:** Has the minister ever thought of making a service area of water regulation and another of environmental regulation so that each minister could claim their own area?

**Mr R.R. WHITBY:** The state budget is an instrument of Treasury so maybe putting a question to them would have been good. The agency is arranged in this way to gain efficiencies in regulation. Obviously, having the same teams and regulatory infrastructure for the regulation of water and the environment rather than creating separate pods of regulatory services for each means efficiencies in government.

**The CHAIR:** Member, maybe your next question will actually be related to the budget, please. It is all good having these conversations, but you asked the question. The minister will say yes or no; he can answer or not.

**Mr R.S. LOVE:** It is actually not philosophical. It is trying to understand how the department functions and performs the tasks.

**The CHAIR:** Member, do you have a question relating to a particular line item?

**Mr R.S. LOVE:** My question is —

**The CHAIR:** No—the line item. Preface what you are talking about, please.

**Mr R.R. WHITBY:** And a page number, please.

**Mr R.S. LOVE:** It is a line item. It is service 5. We could talk about the 95 full-time equivalent employees.

**The CHAIR:** Which page?

**Mr R.S. LOVE:** The same page that I mentioned before, chair.

**Mr R.R. WHITBY:** I am not sure the member did mention a page earlier, sorry.

**Mr R.S. LOVE:** It is page 678, service 5, which is the service we are discussing. Apologies if I did not refer to the page before.

There are 95 people budgeted to be working under service 5 in the coming year. Can the minister explain to me how many will be working in the area of environment and how many in the area of water?

**Mr R.R. WHITBY:** I thank the member. I will get Michelle Andrews to respond.

**Ms M. Andrews:** Thank you for the question, member. As part of the broader machinery-of-government changes and the intention to bring together a number of departments back in 2017, there was opportunity for efficiency and effectiveness outcomes by bringing together some of those functions. Certainly, this policy area is one of those. We have people in that policy area who work on both environment and water policy. It is similar in other areas that we provide services, as well. Compliance and enforcement would be another area.

**Mr R.S. LOVE:** The minister can see the problem I face when I am expected to ask questions on a budget in which everything is jumbled up in such a way that we cannot even distinguish which employees are actually working in the area of the minister's responsibility. References to division 41 become something of a nonsense. Perhaps we have to talk more about budget paper No 3 and what is in there for the climate action fund. I understand from the description in the estimates schedule that the minister is actually here in his capacity as Minister for Climate Action. Is that correct?

**Mr R.R. WHITBY:** Am I the climate action minister? Yes, I am.

**Mr R.S. LOVE:** The schedule lists it as “Service 5: Environment”, and then “Climate Action”. I assume that the minister is here as the climate action minister; is that correct?

**Mr R.R. WHITBY:** Yes.

**Mr R.S. LOVE:** It is correct.

**Mr R.R. WHITBY:** Yes.

**Mr R.S. LOVE:** Therefore, this is an opportunity to talk about the government's climate action program rather than delivery of service 5, because that is almost impossible to do.

[4.40 pm]

**Mr R.R. WHITBY:** I would not have said it was impossible, member. We are talking about some particular numbers against each service area by FTE. I make the point that when a person is involved in policy formation, they bring skills that would apply equally to the regulation of water and the regulation of the environment. It is not a case of this person doing one job and this other person performing a specific role; their skills are available to perform in both areas. Does the member have a question?

**Mr R.S. LOVE:** I have a question around the interaction between the policy development that takes place within this department and the broader government announcements around climate action. Is this the area that is principally involved in delivering policies that develop into government policies that result in actions like ending coal as a source of energy generation? It obviously had a role in ending the logging of native forests and decisions like that. In respect of the government's areas of climate action, is this the body that drives the policy behind those changes?

**Mr R.R. WHITBY:** Member, climate action is a huge challenge not just for Western Australia, but for the planet. As such, it involves responses in many policy areas and in many portfolio areas. There is no one agency that has responsibility to respond to that. The Department of Water and Environmental Regulation is a lead agency for that response, but it also involves other agencies—energy policy, transport, agriculture and the natural environment. If the member wants to ask particular questions that involve transport or the production of coal in Collie or whatever the issue is that may be related to climate change, there are other relevant portfolios and he needs to be precise about where he asks his questions. I will do my best to respond to the member about the issues this agency is responsible for, but it is a cross-government response. I am not going to speak to issues that relate to, for example, the upgrading of the south west interconnected system grid in response to the need to increase electrification and reduce emissions by ending the production of coal and coal-fired energy production in Collie; those are matters for another minister. If the member wants to ask a question about climate change that we can respond to, we will do our best to do so; otherwise, we can refer the member to another minister.

**Mr R.S. LOVE:** I thank the minister. Further to that, the minister is the designated Minister for Climate Action. In that capacity, is this the group that primarily supports the minister in his capacity as Minister for Climate Action?

**Mr R.R. WHITBY:** This agency is the lead agency in terms of our response, but we are collaborative and cooperative with our colleagues across government.

**Mr R.S. LOVE:** I turn to page 143 of budget paper No 3, because there are very few figures I can use in budget paper No 2. I refer to the line item "Climate Action Fund—Green Energy Approvals", under the broader heading "Water and Environmental Regulation". Can the minister expand on the \$31.8 million over the forward estimates to accelerate environmental approvals for green energy proposals? How will that work and what will the government do to measure whether it achieves any outcomes in making sure that there is a wide range of matters taken into account when assessing these new projects?

**Mr R.R. WHITBY:** I am happy to respond to this; it is an appropriate question for me. The green energy approvals initiative is a very important step that the government is taking. The intention is to recognise that Western Australia can play a critical role in developing critical minerals and other materials that are important for providing infrastructure for renewable energy. There is a whole range of initiatives and approvals processes that will help our response to climate change and help reduce emissions. Based on that, we are very keen to ensure that we have an efficient and rapid approvals process—one that deals with approvals as efficiently as possible but also takes account of environmental impacts in the most robust way, to ensure that environmental standards are protected.

We have created this new unit and it will begin operation of the green energy approvals process on 1 July this year. It is important. We have been talking to industry and it is very excited about and supportive of this approach. It is also about attracting very progressive and skilled people to the role of being able to approve these developments in a very efficient way. We are hoping that the lessons learnt during this process will be able to be rolled out across government in the future, so it will not be simply green energy approvals that become more efficient and timely but also approvals across government. We understand the imperative need to respond to the challenge of climate change. There are huge opportunities in Western Australia to meet the challenge of climate change; I believe the opportunities are vast and surpass the downsides of that challenge.

I do not want to underestimate in any way the challenge of climate change, but I think we have the capacity to face it in a very realistic way and engage with the opportunities presented by the natural advantages that exist in Western Australia, such as sunlight, wind, vast spaces and natural materials, including critical minerals such as lithium and green hydrogen et cetera. These are huge opportunities for Western Australia and we have the potential to be a green energy superpower in respect of energy exports. This is about making sure we grasp these opportunities with both hands for the benefit of the planet and the benefit of Western Australia and its people. This is a very important investment in the budget and very worthwhile. It will create opportunities for good results for our economy and good environmental outcomes for the planet.

I will refer to the director general, Michelle Andrews, for further comment.

**Ms M. Andrews:** I thank the member for the question. This initiative was announced in December and will be operating from 1 July. Firstly, it is important to recognise up-front that it is a multi-agency initiative and that the investment is being made into not only the Department of Water and Environmental Regulation but also a number of other agencies. It is quite deliberately being set up as a cross-agency initiative, with the key government agencies that are responsible for the approvals that sit across this emerging industry working together. Secondly, the ambition is high. It is not only about the more efficient approvals process that we know is needed to support the pace of the energy transition required; it is also setting the standards high. This group will be looking at the approval system from the very front end of setting those standards to the environmental assessment process, through to good, well-informed decision-making, and then the insurance framework that needs to be operating in the implementation phase. It is best practice and fit for purpose for what we need around these green energy projects. It was just to frame work already going on. Doors are opening on 1 July. The executive director appointed is Shaun Meredith who is with us today, if the minister would like him to outline.

[4.50 pm]

**Mr R.R. WHITBY:** Given this is such an important aspect in terms of our future possibilities, I invite Mr Meredith to comment further.

**Mr S. Meredith:** I think a lot of the backgrounding has been given for us. We are definitely in the recruitment phase at the moment, and we are attracting a really good number of applicants. We had more than 500 applications for the positions, which is fantastic, and speaks to the minister's desire to get some really good quality staff in. We are confident that we will end up in that space.

I had some really early consultation with a lot of key stakeholders, including industry and peak bodies in particular. I invited feedback on their views on how some of those processes might be improved as well. We are in the process of receiving some of that feedback that will help us shape what improvements to those assessment processes will look like moving forward.

We are also working with the government's Streamline WA initiative based in Treasury. It will be doing some regulatory mapping for us, which again will help us and the Department of Jobs, Tourism, Science and Innovation to explain to proponents the pathways for approvals they are required to receive across government. We are very much in that space. Broadly, in terms of an accountability mechanism, we are also reporting through the Council of Financial Regulators back up all the way through to cabinet as well. I think the lights are upon us and expectations are high. As said, we will be opening our doors from 1 July and the intent is to deliver.

**Mr R.S. LOVE:** Have the personnel to staff come from various departments or just from the Department of Water and Environmental Regulation? From where have they been sourced?

**Mr R.R. WHITBY:** Maybe Mr Meredith can respond to that.

**Mr S. Meredith:** Currently, there are three of us. In terms of where staff will come from, we are still going through those recruitment processes, but we are certainly attracting a lot of people—some people from outside government and some people previously in government who want to come back to work inside the initiative. We are still finalising those recruitment processes. I will definitely not just be drawing on people from inside the department to staff the green energy approval panel.

**Mr R.S. LOVE:** I conclude with a question to the minister. Will it be possible to brief me or other members of the opposition on that group and how it will work? It sounds a little complex to take in at the moment. I would like a better understanding of the assurance schemes, for instance, that the minister was talking about and what that means for the projects and the interplay it might have with some current legislation that will also come in on 1 July.

**Mr R.R. WHITBY:** I thank the member for his interest. I do not see a problem with that at all; in fact, I would maybe invite government members of Parliament to attend a session as well, because it is an important and exciting initiative. I am happy to provide that briefing.

**Mrs J.M.C. STOJKOVSKI:** My questions were actually answered previously. For clarity for the member for Moore, because he seems to be confused by this, all this information is on page 671 of budget paper No 2. Rather than trying to go into budget paper No 3, all the clean energy approval stuff was there.

**Mr R.S. LOVE:** That is very good. It is a good explanation on budget paper No 3.

**Mr P.J. RUNDLE:** I have a question on page 147 budget paper No 3 about the resourcing of the Murujuga Aboriginal Corporation. It states —

A grant of \$387,000 will be provided ... to employ additional staff to manage media and communications activities.

Why is the government funding the communication activities of this corporation?

**Mr R.R. WHITBY:** The member may be aware that Aboriginal body corporates have a lot of demands on them, and often have limited resources and huge administrative asks of them. They often interact with government and

private companies on a range of community interests. It is not unusual that government would help resource these body corporates. Indeed, national park creation, the subject of the next division, comes with resourcing for Aboriginal body corporates to be able to operate and sustain themselves.

In terms of the Murujuga Aboriginal Corporation, the member would understand that there has been intense interest and activity on the Burrup Peninsula. There is a program to protect the sacred rock art on the Burrup. There are a lot of demands and requests on the Murujuga Aboriginal Corporation up there, and there is a lot of intense interest in the broader community. This funding is an investment over two years to help the Murujuga Aboriginal Corporation deal with the volume of interests it has and the issues it is connected to, such as community engagement. From the media alone, it relates to the number of calls it is dealing with. We saw it to be appropriate to provide that support to a very important Aboriginal corporation dealing with an important part of Western Australia and some really large issues. There is Aboriginal rock art monitoring, World Heritage listings and a lot of other issues that it is dealing with at the moment.

**Mr P.J. RUNDLE:** Who devised the grant and was it a competitive process?

**Mr R.R. WHITBY:** This was not a grant situation. It related to partnership funding that had already been provided to the organisation. It was additional money to the partnership funding already agreed to.

**Mr P.J. RUNDLE:** The minister is saying that it is not a grant situation, but the wording of the paragraph is that “a grant” of \$387 000 will be provided.

**Mr R.R. WHITBY:** I think for budget purposes, that was the wording offered as “a grant” of funding, but it is not to be taken in terms of what the member might also consider to be an open grant situation with an invitation for community groups. This was a specific organisation with an issue. It already had partnership funding, and so it was seen to be appropriate to increase that amount of money.

**Mr P.J. RUNDLE:** Why have no other grants been given to other Aboriginal corporations in this regard?

**Mr R.R. WHITBY:** They are, member. As I explained in my response earlier, there is often funding to Aboriginal organisations. This was a specific issue relating to this Aboriginal corporation that was dealing with a whole host of issues, and still is, at the centre of the Burrup. The member knows there is some contention there about rock art, rock art monitoring and the listing of World Heritage sites. They are at the pointy end of a lot of things at the moment. This is a unique situation. Therefore, it was seen as appropriate to increase funding under the partnership agreement. Money is often made available to other organisations, Aboriginal body corporates, to help them co-manage national parks, for instance.

[5.00 pm]

**Mr S.N. AUBREY:** I refer to page 670, budget paper 2, volume 2, and the line item “Climate Action Fund—Climate Adaptation”. Climate adaptation is a significant issue and I ask: how is the government building a climate-resilient Western Australia?

**Mr R.R. WHITBY:** The question relates to climate resilience, which is very important because although we are doing everything we can to reduce emissions, and the state government has its own ambitions around that as an entity in the broader economy, we have to face the fact that there are already consequences of a warming planet. We see this with the flooding that we saw in the Kimberley earlier this year that was described as a one-in-100-year event. We have seen more intense and longer bushfire seasons. We have seen cyclones—cyclone Seroja in our midwest, for instance, coming down the coast in an area in which it is very rare to have cyclonic activity. We know that there will be an ongoing need to make our state more resilient. We are looking at the impact on Western Australia a number of ways in terms of modelling and investment, and predictions of temperature and sea level rises and other important areas such as erosion of the coast. Western Australia is a very large place with a very large coastline. We know that some communities have already been impacted by coastal erosion. The member for Scarborough may know, and other members here are very aware of that. These issues need to be considered.

We also need to consider the resilience of the state and its operations. A 50-year-old bridge in Fitzroy Crossing was washed away; it was incredible that the power of a flood could do that. This is also about making our infrastructure more resilient. It is an issue for the Minister for Transport, but I know the new bridge in Fitzroy Crossing will be much higher and longer and more robust and resilient against what might occur in the future. It involves considering how we ensure that our hospitals and police and schools are maintained in the future, and the resilience of all sorts of systems, services and infrastructure that we provide as a state.

Each agency must look at itself and how it might be exposed to the impacts of climate change. It is a big piece of work that involves not only the government’s own operations, but also the resilience of industry sectors such as agriculture. A lot of work and studies and modelling have been done. We are using the Pawsey supercomputer to do the most intense modelling of what the climate will do in the future up to 75 years from now. It is exciting work that needs to be done as part of our responsibilities under climate action.

**Mr R.S. LOVE:** Are you the minister to ask about the native vegetation policy?

**Mr R.R. WHITBY:** Yes.

**Mr R.S. LOVE:** Very good. I wanted to be sure.

**Mr R.R. WHITBY:** I was trying to remember which division we are in, but it is me!

**Mr R.S. LOVE:** I note that an allocation was made in the asset investment program for the native vegetation extent mapping of \$2.1 million or \$2 million.

**Mr R.R. WHITBY:** What page?

**Mr R.S. LOVE:** It is on page 672, which refers to asset investment, and contains a discussion on native vegetation policy for Western Australia with a few dot points outlining actions. Paragraph 20 reads —

... the Government committed funding to support the first two years of implementation of the Native Vegetation Policy.

Could the minister point to where that has provided benefit? What has been achieved with that? Is that only the native vegetation extent mapping? There are no real figures on it; it just says the minister has committed funding to support it.

**Mr R.R. WHITBY:** To make sure we preserve and increase native vegetation in Western Australia, some baselining is needed to ascertain the extent of native vegetation. That is where the WA vegetation extent mapping system, known as WAVE, comes in. The funding relates to that three-year program. There have been huge advances in the past decade or so in intelligence-based ecosystem mapping. Through this pilot, we will test and develop how technology can be efficiently and robustly applied across our large and diverse state. This will inform the design of the future WAVE as an efficient single source of truth and a publicly accessible dataset to track our progress toward a net gain in native vegetation. A future system will support informed decisions and policymaking by multiple state agencies.

To sum it up, a body of work is being done to use the latest technology to work out a system by which we accurately map the type and amount of vegetation across Western Australia. I guess that involves satellites and computers to do that work.

**Mr R.S. LOVE:** One can look at a satellite at any stage and see the types of vegetation present. The Department of Lands had a program some time ago that mapped the condition of rangelands and lands within its remit. What does this add to the knowledge base that already exists?

**Mr R.R. WHITBY:** To get into detail, I refer this to Anya Lam, the senior manager of the native vegetation strategy.

**Ms A. Lam:** I thank the minister. The difference between the mapping that exists within the state and the new investment is that the mapping dataset previously used to track the extent of native vegetation across the whole of Western Australia has ceased. That was done by the former Department of Agriculture and Food, and then the Department of Primary Industries and Regional Development through until 2020; it has now ceased. There are new technologies available to map the full extent of native vegetation across the whole state in a more cost-effective way than the former manual visual assessment. There was an operator who would visually look at imagery and draw lines and boundaries around the vegetation. Techniques are being used in other jurisdictions now that leverage satellite imagery and artificial intelligence to make the first part of that job easier. The difference between this mapping and other types of mapping datasets that exist to track vegetation across the state is that the pastoral land condition mapping that is done by the Department of Primary Industries and Regional Development is done only for a particular area and for pastoral land condition and not for native vegetation.

[5.10 pm]

**Mr R.S. LOVE:** Would the mapping be of sufficient quality to assist in making assessments of carbon levels in areas such as rangelands or does further on-ground assessment have to take place to establish that?

**Ms A. Lam:** The initial datasets that will be produced from that pilot—it is a pilot prior to seeking full funding for the system into the future—will not support better assessments of carbon. However, they will move the state forward to being able to improve how we assess carbon. The national carbon accounting system is most accurate for tracking the carbon in vegetation in wooded areas, so forest areas that predominate in the eastern states. There is work to be done to improve how algorithms are used to track the carbon in vegetation in drier parts of Australia, such as the rangelands in WA. The technology and methods we develop in this system will help progress our ability to track that.

**Mr R.S. LOVE:** Further to that, is the department or anybody in government doing the work the adviser just spoke of to further develop the tool?

**Mr R.R. WHITBY:** As the director general explained, a lot of work is still being done within government. I think the policy work needed to work out the linkages between carbon offsets and biodiversity offsets goes across all jurisdictions. The answer is that the policy has to happen first, and then the tools to deliver on that policy come second. The other thing I would say is that this is emerging technology. It is a place the state needs to be in because we know that new technology is developing all the time that increases the opportunities and the ability to work out the extent

of native vegetation. As the member points out, it is valuable, and once there is a baseline, we can work out what improvements there have been and then there is opportunity to get involved in the carbon market and, obviously, the federal government talks about biodiversity credit opportunities as well. The opportunity for Western Australia, having such a huge landmass, is that eventually revenue streams will come from carbon offsetting and there will be an ability to sequester carbon in the natural environment, but also increase the habitat and biodiversity credit. It is exciting and there is real potential there. It is an area we need to be in and we need to invest in the science well.

**Dr D.J. HONEY:** Is that system also used to look at changes in the urban tree canopy?

**Mr R.R. WHITBY:** As it is still being developed, I will get Ms Lam to comment on that initially, and I would be happy to add some comments as well.

**Ms A. Lam:** In the urban areas in Perth and Peel the most accurate tool to use at this point is Urban Monitor. That system uses high-resolution photography to track canopy in the Perth and Peel regions. It would be too expensive to use that methodology across the whole state.

**Mr P.J. RUNDLE:** I refer to page 669 of budget paper No 2, and the net amount appropriated to deliver services. Why is the department's total funding set to drop by more than \$30 million by 2026–27?

**Mr R.R. WHITBY:** I will ask Ms Manderson to respond to that.

**Ms H. Manderson:** I refer the member to page 685, the details of controlled grants and subsidies. The department delivers a substantial grant program and at the moment that tails away towards the end of the forward estimate years. A large number of grants in the early years fall away. That is the primary reason for the change in funding.

**Dr D.J. HONEY:** I return to the topic of trees and refer to page 679 and the explanation of significant movements. Paragraph 1 discusses the commencement of the urban greening grants program. The minister may recall that in 2018, I think it was, CSIRO published a detailed study on the changes in the urban tree canopy in Perth. As I recollect, 60 000 hectares of tree canopy was lost in a decade. When I look at new housing developments near the minister's electorate, to the north of Armadale Road as one leaves the freeway, heading east, I cannot comprehend how it would be possible to plant a blade of grass because the suburbs cover every possible square inch of soil. Is the department developing a strategy to at least retain the tree canopy? Have any measurements been taken post the CSIRO study on that? Perhaps that is two questions, chair.

**Mr R.R. WHITBY:** I will take the first question first, and come back to the other. The member is right. There is a massive challenge in Perth. Over many, many years not enough attention has been paid to urban vegetation, particularly native vegetation. We are ranked very low down the list for tree canopy for Australian capitals. There are a couple of stories to tell about my electorate. One can drive down the freeway and look to the west and see a sea of roofs.

**Mr R.S. LOVE:** Shimmering roofs.

[5.20 pm]

**Mr R.R. WHITBY:** Shimmering roofs. That is a testament to some of the development that has gone on in that area in the past 15 to 20 years, and later.

It is another story in Wellard, in the electorate of Baldivis, and it is one I often point to because it is a 15-year-old suburb. The developer there took a different approach and left many mature gum trees. There are roads that suddenly fork into two because there is a giant stand of jarrah or karri in the way. Some lots are missing homes because there are good, mature gum trees on them. It is possible to have better urban design and it is something I raise with my colleagues and a matter I am pursuing vigorously.

This budget delivers a new initiative—the urban greening grants—which I am very passionate about. It will be carried out in collaboration with local government and the folks down at Murdoch University, who are very keen to see native species re-established in our metropolitan area. I am very keen to increase our tree canopy. It is something that can be achieved in cooperation with local government. It has resources for planting and doing maintenance. We can assist them. Any grants can be leveraged to a higher value with that contribution from local government. I think communities want it.

We had a protest out the front of Parliament House yesterday about black cockatoos. We know that they rely on native species. The more we can plant in our suburbs will be a good thing. We also have the ability to map our metropolitan area and work out strategically where those trees need to be to link up with wildlife corridors. This is just one aspect of an issue that is so important. We need a greener community. It is very important for the environment, threatened species and a whole range of species. It is also good for the climate. Having shady streets and environments reduces our reliance on air conditioners in our homes. It is also good for mental health to have the natural environment around us, and it results in people using less water and a lot of other resources. This initiative in the budget is important. It is a two-year program, not a four-year program. The intent is to roll it out and see how we can appraise the program after two years and see where we go after that in our ambition for an urban canopy.

**Dr D.J. HONEY:** I think there are some excellent examples. I thought the original Ellenbrook subdivision was probably environmentally a better outcome than when it was horse paddocks. It has worked superbly, so well done. Is the minister's department working with the Department of Planning, Lands and Heritage on this issue? It strikes me that there is almost a conflict. I appreciate the minister's good intentions. I know that people generally think the tree canopy is important. I agree that this is generational, not one government, but there are ongoing planning decisions that leave no room for any trees in substantial areas because of the way the areas are designed. Is part of the work of the minister's department to work with the Department of Planning, Lands and Heritage, or is the minister aware of other government initiatives that are dealing with the matter of an urban tree canopy?

**Mr R.R. WHITBY:** I have a collaborative approach with my colleague the planning minister. This issue is recognised by all government agencies. There are opportunities to work together. I do not want to speak outside of my portfolio responsibilities but I do know from the planning minister that new urban design codes provide for greater green space. The effort is to allow innovative design that has actual large trees planted rather than in pots on a home site. Some of the changes to urban design are deliberately intended to provide for more urban canopy. That is the responsibility of home owners. Others also have a responsibility, such as local governments, and even other government agencies, such as with schools that have lots of space. Many schools are well timbered but there is an opportunity for plantations of native plants on the edge of ovals, whether they are school ovals or in community parks. There is a great opportunity there. It is an issue that I have raised with my colleague the Minister for Education.

**The appropriation was recommended.**

**Division 42: Biodiversity, Conservation and Attractions — Services 1 to 10, Environment, \$465 697 000 —**

Mr S.J. Price, Chair.

Mr R.R. Whitby, Minister for Environment.

Mr P. Dans, Acting Director General.

Dr F. Stanley, Acting Deputy Director General.

Mr D. Coffey, Acting Executive Director, Parks and Visitor Services.

Dr M. Byrne, Executive Director, Biodiversity and Conservation Science.

Ms C. Wright, Acting Executive Director, Zoological Parks Authority.

Mr A. Barrett, Executive Director, Botanic Gardens and Parks Authority.

Ms A. Klenke, Manager, Financial Services.

[Witnesses introduced.]

**The CHAIR:** The estimates committees will be reported by Hansard. The daily proof *Hansard* 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 these details. Some divisions are the responsibility of more than one minister. Ministers shall only be examined 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 12 noon on Friday, 2 June 2023. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

Do we have any questions? I give the call to the member for Roe.

**Mr P.J. RUNDLE:** I refer to the line item "Bushfire Suppression" in the service summary at the bottom of page 695 of budget paper No 2. I note that the actual budget in 2021–22 was \$55.5 million. It appears to have flatlined to around \$44 million to \$45 million right through to 2026–27. Under "Fire Management" on the previous page, paragraph 10 states —

Over the past decade, the Department's fire management operations have become increasingly complex and demanding ... including:

... significant growth in the area of land for which it has fire management responsibility;

Can the minister explain why funding has not increased to match these increasing complexities and the area of land?

[5.30 pm]

**Mr R.R. WHITBY:** The 2023–24 budget target total cost of services is higher than the 2022–23 budget to reflect the average trend of actual expenditure for bushfire suppression over the last few years. The 2021–22 actual is higher than the 2022–23 budget due to a busy bushfire season in 2021–22. The department received supplementary funding of \$14.9 million. I understand that is an annual practice, is it not, that it is likely to be higher? I refer to Mr Dans for further explanation.



**Mr P. Dans:** The trend over the last few years is that fire seasons appear to be longer, and certainly the Department of Biodiversity, Conservation and Attractions has been called to assist with suppression on lands that are not managed by DBCA, such as local government lands or other lands. As the minister indicated, the department has overspent its budget for bushfire suppression, and around this time in the financial year we have sought supplementary funding to top up that budget so we do not overspend our total budget. It is suggesting that we have adjusted the budget estimates for this year to reflect the trend of the last few years whereby we have overspent the budget posted in previous years' *Budget statements*.

**Mr P.J. RUNDLE:** Has the land area that DBCA manages increased since 2021?

**Mr P. Dans:** Over the past one to two years, with the Plan for Our Parks initiative, the land managed by the department has probably increased by about two million hectares, but it is not so much that that is driving the change here; it is the cost that DBCA is incurring in suppressing or assisting with the suppression of bushfires that are not on DBCA-managed land. We are helping out local governments and the Department of Fire and Emergency Services on lands that we do not manage. We are incurring costs and overspending our budget as a result, and Treasury is providing supplementary funding to bridge that gap.

**Mr P.J. RUNDLE:** I will flow into prescribed burning, if I may. There is also reference to increasing complexity and demands and the need to increase planning and operational requirements. Can the minister explain why the funding for prescribed burning has not also increased to match the increasing complexities and requirements? It is a very similar question.

**Mr R.R. WHITBY:** Does the member have a page number?

**Mr P.J. RUNDLE:** It is the same page—page 695. It is the line above “Bushfire Suppression”. It is a very similar amount going through in the forward estimates.

**Mr P. Dans:** The government made an adjustment to the department's budget called the enhanced prescribed burning program in 2018–19 that locked in an additional \$5.5 million a year across the forward estimates for prescribed burning. That has been a permanent budget adjustment. I guess the prescribed burning budget has not been under the level of pressure that the bushfire suppression budget has been. There has not been a need at this time to extend beyond the additional funding that was put in in 2018–19.

**Mr P.J. RUNDLE:** What percentage of the prescribed burning target has been achieved? I do not know whether it is done by calendar year or financial year, but I know the department has a hectare target.

**Mr R.R. WHITBY:** I might refer that question to Mr Dans.

**Mr P. Dans:** We operate on a financial year basis. As of 11.30 this morning, we achieved about 165 000 hectares of prescribed burning in the south west forest, which goes from about Denmark on the south coast up to just south of Jurien Bay or about Wedge Island. We have a notional target in that area. It works out to be about 200 000 hectares a year. It is a reasonably good effort, but we have not achieved the 200 000-hectare targets since about 2017–18, I think it was. But that is a good effort. The other metric we use is that we aim to have at least 45 per cent of the lands that DBCA manages in the south west—we manage about 2.5 million hectares—with a fuel age of less than six years. As of 30 June 2022, it was at 46.4 per cent. We are above that average. Even if we do not get 200 000 hectares this year, we are still in a place we would like to be in respect of the fuel loads across the landscape.

**Mr P.J. RUNDLE:** Is the minister keen to press on with the current regime for prescribed burning? I heard the minister get a fair bit of flak on talkback the other day. Does the minister feel this is the way to go? Is he comfortable with it?

**Mr R.R. WHITBY:** I might add to the earlier comments of Mr Dans that the 200 000-hectare ambition is there each year, but we are achieving goals in the broader sense with 45 per cent of land with a fuel age of less than six years since the last burn. But the department takes a very careful and calculated approach to prescribed burning. The files on each prescribed burn are very thick and they involve lots of information. Lots of work is done and then the plan can be aborted at the very last moment on a particular morning if the weather conditions are not right. The department does everything it can to make sure the impacts of prescribed burns are minimised, and that they are done as safely as possible. I do not see it as an ambition each year that we must get to that 200 000 hectares. It is a guide, but I do not lose sleep if we do not meet it. We have a month to go and we have done 165 000 hectares. Whether we get there or not, we will be in the ballpark.

I refer to the member's broader question about prescribed burns. This is a very passionate and at times polarising debate. People tell me we should not burn anything, and there are others who say we should have a massive burns program. The member can be assured that I do not sit on either of those extremes. However, I believe that it is our most important tool for mitigating devastating fires in this state. Over the history of Western Australia, we have seen loss of life, towns wiped off the map and devastating impacts from bushfire. We know from recent years that fires are getting more intense and the fire season is lasting longer. We must retain prescribed burning to safeguard our communities and infrastructure and lives and property. However, we can always be as informed as we can and

rely on the very best science. The climate is changing and getting drier, and we know that that is having an impact on vegetation. In some parts of the state where a fire would not have brought the same devastation in past years, it is now more devastating because of the drier climate—particularly down south.

I think it is always up to government and the agency to make sure they are applying best practice, best international standards, and the very best science we can gain locally. We will never make everyone happy. There will always be people on either side of the debate who want a total firestorm or want nothing at all. The reality is that fires have been part of the natural environment in Western Australia for tens of thousands of years. Before European settlement, First Nations people engaged in a form of fire management. It has always been here. The issue we have today is that if fires start from lightning strikes or inadvertently, or even when we burn to make safer the environment, we cannot just let them run because there are now towns and communities and buildings and bridges in the way. It is a real challenge and an increasing challenge in a drying climate. We will continue to apply the best practice we can. Prescribed burning remains an important mitigation tool for averting devastating loss of life and property.

[5.40 pm]

**Dr D.J. HONEY:** By way of commentary on that, I will say that I will stand beside the minister in any forum and defend the government's program. A bipartisan approach to controlled burning has saved hundreds of lives and many hundreds of millions, if not billions, of dollars' worth of infrastructure in loss of housing and the like. I congratulate the minister on maintaining that program.

A comment was made by the acting director general on the township of Denmark. I am particularly concerned about the township itself because it is extraordinarily heavily wooded. People have built million-dollar mansions literally in trees in the township. Is the controlled burning program around that town at target or is it behind target? I understand there is very substantial local opposition amongst some people, at least to controlled burning, which may have mitigated the program.

**Mr R.R. WHITBY:** I will take the member's comments and opening remarks. I appreciate that very much and I am glad we have bipartisan support. That is not to say we need to take everything for granted. We need to update our skill sets and our knowledge to make sure we are absolutely doing the best we can for the community. On Denmark, I think the member is right. It is a beautiful part of the world that is heavily timbered. The community is invested in the environment and wants to see it preserved. For burns, the desire is to do it in a way that protects assets and communities. That is the key role. Where we choose to have prescribed burns, they must be in areas where the priority is to safeguard people's lives and property. I will ask Mr Dans to elaborate.

**Mr P. Dans:** I am sorry, member. I am not immediately familiar with the fuel ages in Department of Biodiversity, Conservation and Attractions-managed land around the Denmark town site. However, within the town site, obviously that is not DBCA's responsibility. If the minister wishes, we can provide some information on fuel ages on DBCA-managed lands in the vicinity.

**Dr D.J. HONEY:** I would appreciate that. Would that be through supplementary information?

**Mr R.R. WHITBY:** Is that a request, member?

**Dr D.J. HONEY:** I would like to know that, minister. I am especially concerned about that township and the fuel loads around that township. The question would be: are the DBCA targets for fuel load reduction being achieved around that township? I fully appreciate that it is a difficult circumstance but it is a dangerous one as well.

**Mr R.R. WHITBY:** Given that looking for the data might take a little while, I am happy to take that question on notice.

**Dr D.J. HONEY:** Thank you.

**The CHAIR:** That means it will be put on notice, which gives you more time.

**Mr R.R. WHITBY:** Yes.

**Mr R.S. LOVE:** Thank you for coming along today. My question is a general one on management of the estate. I refer to page 692 and significant issues impacting the agency. Under biodiversity conservation and ecosystem management, it sets out that climate change is impacting species and ecological communities and that the department will focus on preserving those species. On the management of DBCA lands and other lands it manages, because I understand it is not just national parks that the department has a role in some way in managing, has there been a change to the management of wild dogs? My area of the state bounds onto a lot of reserve land in what were former pastoral leases, which are managed by a mishmash of various groups, including DBCA. My understanding is that no baiting is now being conducted on any government land. Can the minister confirm that no wild dog baiting is taking place on DBCA-controlled land?

**Mr R.R. WHITBY:** I will defer that to Dr Stanley to respond.

**Dr F. Stanley:** I thank the member for the question. It is not true to say that there is no wild dog baiting occurring on DBCA-managed lands. I understand that the member would be referring to the relationship we have with recognised biosecurity groups, largely, in those rangeland areas. As the member may be aware, some adjustments

were made to the permitting process for those groups to undertake wild dog control. That includes not only on lands we manage under the Conservation and Land Management Act, but also on unallocated crown land and some former pastoral lease lands. The permitting process was reviewed across the three agencies that have responsibility in that area: DBCA, the Department of Primary Industries and Regional Development and the Department of Health. That came into place last year. We have been working really closely with all those recognised biosecurity groups over the last few months and with DPIRD. Most of those groups now have their permits in place for wild dog control in those areas. As I understand it, they are undertaking that work.

**Mr R.S. LOVE:** I might take that on board and follow it up through the minister after going back to some of those communities and discussing it further.

**Mr P.J. RUNDLE:** I refer to page 702. Under works in progress, there is a line item for Plan for Our Parks. I am confused because it mentions the Buccaneer Archipelago and various others but there is no mention of the south coast marine park, which is obviously 1 000 kilometres of coastline. Co-managers DPIRD has a line item for management of parks, including its plans for Marmion and the south coast. Is this an omission, is it by design, or can the minister advise where this proposed marine park is being funded from?

**Mr R.R. WHITBY:** If the member looks at the top of that page, it is the asset investment program. After we establish a plan for a national park, there is an agreement with traditional owners and an investment is made to manage that park—control pests and weeds et cetera, maintain roads and have certain facilities and infrastructure. That is the part of every national or marine park that is progressed to a completion and agreement. The south coast marine park is in the planning stages, so that is why that and other national parks are not listed here, as they have to be completed and an Indigenous land use agreement made, and then a funding agreement for that marine park can go ahead. At some stage, with the hopeful completion of the south coast marine park process, we will have an asset investment program for it as well.

[5.50 pm]

**Mr P.J. RUNDLE:** I refer to the employee FTE allocation for the south coast marine park. The community engagement information officer's position was recently terminated. Given that the south coast marine park plan is incomplete, will that position continue to be funded to the project's completion?

**Mr R.R. WHITBY:** It is not true to say that there will not be any representative from the Department of Biodiversity, Conservation and Attractions providing that community information role in Esperance. I understand there was an appointment for a particular period that coincided with the community reference committee process. That process has now concluded. DBCA officers are based in Esperance and they will continue to engage the community and provide information to the public about the process, which now moves to the next stage of planning involving broader public consultation.

**Mr P.J. RUNDLE:** It seems rather strange that this particular person was geared up as a communications officer, had the communications plan ready to go for the next six months and then was let go or the contract finished—whatever we would like to call it. Given the absolute key to improved communication over the next six to 12 months, would it not have been appropriate to retain this person given, as the minister said, the public consultation period is coming up?

**Mr R.R. WHITBY:** The government engages people routinely on fixed contracts that have a start and finish date, so this is not unusual. As I said, it is not the fact that there are not people in the DBCA office in Esperance who are now responsible for community engagement and information. There was a specific time during the community reference committee process; that has concluded. There are also resources for DBCA liaison in Perth who routinely travel to the great southern in Esperance to inform the community. I want to be very specific that there are officers in the DBCA Esperance office and part of their job role is to inform the community and maintain community liaison. That service continues, and it is crucial that it is part of the ongoing process in the marine park, because we are getting to the point of getting to broad community invitation for submissions and feedback. It will run for three months. The resources of the DBCA in Perth and Esperance will be all about making sure that as many people as possible know about that process and have the information they need to engage with it.

**Mr P.J. RUNDLE:** I have a final further question.

**The CHAIR:** You are not going to ask the same question a third time, are you, member?

**Mr P.J. RUNDLE:** No, I am not going to ask that same question.

Has there been any conflict between the Department of Biodiversity, Conservation and Attractions; the Department of Primary Industries and Regional Development; and, of course, members of the public about where proposed sanctuary zones might be located?

**Mr R.R. WHITBY:** It is fair to say that we are engaged in community views. People involved in recreational fishing and commercial fishing and conservationists will have a conflict of views on striking a balance on how the marine park is structured. I do not think that is a surprise. The government's role, and that of both agencies, in this process is to strike the right balance. It is no surprise that there might be difference of opinion between people in the community. That routinely happens with every endeavour we could ever imagine. The marine parks are

important and substantial. We currently protect less than one per cent of the marine environment, and this is a world-class coast with unique biodiversity. It is absolutely imperative that it is protected for future generations. Most Western Australians would agree that this is a good thing and that it needs to be done. Striking the right balance is what it is about. It is finding out where the balance is and getting it right. There are obviously fishers who want to fish in areas and conservationists who want areas protected. Sometimes there is a difference of opinion, but in my engagement I have met fishers, conservationists, the local community, the council and the CRC group at its final meeting, and it is a civil, open practice of sharing information and views. It is a journey, and we will take all views on board. I think it has been a very constructive process.

**Dr D.J. HONEY:** I refer to pages 692 and 693 of budget paper No 2, the line item that refers to the *Forest management plan 2024–2033* on page 692, and paragraph 2.1—about thinning—at the top of page 693. The minister might be aware—I was made aware by farmers who also work as foresters in the area—that replanted areas, and karri plantations in particular, have been planted with a high stem density. Off the top of my head, I forget how many thousands of stems have been planted per hectare, but the trees would literally be a metre apart. In fact, there are parts where people cannot walk between tree stems. I have been informed that the groundwater table has reduced by around 20 metres because of excessive vegetation. These are quite mature trees and apparently thinning has been stopped. Will the government provide details of where the thinning will occur and what thinning will occur over what time line, particularly in those replanted areas? I know that the local community is extremely concerned. For example, Record Brook and other creeks in the area are now running dry because of the excess of drawdown by unnatural forests.

**Mr R.R. WHITBY:** Absolutely; the member makes some excellent points and he points to the science we will draw on. It is important to remember that the next forest management plan taking effect from next year will be all about preserving and protecting the forest and managing it in the most environmentally friendly way in the future, whereas all other plans were involved with how to harvest our native forests for products. As the member points to, ecological thinning is about helping the forest be more sustainable because we have thick plantations and the drawdown of water is high. Indeed, the whole forest is stunted. We do not get the large growth that is part of a natural forest that evolves over time that is not an artificially planted construct. It is critical that we have ecological thinning, and this FMP is a transitional one because for decades and decades we have been harvesting our native forest and this is about preserving them. We will do things differently. We will have new approaches and we will learn a lot of lessons about how we manage this. For details of where the thinning will occur, I might refer to my colleague here Dr Stanley. This is important work for the conservation of the forest. It is important that everyone understands that. We need to ecologically thin if we are to give the forest a chance to survive, especially with a drying climate.

**The CHAIR:** Thank you, minister. Unfortunately, we have run out of time.

**The appropriation was recommended.**

*Meeting suspended from 6.00 to 7.00 pm*

**Division 25: Training and Workforce Development, \$608 602 000 —**

Mr D.A.E. Scaife, Chair.

Ms S.F. McGurk, Minister for Training.

Ms K. Ho, Director General.

Mr G. Thompson, Executive Director, Corporate.

Ms J. Wallace, Executive Director, Policy, Planning and Innovation.

Mr B. Jolly, Executive Director, Service Delivery.

Ms E. Paterson, Executive Director, Service Resource Management.

Ms G. Husk, Director of Finance.

Dr Susan Gallacher, Chief of Staff, Minister for Training.

[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, 2 June 2023. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

Are there any questions? I give the call to the member for Roe.

**Mr P.J. RUNDLE:** I refer to page 370 of budget paper No 2, volume 1, under “New Initiatives”, line item “Workforce Support Collie Transition Package”, and the funding of \$10.28 million over the forward estimates. Has a similar package been made available for those transitioning out of the native forestry industry?

**Ms S.F. McGURK:** I thank the member. The south regional jobs and skills centre provides free career training and employment advice and assistance. These services are accessible in locations throughout the south west, including Bunbury, Manjimup, Collie, Busselton, Harvey, Margaret River and Narrogin, and can be tailored to meet transition planning needs. South Regional TAFE representatives have been visiting and will continue to visit workplaces to speak with workers about training opportunities. This includes current skills assessments, recognition of prior learning skills, gap analysis and skills development planning and activities. During 2022–23, South Regional TAFE and government contracted service providers Jobs South West as well as Albany Worklink to provide transition support to workers and organisations in the south west and great southern regions.

**Mr P.J. RUNDLE:** How many students does the minister expect to come from the forestry industry into the TAFE system?

**Ms S.F. McGURK:** I am sorry; we do not have those specific figures. We have allocated \$50 million to the Just Transition plan, which has a range of support programs for affected workers and businesses in the south west. As the member is probably aware, that package is to secure sustainable job opportunities before logging ends in January 2024. Those eligible workers can receive a transition payment of up to \$45 000 in the event of redundancy and also \$2 500 for training and skilling support from TAFE colleges and approved training providers. There are job matching services available for workers, with up to \$500 provided to assist workers to prepare a résumé when seeking employment. That scheme is being managed through the Department of Jobs, Tourism, Science and Innovation—another agency—but I am not aware that there is any cap on the number of workers who would be eligible to receive that funding.

**Mr P.J. RUNDLE:** I thank the minister for the comprehensive response. The minister said that she is not able to say how many students the department is expecting, but has the department already had a number of enrolments for those services?

**The CHAIR:** Member for Roe, is there a line item for this?

**Mr P.J. RUNDLE:** Yes, this is a continuation of the first question I asked.

**The CHAIR:** Relating to native forestry retraining?

**Mr P.J. RUNDLE:** Yes. It will be my last question.

**The CHAIR:** Okay; it had better be!

**Ms S.F. McGURK:** Thank you, chair, and it is a good point, because the answer I gave previously—that the program is actually being administered by another agency—means that I do not have the same sort of detail that I would have for a program that is being administered by the Department of Training and Workforce Development.

**Mr P.J. RUNDLE:** I thank the minister; I appreciate the response. I refer to the same page, ongoing initiatives, and the line item “Kimberley Juvenile Justice Strategy”. What is the training component of this strategy?

**Ms S.F. McGURK:** A component of the strategy is a work skills program for juveniles in Broome and Kununurra. That program is going to be delivered by North Regional TAFE—again, the Department of Justice is actually accountable for that program’s deliverables and outcomes—but there is an allocation of \$2.7 million to be funded through the Department of Training and Workforce Development for the continuation of the integrated learning program for the years 2023–24 and 2024–25. That program includes basic literacy skills and aims to re-engage participants through learning and pathways to employment and further education.

**Mr P.J. RUNDLE:** We have those two amounts there—\$1.345 million and \$1.372 million—and then it disappears. Can the minister explain why it is not funded any further into the out years?

**Ms S.F. McGURK:** Yes. It was only ever funded for two years as a pilot. As with any new initiative, it makes sense to roll it out and then assess whether it has been effective. It is the case that the program has been funded for only two years; that does not mean it will not be funded after that, but certainly we like to assess whether a program has been successful and take that opportunity before committing to ongoing funding.

[7.10 pm]

**Mr P.J. RUNDLE:** Further to that, will the cessation of this program after 2025 impact on the already crisis-hit Banksia Hill situation?

**The CHAIR:** I have been clear in previous sessions about entering into policy debates that are not related to the line item. Minister, you can indulge this if you want to, but I will otherwise rule the question out of order.

**Ms S.F. McGURK:** I would like to make a point about this particular program, which is one of the sorts of investments that the state government is making in the portfolio area of vocational training. These are really practical

supports that are being given to people in the regions, but in this instance it is for young people in the regions. Since the inception of the program in late 2020, 124 at-risk young people have participated in it across Broome and Kununurra. They are doing the sorts of programs that will enable them to go on to further study to gain additional skills or just the confidence they need to undertake some sort of work placement which is, of course, what we want.

As part of this year's budget, we are providing \$1.6 million in funding over two years for an Aboriginal jobseeker support program. There is also the extension of the heavy vehicle driver licence program in the Pilbara and Kimberley. These are all examples of really practical courses that young people can do. I should also say that the driver licence program, which is being run through the Department of Transport and the Minister for Transport, is also being used to give people job-ready skills.

**Mr P.J. RUNDLE:** I have a further question. The minister said that this is being administered by North Regional TAFE. Is it just one campus in particular, or are a couple of campuses involved?

**Ms S.F. McGURK:** That component of the strategy is across the Kimberley, as I understand it, and is being delivered in Broome and Kununurra. The work skills program I referred to earlier is the program that has had 124 at-risk young people participating in it since 2020. It is being delivered in Broome and Kununurra.

**Mr P.J. RUNDLE:** One final further question. Is there anything like a cert II course or any particular certificate courses being offered or taken up at the moment through this strategy?

**Ms S.F. McGURK:** I am advised that this falls into the category of young people who either have an offending history or are at risk of having an offending history. Really, we are trying to engage them in some sort of basic work-ready program. That could include basic literacy and numeracy, digital skills and the like, but it could frankly also include some basic life skills for those young people to then be ready to go on and do a cert II or other practical skills training through our skills offerings—Free in '23 is an example—but also through the Lower Fees, Local Skills program. There are a whole lot of very short taster programs that people can access to get an idea about whether they are interested in a certain area of work. All these sorts of things are available, but to answer the member's question, it is often prior to some sort of qualification attainment that we really are trying to get people ready for their work placements.

**Mr P.J. RUNDLE:** Thanks, minister. I will move on to the next question, if I can. I refer to paragraph 1 under the heading "Building a Skilled Workforce" on page 371, which refers to the government continuing to build a skilled workforce. I have employers ringing my office about the lack of trainers and assessors, and numerous cancellations of training for the apprentices, which is actually putting some of their apprentices back by a year in their training. Does the minister have any comment about the lack of lecturers and assessors?

**Ms S.F. McGURK:** This has been identified as an issue for us. Unfortunately, the vocational training system, whether through TAFE or private providers, has not been immune to the same sorts of worker and skills shortages as have other industries throughout the state, particularly in regional areas, where we need vocational training people who have technical skills, such as trade skills, and are also able to teach. It can be very difficult in regional areas to retain tradespeople in lecturer positions when they can attract some good money in other industries. This has always been an issue, but it is particularly an issue where there is high demand for skills.

There are a number of strategies, particularly in the Pilbara, Kimberley and Kalgoorlie, as a result of the colleges having identified that they have difficulties attracting and retaining lecturers. There is a \$2.9 million temporary regional incentive program through which eligible lecturers are eligible to receive up to \$15 000 at the Pilbara and Kimberley TAFES, and \$10 000 at Kalgoorlie TAFE, in an effort to provide an incentive for them to stay and do that work. There has been a call to expand the incentive programs to other locations; certainly the unions raised that issue with us, and I think the member for North West Central also raised it with me, perhaps in Parliament during question time, if my memory serves me correctly. A question was asked about Carnarvon, and there was only one vacancy in Carnarvon at the time that this program was put in place and that was, in fact, a new position. It was expected that that would be advertised and filled.

We are trying to be flexible in the ways in which we deal with these issues through the department and sometimes through colleges cooperating to move staff across individual colleges—say, for instance, in South Regional TAFE—to make sure that the delays or interruptions to training are minimised as much as possible.

**Mr P.J. RUNDLE:** Thanks, minister. I have a further question. At the moment we have 6 500 electrical apprentices in the system when we would normally have about 4 000, so in some ways it is a good thing. There was an example recently in one of the towns in my electorate in which there was a good-quality apprentice who seemed to have a contract with a private registered training organisation at one stage, but now there is no ability to find a lecturer to actually continue in the system. It is pretty frustrating for the employer as well, and it is an example that I might talk to the director general about down the track. It is exactly as the minister said; we have tradespeople who are in high demand and are highly paid. The challenge is that if they want to come into the system as a lecturer, they may not have the skills. I am just worried that we do not have a lecturer skillset out there. The minister has talked about the incentives. Are there any other incentives in the metro area to improve the base of lecturers and assessors?

[7.20 pm]

**Ms S.F. McGURK:** The director general was just pointing out the incentives and approaches that all the TAFE colleges have to attract and retain people with the vocational and technical skills and also to train them on the other side of those skills that they are required to have in order to deliver training. They are required to have certain qualifications in training and assessment to lecture or train in TAFE, although in some areas it could be that we might be able to partner with industry to have access to some of their staff to sit alongside the TAFE staff to meet both the teaching and technical requirements. It might be that we are thinking about some of those alternatives to deal with these issues. It is the case across regional areas but, frankly, it is particularly bad in the Pilbara, parts of the goldfields and other smaller areas. The challenges of those areas are probably what the member is talking about.

I know that when this was experienced in Albany, the college made an effort to make sure that students were transported from Albany to Bunbury, given opportunities to train there and perhaps accommodation. A lot of effort was put in to make sure that the training of those students was not interrupted so that they could get on and finish within the allocated time.

**Mr P.J. RUNDLE:** I guess some feedback that I have is about the substantial amount of paperwork that lecturers and assessors have to work through in the TAFE system. Has any thought been given to simplifying that effort, especially given that we are coming from a base of tradespeople becoming lecturers et cetera?

**The CHAIR:** We are a long way from the budget papers here.

**Ms S.F. McGURK:** Thank you. I will take the question, but that is a fair reminder, chair. We have regulatory requirements to ensure that we maintain a quality training system. While some people see that as a regulatory burden, it is, in fact, part of the reason we have such high quality outcomes in our vocational system. Many of those standards apply across other states and jurisdictions. We are no more or less regulated in that respect than any other state. We have to make sure that when trying to simplify some of those requirements, it is not done at the expense of the quality of outcomes. It is always the case that the Training Accreditation Council carries out reviews to ensure that the requirements for quality teaching standards are met and people gain those qualifications.

**Mr P.J. RUNDLE:** I refer to the line item “New Works” on page 382. Apart from the program mentioned under the heading “Expanded Heavy Vehicle Driver Training Program”, are any new works envisaged for the department over the next three financial years?

**Ms S.F. McGURK:** A number of programs are being offered as part of our 2023–24 budget. These include meeting our election commitments—I could talk across a number of different initiatives we are undertaking there—and a significant asset investment program of \$243.3 million to improve infrastructure and equipment across TAFE colleges throughout the state. Similarly, we are in the process of negotiating a new National Skills Agreement with the federal government. A reform agenda is built into that national agreement that picks up on a number of existing programs and refines them. It is not the case that there is only one area of new infrastructure and delivery works; these are simply the new works required under the vehicle driver training program—the program I referred to before—which was expanded up to the Kimberley and Pilbara. Part of that program is to invest in some dual cab driver-controlled trucks, I think, for the locations. It is certainly not the case that only one new piece of work is being done; a massive investment program is happening across the state.

Sorry, I should probably read the notes in front of me. It would probably make the lives of my advisers a bit easier. I would also like to point out that the state is investing up to \$15.3 million a year on remedial works programs and other capital projects across the forward estimates. That is outlined throughout the asset investment program information and the grants and subsidies income statement in the budget papers.

**Mr P.J. RUNDLE:** I might just move on to page 380, subparagraph 3.8, which relates to the \$18.1 million investment for a new replacement campus at South Regional TAFE Esperance. How is the campus going? Can the minister give me a bit of a rundown on how many courses, lecturers and students are at that particular campus?

**The CHAIR:** Sorry, member, can I just clarify the question? Your initial question seems to be about how the facility itself is taking shape, then there was a second, third and fourth question about the number of students. Can we just break it up for the minister’s benefit?

**Mr P.J. RUNDLE:** Is the building side of the replacement South Regional TAFE Esperance campus totally completed?

**Ms S.F. McGURK:** Yes, it is, member.

**Mr P.J. RUNDLE:** Is the minister able to supply the details of the number of courses, lecturers and students at that particular campus?

**Ms S.F. McGURK:** Across one site? Does the member want to know what courses are available?

**Mr P.J. RUNDLE:** Yes, what courses are being used at the moment at that campus?

**Ms S.F. McGURK:** We do not have them with us. I do not mind providing that as supplementary information, chair.

**The CHAIR:** Just to clarify, the minister is agreeing to provide the courses that are being utilised at the Esperance campus and the number of students and lecturers at that campus, as at today's date.

[*Supplementary Information No B6.*]

[7.30 pm]

**Mr P.J. RUNDLE:** Further to that, what has happened with the previous buildings on the Esperance campus that were mixed in with the Esperance Senior High School buildings? Have they all been passed back to the Department of Education? Is there an update on that?

**Ms S.F. McGURK:** The member did not have a line item to refer to for the new works in Esperance and I do not think it is unreasonable that I say that I do not have all of the detail here in front of me. The member has quite a few opportunities to ask those questions, either through contacting my office and asking for that information, which he can do any time, or by putting that information on notice through Parliament. It is factual information. I have come bearing many thick files but I do not have that detail with me.

**Mr P.J. RUNDLE:** That is fine. I will move on to another question. I return to completed works on page 380, paragraph 3.2. How is the \$150 000 grain harvest simulator and associated software at the Muresk Institute in Northam going? I am sure the member for Central Wheatbelt is interested in that. Was that in operation for the previous harvest or will it be for the upcoming harvest?

**Ms S.F. McGURK:** I was reading about the Muresk upgrades because I visited some of those upgrades this time last year after the last state budget and saw the new shearing shed there.

**Mr P.J. RUNDLE:** That was my next question, so the minister can cover both if she likes.

**Ms S.F. McGURK:** I was struck by the fact that one of the training courses being delivered included crutching workshops—but there you go.

Could the member remind me what part of the facility he was asking about?

**Mr P.J. RUNDLE:** I was asking whether it was completed according to the budget papers. Was it in practice for the harvest just gone in December 2022, or will it be used in the forthcoming harvest in November–December 2023?

**Ms S.F. McGURK:** The first stage of the shearing shed I was referring to commenced for use in August last year. The Muresk livestock operation industry research partnerships and course delivery —

**The CHAIR:** Can I just clarify —

**Mr P.J. RUNDLE:** I was talking about the grain simulator, but I will be moving on to the shearing shed.

**Ms S.F. McGURK:** Sorry, I will hand over to Ms Paterson to answer that question.

**Ms E. Paterson:** The grain simulator was put in place this year to use in the future; it has not been used in the past. As the member mentioned, there is another area of training facilities—classrooms, shearing sheds and workshops. They have all been implemented at Muresk as well. The final area for completion are the workshops and they are due to be completed in the next week or two.

**Mr P.J. RUNDLE:** I have a further question on the shearing shed. Has there been an increased number of enrolments due to that piece of infrastructure?

**Ms S.F. McGURK:** I am advised that last year in September, after the refurbished and new shearing shed was opened, year 9 students from Northam Senior High School were invited to witness shearing through a snapshot career taster. The success of that event resulted in further and ongoing school requests to engage and experience other agricultural activities. I do not have the specific enrolment numbers for that college here with me, sorry.

**Mr P.J. RUNDLE:** I refer to page 381, paragraph 5.3.2. What will the \$3.2 million Midland wind turbine training centre provide when it is completed?

**Ms S.F. McGURK:** I am advised that this facility is being funded by the federal government. As the name implies, it is designed to help skill people particularly in the maintenance, but also manufacture and construction, of wind turbines. As the item implies, it is part of a total package for the TAFE technology fund that has been available across three different projects.

**Mr P.J. RUNDLE:** Considering the proliferation of wind farms and the like, is this the main training centre in WA for mechanics who will specialise in that field?

**Ms S.F. McGURK:** The project plans for that and the other projects listed there that are being funded by the commonwealth government are currently under development. I do not envisage that this will be the only centre for skilling up workers for clean energy requirements, whether it is in relation to wind turbines, electric vehicles or solar panels et cetera. A range of work needs to be done to gear up the WA workforce for clean energy requirements that are coming at us very quickly. We are aware of that. The federal government is aware of that. We are currently working on a mapping of the existing courses that are available for workers and also the next stage of our development to ensure that we have the workforce across the state that will be required for emerging industries in clean energy.



[7.40 pm]

**Mr P.J. RUNDLE:** I have a new question on that same page—381. Paragraph 4.12 states —  
\$22.2 million for a new Trades Workshop at South Regional TAFE’s Albany campus ...

Can the minister give me an update on how that is progressing and when she expects it to be completed and up and running?

**Ms S.F. McGURK:** I can. I have visited that particular campus. It has had a \$22.2 million upgrade. It is an example of the large number of capital and equipment upgrades that our government is funding. The workshop will replace 50-year-old outdated workshops. The trade training will focus on metals and engineering, light and heavy automotive, plumbing and electrical. When I visited that site, it was particularly exciting to hear that a local business, H+H Architects, had been appointed to design the project. A local business has taken control of the construction and was employing not only Albany, but also great southern workers. I met a couple of apprentices who were working on that project. The tender was awarded to local contractors Wauters Building Company in August last year. The contractor took site possession in September. Civil works for the car park and training sandpit were completed in December and the project is proposed to be completed in the middle of next year.

**Mr P.J. RUNDLE:** I refer to the second line item, “Jobs and Skills Centre Services”, under the service summary on page 373 of budget paper No 2. Can the minister tell me why the funding for the centre decreases over the forward estimates?

**Ms S.F. McGURK:** We made a massive investment in Jobs and Skills Centres across the state. There are now 19. In addition, there are two specialist providers offering free professional and practical advice on training and employment opportunities for both individuals and businesses. They have been heavily invested in and, from everything I can see, are a great success.

To answer the member’s question, the funding changes over time due to the role that the centres will play in a couple of initiatives, but at this stage they are expected to peak in the next year or two. That is the Collie Just Transition plan and the defence industry white and grey collar workforce. As I said earlier, we have funded particular services for time-limited periods to see how those programs go. That could be an example of the enhanced Aboriginal services that are being offered in the metropolitan Jobs and Skills Centres and other programs as well. The average cost per Jobs and Skills Centre and individual and business client contact decreases are largely due to the timing of enhanced services being provided to underrepresented job seekers across a range of programs. There is probably a quicker way of saying it. We are offering some programs for two years. We may continue them but at this stage, we have just offered them for two years. The example I gave earlier is enhanced Aboriginal services.

**Mr P.J. RUNDLE:** The minister said two projects would be scaled back. What were they again, sorry?

**Ms S.F. McGURK:** Perhaps I overstated that. My apologies. I was talking about the Collie Just Transition plan and the defence industry. They are expected to continue for some time. It is probably more the individual services that are targeting at-risk or difficult-to-engage cohorts. They have been a target in our budget, particularly this year. We are looking at such a full employment market. How can we really start to focus on those cohorts that are difficult to get into the employment market? If we can get them trained and into some sort of work now, there is a good chance that we will keep them in work. It is a great opportunity to start to do some focus work while we have such a thirsty skills market.

**Mr P.J. RUNDLE:** Will there be any closures of any centres or a reduction in staff that correlates with the downturn in funding over those forward estimates?

**Ms S.F. McGURK:** There will certainly be no closures of centres. In fact, the higher amounts in the line items that the member referred to represent an increased investment by this state government across this whole portfolio. In that instance around these specific programs, we were always very clear they were time limited. As I said, if they are very successful, we might put up an argument for continuing them. These are notoriously difficult cohorts to engage. We are trying different approaches to see whether we can get some traction.

**Mr P.J. RUNDLE:** The minister announced the \$8.14 million investment in services for Aboriginal people over the 19 Jobs and Skills Centres. It does not seem to be represented in the figures before us because of the downturn in the out years. Are they represented somewhere else in the budget?

[7.50 pm]

**Ms S.F. McGURK:** A range of different initiatives have been implemented as well as the Aboriginal JobSeeker support program. We have committed \$1.2 million to that program for two years. That is the one I was referring to earlier. It will support about 400 Aboriginal people across the state to access targeted assistance to enable their transition into employment or training. It complements a range of existing programs that are likely to benefit Aboriginal job seekers. A number of Jobs and Skills Centres have a particular target of making themselves attractive to and focused on Aboriginal clients. In fact, I have one in Fremantle. I was very pleased to be able to open it not that long ago. Six Jobs and Skills Centres are focused on Aboriginal clients—Midland, Armadale, South Hedland, Kununurra, Fremantle and Collie. We have committed \$8.14 million to enhance services delivered to Aboriginal clients across the state. That includes the \$1.6 million program that I was talking about before. Just last year, over

3 050 clients who identified as Aboriginal and Torres Strait Islander were assisted by the Jobs and Skills Centres. There are also Aboriginal employer engagement service grants for the Regional Chambers of Commerce and Industry, which have been extended to June 2024. To increase the support for Aboriginal job seekers, the state government has established a partnership with the Waalitj Foundation to support Aboriginal young people to enter employment or training. This has been expanded to include 25 to 30-year-olds exiting the justice system. We have also commenced piloting a program to deliver cultural competency training for businesses to support, attract, recruit and retain Aboriginal employees. That is for employers to get their cultural competency up to speed so that people feel comfortable.

Although we still have a long way to go to meet our Closing the Gap targets and to get better outcomes for Aboriginal people in Western Australia, the VET enrolment data for 2022 is very strong. Last year, there were more than 2 005 publicly funded Aboriginal VET course enrolments, which is an increase of four per cent and translates to 500 more enrolments on pre-pandemic levels, so that is very strong. There were 368 enrolments in Aboriginal school-based training, which is an increase of 87 enrolments since 2021, and 855 Aboriginal people were assisted to undertake training through the participation program. I hope that all demonstrates that there are dollars, but it is across a range of different programs to try to assist Aboriginal people into work via training.

**Ms L. METTAM:** I have a question that relates to page 375 and the explanation of significant movements under the service “Skilled Migration, Including Overseas Qualification Assessment”. The notes state —

The movement in the Total Cost of Service and income from the 2021–22 Actual to the 2022–23 Budget are largely due to changes in the number of State Nominated Migration applications. The increase in the Total Cost of Service and decrease in income between the 2022–23 Budget and the 2022–23 Estimated Actual largely reflects changes to State Nomination policy settings and new programs including the Skilled Migrant Job Connect and the Skilled Migration Employment Register programs.

Can the minister explain what global numbers relate to these years? How many skilled migrants are we looking at?

**Ms S.F. McGURK:** The total cost of service increases in the 2022–23 budget and the 2022–23 estimated actual are largely due to the waiver of state-nominated migration program fees for 2022–23 and the expansion of skilled migration programs and services. The program fee was waived from July 2022 for 12 months to remove barriers and significantly increase the pipeline of skilled workers available to support economic growth and industry diversification. Other changes included reduced requirements for English language skills, work experience and employment contracts. These have been successful in increasing the number of applications from skilled migrants seeking work in Western Australia. Fees will also be waived from July 2023 for 12 months to continue the successful program of increasing the pipeline of skilled workers in Western Australia.

**Ms L. METTAM:** I am seeking the increased number of skilled migrants in those years as a result of that policy change. I understand that there is a cost of service, but is the minister able to provide the number of skilled migrants?

**Ms S.F. McGURK:** We do not control those numbers; we make a request to the federal government for places under the state nomination program. In June 2022, the Premier requested 10 000 places for the 2022–23 program year and 8 140 places were allocated to WA, which represented 13 per cent of the places available to the states and territories. In 2021–22, 1 440 places were allocated.

**Ms L. METTAM:** Can the minister give some broader figures—for example, what were the figures in 2017 before the government’s change of policy around skilled migration?

**Ms S.F. McGURK:** What line item is the member referring to in regard to the 2017 figures?

**The CHAIR:** It is not in order as currently phrased, member for Vasse.

**Ms L. METTAM:** I want to get a clearer understanding of the implications of this line item on the explanation of significant movements. Is the minister able to provide figures from 2019?

**The CHAIR:** It is the same problem. We are dealing with this budget, not with the 2019 budget.

**Ms S.F. McGURK:** I also make the point that the member has quite a lot of opportunity to ask those questions in the normal course of events—how many places did the state government nominate both before the pandemic and during the pandemic, and how many of those were taken up?

**The appropriation was recommended.**

**Building and Construction Industry Training Board —**

Mr D.A.E. Scaife, Chair.

Ms S.F. McGurk, Minister for Training.

Ms T. Allen, Chief Executive Officer.

Ms K. Armstrong, Director, Communications and Operations.

Mr L. Baptie, Business Services Manager.

Dr S. Gallacher, Chief of Staff, Minister for Training.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

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, 2 June 2023. 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 Roe.

**Mr P.J. RUNDLE:** I refer to page 390. The three line items basically relate to the Construction Futures Centre. Can the minister give me some background on the Construction Futures Centre? Obviously, these are building items as well, but how many people are out there, if that is possible? Any background information would be appreciated.

**Ms S.F. McGURK:** The resources sector has contributed over \$60 million to the fund generally. One of the issues for the Futures Centre, I should say, is that because this is a relatively new contribution, it will need to contain exhibits dedicated to the resources sector. The organisation is looking at how it can accommodate that and make sure that it includes a focus on the resources sector. Since opening in 2018, over 20 000 students and members of the industry more broadly have visited the Construction Futures Centre to explore the wide variety of building and construction pathways. There are interactive exhibits, which give young people ideas of what construction is and what careers are available in the industry. The centre has to be cognisant of emerging technologies, so it is designed to be interactive. I visited not that long ago and got to test some of the interactive exhibits. It was great! There is a need for the centre to maintain currency and interest for students. Based on student feedback, capital funding for the Futures Centre has been allocated to refresh several exhibits to enhance student engagement. In fact, the board endorsed an evaluation of the centre and those findings will be reflected in the strategic asset plan to be implemented over the coming years through the upgrades to the Futures Centre exhibits in future budgets. As I said earlier, one issue is that the resources sector has been contributing only in the last four years, so there has been a lag in ensuring that the centre also reflects the particular characteristics of the resources sector rather than just construction—residential, commercial and civil—which it does now.

[8.00 pm]

**Mr P.J. RUNDLE:** Thanks, minister. I appreciate that. Was the minister or the Futures Centre involved in the recent resources technology showcase at all?

**Ms S.F. McGURK:** I am advised that the centre was in attendance but not as an exhibitor. It is very similar to that sort of layout where there are different interactive opportunities and people explaining what the work is and opportunities for students or even industry people to get involved and simulate driving or project planning, or even doing interactive questionnaires to see what sort of areas within construction they might be interested in.

**Mr P.J. RUNDLE:** Is there co-investment from the large resources companies or anything like that, or is this operation just funded by the state government?

**Ms S.F. McGURK:** It is all funded by industry levies, as required under the act.

**The CHAIR:** That completes the examination of the Building and Construction Industry Training Board.

**Division 41: Water and Environmental Regulation — Services 1 to 3 and 5, Water, \$98 362 000 —**

Mr D.A.E. Scaife, Chair.

Ms S.F. McGurk, Minister for Water.

Ms M. Andrews, Director General.

Ms E. Briggs, Deputy Director General, Climate and Sustainability.

Mr D. O'Reilly, Deputy Director General, Strategy and Performance.

Ms H. Manderson, Chief Finance Officer.

Mr D. Nevin, Executive Director, Strategic Policy.

Mr S. Meredith, Executive Director, Green Energy.

Mr J. Moynihan, Executive Director, Science and Planning.

Mr S. Taylor, Executive Director, Regional Delivery.

Dr S. Gallacher, Chief of Staff, Minister for Water.

[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, 2 June 2023. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

Are there any questions? I give the call to the member for Cottesloe.

**Dr D.J. HONEY:** I refer to page 670 of budget paper No 2. Under new initiatives, there is a line item for green energy approvals under “Climate Action Fund”. Does the minister or the Department of Water and Environmental Regulation have any responsibility for that under this heading?

**Ms S.F. McGURK:** No.

**Dr D.J. HONEY:** I refer to page 672 of budget paper No 2, volume 2, and the Gngangara groundwater allocation plan implementation. I have been following keenly the levels of Gngangara groundwater and we are now seeing a consistent increase in its level. Does the government still intend to persist with its 10 per cent reduction in groundwater allocations to growers in that area, despite the fact we are now not seeing any continuing decline in Gngangara groundwater?

**Ms S.F. McGURK:** The plan has been announced and will be implemented. It was released in June 2022 as part of new measures to protect our important groundwater resources, which are at risk from the impacts of climate change as well as increased use due to increased population. It sounds like the member is across the detail, but for others, under this plan, the Water Corporation will reduce its baseline abstraction by 27 per cent, which is a significant reduction. There are also reductions in water entitlements for most other licensed groundwater users, although that has been limited to just 10 per cent. Schools and hospitals will be exempt from any reductions in water entitlement. Groundwater licences that are subject to the planned water entitlement reductions are being modified when they are due for renewal to apply the abstraction reduction coming into effect from 1 July 2028.

**Dr D.J. HONEY:** I believe a second groundwater replenishment plant has been commissioned. How much groundwater is now being re-infiltrated into Gngangara mound via those two plants?

**Ms S.F. McGURK:** Member, it is hard to see you over there!

**Dr D.J. HONEY:** Do not worry, minister. I am very happy you are there and answering!

**Ms S.F. McGURK:** I should be able to see the whites of your eyes! This question would be better directed at the Water Corporation, which will be available next for consideration.

[8.10 pm]

**Dr D.J. HONEY:** The basis for the future reduction in the groundwater allocation was that the groundwater level in the Gngangara mound would continue to decline. In fact, that is not the case anymore, and, if anything, that level is increasing. It is, at the very least, completely stabilised at current usage rates. I understand that significant volumes of water will be annually re-infiltrated once the second treatment plant is fully commissioned. Surely, that means that there is a basis for revisiting the decision. I appreciate that a decision was made by the former minister based on information at the time, but now that it appears there is stabilisation, in fact, an increasing of the level in the Gngangara mound, surely it is an opportunity for the government to revisit that decision. Will the minister consider that?

**Ms S.F. McGURK:** There will be not be any revisiting of that decision. It is not 12 months since that announcement was made. It is important to know about rainfall, particularly in the south west, but it might apply to the area over the Gngangara mound as well, that there is variability in water levels across systems. That has been the experience across bores. The period since commencement of the plan is too short to determine its impact.

**Dr D.J. HONEY:** Given that that is a 2029 plan, is the minister’s indication that the government has no intention of revisiting that at all, or, if in two to three years’ time a continued steady increase in the level of the water mound is shown, would the minister reconsider the reduction in water allocation from that mound?

**Ms S.F. McGURK:** It is unlikely, based on the projections we are seeing through reduced or variable rainfall and increased population. Although we are supplementing our water supplies with desalinated water, it is an expensive option, but it is an option we are employing. It is important to reduce our use of groundwater where we can. It is not only important because of its unreliability as a source, but also because of the environmental benefits that come with a sensitivity to the use of that resource. I was reminded of that at a recent wetlands conference I went to at Bibra Lake.

**Dr D.J. HONEY:** The wetlands around the area were wet. We had the second wettest winter we have ever had two years ago, and also the wetlands are being re-established by that re-infiltration. Is this a scientific decision or a philosophical decision? The minister just indicated that somehow or other there is a problem with using groundwater, yet it seems to me that the scientifically guided use of groundwater is entirely appropriate.

**The CHAIR:** I hope I have been consistent on this throughout the day, but I have said repeatedly that I will not entertain policy debates in the chamber that do not closely hew to the budget papers, so I am ruling that question out of order.

**Dr D.J. HONEY:** Is it the minister's clear statement that no matter what evidence comes out about changing groundwater levels at Gngangara her government will not reconsider the decision?

**Ms S.F. McGURK:** There was a line item about implementation of the Gngangara groundwater plan, and I acknowledge the previous Minister for Water who is in the chamber tonight. It was a really significant decision, and I think we should be grateful to him and the department for making that decision. It is not easy to implement change when it requires changed practices by households and huge government utilities like the Water Corporation, and we are particularly sensitive to the impact on industry. These are not easy decisions to make, but all the scientific advice is that climate change needs to be responded to. It is impacting rainfall to varying degrees, and it means there has been a lack of reliability and a characteristic of variability from year to year. I did not say that we would not use groundwater. I said we needed to use it sensitively, and that is what we intend to do. So, no, we will not change our position. In any case, it is not my position to change the allocation that has been announced for the Gngangara plan.

**Dr D.J. HONEY:** I refer to page 675 of budget paper No 2, service 1, "Water Information and Advice". The underspend in the line item "Net Cost of Service" is mainly due to the rural water program underspend on direct investment on strategic water supply network across dryland agriculture areas. Can the minister explain why there has been underspend in that area?

**Ms S.F. McGURK:** Can I clarify that the member was talking about the total cost of service?

**Dr D.J. HONEY:** Yes, and note 1 explained the underspend as follows —

... Estimated Actual mainly relates to Rural Water Planning program direct investment on the strategic community water supply network across the dryland agriculture areas.

**The CHAIR:** This is the note at the top of page 676.

**Dr D.J. HONEY:** Yes, it is just overleaf on page 676.

**Ms S.F. McGURK:** Sorry, member, some of these files can get a bit clever by half!

I am advised that it is just about the timing of the delivery of the program for works for the rural water planning program. I can give the member a bit more detail. We are aware that some of the program has received federal government money and we are trying to get that money to growers and businesses. So far it has been difficult to get it out to them, and we have had some discussions with industry and want to continue with industry representatives' feedback on how we can make that money available to the people it is intended for. I had a conversation not that long ago with representatives from vegetablesWA about this point, and they said we could look at the design of the program to make sure we get some of that money out to those organisations.

**Dr D.J. HONEY:** Are the details of what is to be done in the plan the minister indicated available?

[8.20 pm]

**Ms S.F. McGURK:** These programs are co-funded between the state and the commonwealth. From the commonwealth, it is from the national water grid fund. They are to increase non-potable strategic off-farm water supplies, which will help meet firefighting water needs in dryland agricultural areas. Excuse me, member; I will just make sure that I am talking about the right program.

Thank you, chair. To date, 42 community water supply projects have been approved through the jointly funded program to the value of \$3.3 million. In addition, there is a consideration of the AA dams program, which will be small works up to \$50 000 totalling \$1 million. To enable those projects to progress, the AA dams program has enabled projects to improve existing water infrastructure in regional communities, support emergency water supplies for farmers and firefighting needs and help to build water security to combat climate change. I believe that I went and visited some of the successful applicants to those programs in Denmark. I will withdraw that, because it might be under a different program, so I will not complicate things.

**Dr D.J. HONEY:** I think that there was a flurry of activity on this when we had our last really dry year; it would have been about 2019. For example, in Lake Grace, work was done to improve water catchment and improve the dam, and a couple of dams there were improved. Is the minister able to tell me which of those major town supply dams, which are the ones being generated, will be worked on in the next 12 months?

**Ms S.F. McGURK:** I might hand over to Mr Taylor to answer this question. We made an announcement about a project in Esperance, but he will be able to talk about it much more confidently than I will.

**Mr S. Taylor:** Thank you, minister. The focus of the latest work is on using some second-hand tarps provided by CSBP to line catchments, which significantly increases the run-off into dams. There are two pilot sites being established and demonstrations are intended to encourage similar practices in surrounding areas.

**Dr D.J. HONEY:** One issue last time was that the sealed or roaded and graded catchments had substantially deteriorated. Is there an ongoing maintenance program as part of this plan, or is that something that sits with individual shires to manage?

**Ms S.F. McGURK:** I am advised that the maintenance does sit with individual shires, although there are programs here, and if a catchment fits the criteria, we are prepared to have a look at it. But, primarily, that maintenance work sits in the remit of individual shires.

**Dr D.J. HONEY:** I refer to page 676 of budget paper No 2, volume 2, service 2, “Water Planning, Allocation and Optimisation”. At paragraph 3 of the notes under the table, there is an explanation, if you like, for the large increase in the average cost per plan from about \$269 000 in 2021–22 to roughly \$416 000 this year. There is some discussion about that. Can the minister please explain why that cost has increased so dramatically?

**Ms S.F. McGURK:** The increase in the average cost per plan, report or guidance document to support water planning, allocation and optimisation from the 2022–23 budget to the 2022–23 estimated actual is due to higher cost allocations to this indicator resulting from the timing of the royalties for regions program of works for Watering WA and rural water planning, the timing of delivery of the *Gnangara groundwater allocation plan*, adjustments to the Australind jetty, and carryover of funds for the smart farming partnerships from 2020–21 to 2022–23 to allow the Australian government National Landcare smart farms funding to extend the project from April 2022 to June 2023. That was because of challenges in establishing trials because of COVID-19. Finally, there was a forecast reduction in the number of documents or advice delivered. The 2022–23 budgeted average cost per plan, report or guidance document was based on 29 outputs. The estimated actual cost per plan is based on 27 outputs, increasing the average cost per plan.

**Dr D.J. HONEY:** I think this question falls into this area. I think that in 2019—the former minister could correct me—the Department of Water and Environmental Regulation produced an outstanding paper, I thought, on the potential use of water in the Fitzroy River valley. It went through and canvassed a number of options, and that report recommended what I thought was a very sustainable, softly softly approach to the potential use of water from the Fitzroy Valley, which looked at using very small quantities of groundwater and developing a program over a period. Does the government have any active plans to proceed with that plan that was developed by the Department of Water and Environmental Regulation for the Fitzroy River?

**The CHAIR:** Just to clarify, member: is there a particular line item?

**Dr D.J. HONEY:** It is within the water planning, allocation and optimisation as a total cost of service. I imagine this would fall under that as part of a major initiative of the government.

**Ms S.F. McGURK:** I will take the question, because it has been a big issue for a number of people, not least in the Kimberley, and I must say that I see a number of bumper stickers about it in my electorate in Fremantle, too.

First of all, the point needs to be made that the government remains committed to having no dams in the Fitzroy River or its tributaries because of the river’s national heritage-listed values. We are also supporting pathways for people to pursue economic development opportunities that will benefit the local community, so we are committed to that.

As the member said, the department released a discussion paper in November 2020 titled *Managing water in the Fitzroy River catchment*. In fact, that paper provoked a large number of community responses and submissions. The government will prepare and release a draft water allocation plan following the consideration of public submissions, but I must say that the pace at which we intend to do that has been influenced by the flooding earlier this year. It has been difficult for the community to genuinely engage in some of these issues while they have been quite rightly preoccupied with cleaning up their community and getting back on their feet, so we are cognisant of that. Having said that, we understand that there is quite a bit of interest from all sides on the issue, so we do intend to deal with this issue later on this year or early next year.

**Dr D.J. HONEY:** I thank the minister. I genuinely thought that paper was an excellent analysis of the situation and covered the issues that the minister has raised. What form will that take? Will the government issue a plan, or will there be a further round of community consultation and discussion? I am just interested in what form that will take, because I thought that a large amount of consultation had gone into that paper. I thought it was really well done.

[8.30 pm]

**Ms S.F. McGURK:** Thank you, member. It is envisaged that when the plan comes out, it will come out as a draft plan, so there will be another opportunity for people to give feedback, considering that we have been consulting on this for a while. Obviously we have had various interruptions in that time, but there will be another opportunity for people to give feedback.

**Ms M.J. DAVIES:** I refer to page 673 of budget paper No 2, volume 2. The fifth service in the table headed “Relationship to Government Goals” is “Water and Environment Policy”. I have looked through the rest of the

budget papers and I cannot see a reference to it; it is a broad reference in the table. I am looking for an update on where the legislation that has been under consideration for some time is up to, and whether we are likely to see it before the next election.

**Ms S.F. McGURK:** I thank the member. Sorry, my file has malfunctioned!

**Ms M.J. DAVIES:** I am sympathetic, minister!

**Ms S.F. McGURK:** Yes, member, that is certainly my intention. In fact, I have a list of the number of water ministers who have committed to this piece of legislation and it spans a number of governments, I think going back to Hon John Kobelke; the member is also in there. It is a who's who of water ministers in Western Australia!

**Mr D.J. KELLY:** It is the member for Central Wheatbelt's fault, though!

**Ms S.F. McGURK:** That is right!

Yes, it is my intention to finalise this matter and bring something before the Parliament. I hope to do that this year. It is an ambitious project, as the member is aware; it will bring across six different current water acts and provide for commensurate powers to meet the challenges of water management in the twenty-first century. It is intended to support responses to climate change and make sure that that is considered seriously in the legislation; to meet the needs of our growing population and the development of industry in our economy; and to protect and recognise the interests of Aboriginal people and their cultural and economic needs. We also want to provide certainty in water access approvals and introduce a faster, streamlined regime for licence renewals and trades. These are some of the things we will be looking at. I am hopeful that there will not be any policy surprises for people in this piece of legislation, but it will bring together a range of different pieces of legislation. We are working through that at the moment.

**Ms M.J. DAVIES:** I thank the minister and wish her well as she takes on the challenge that has thwarted so many former water ministers. Can the minister tell me when the government undertook the last series of external formal consultations on this legislation?

**Ms S.F. McGURK:** Member, there has been ongoing consultation on the items contemplated in this bill since the member was water minister in 2014. Someone has just handed me the list we discussed earlier. It has been 15 years since there was consultation on the architecture and policy underpinning the new bill. As I said, it is a who's who of water ministers: Hon John Kobelke first released a blueprint for water reform in 2006; Hon Graham Jacobs released a discussion paper in 2009 for water resource management options; in 2013, the member's predecessor, Hon Terry Redman, released a position paper, *Securing Western Australia's water future*; and in 2014, as I said, the member released the analysis for public submissions and statement of response of the position paper; when we had a change of government in 2021, the then Minister for Environment, Hon Stephen Dawson, released our government's climate policy, committing to introduce a water resources management bill; and also in 2021, my predecessor Hon Dave Kelly announced the drafting of the bill, and it is progressing, but there is a lot of work that needs to be done to pull it together.

To answer the member's question, we will have to strike a balance. I want to get this done and actually introduce the bill to Parliament, but I also want to give people the time and opportunity to consider some of the policy issues. As I said, I do not imagine there will be any surprises in it, but I want to give people an opportunity to provide feedback. I also want to get it done. As I outlined with that list, there has been considerable ventilation and discussion of the policy issues and, frankly, I think it is time we got on with it, but I will give people the opportunity to give feedback.

As an example of that, there has been a request from the southern forests area to have some discussion on and exposure of those issues, and I am of course committed to doing that. Similarly, Aboriginal people in the north of our state want to know what opportunities there might be for them to realise not only sensitivity to their cultural and social connection to water resource, but also the economic opportunities.

**Ms M.J. DAVIES:** When the minister says "released", will it be an exposure draft of the bill for comment, or will it just be introduced and sit for a while? How does the minister anticipate managing that?

**Ms S.F. McGURK:** It is not my intention to introduce a green bill or some sort of exposure bill.

**Ms M.J. DAVIES:** After it is introduced, will it sit for a while for feedback, or will there be a process by which people can provide advice before it is finalised and second-read?

**Ms S.F. McGURK:** I am tempted to ask what line item we are talking about, if the member can just refer to that.

**Ms M.J. DAVIES:** Under the "Desired Outcomes" for the "Water and Environment Policy" service, which states —

Development and implementation of strategic policy and legislation —

**Ms S.F. McGURK:** On page 675?

**Ms M.J. DAVIES:** Page 673.

**Ms S.F. McGURK:** I will be frank: it is a balance between ensuring that people get an opportunity to give feedback and not getting caught in another round of consultation and discussion so that the opportunity slips away. I do not want that to be the case. My job will be to get that balance right, and I commit to ensuring that people will have an opportunity to give me or their local representatives and their industry bodies feedback about the issues that are raised within the bill.

**Dr D.J. HONEY:** I apologise if I was not listening, but when does the minister think that will occur? Just to explain, I am not trying to pin the minister on this; it is more to alert various stakeholders to be ready to deal with it when it comes.

**Ms S.F. McGURK:** I have been clear—I think the previous minister was as well—that we are actively working on this bill. It is my intention to introduce it before the Parliament this year. If I can do it in the second half of the year, then that is my intention. But it is a big amalgamation. Apart from the policy issues and working through them, it is a logistics question for the parliamentary drafters and the like.

**Mr P.J. RUNDLE:** I refer to page 670 and the line item “Gnangara Groundwater Allocation Plan—Water Efficiency Scheme”. There is no funding for 2023–24 or the out years. Can the minister explain why that is not funded in the forward estimates, or is there funding implementation elsewhere?

[8.40 pm]

**Ms S.F. McGURK:** The department identified \$1 million to be repurposed for a water efficiency scheme for groundwater users affected by the 10 per cent reduction proposed under the Gnangara allocation plan. The initiative will increase the expense limit by \$1 million in 2022–23 funded through the repurpose. That was the program. Local governments are given \$4 million for assistance. I think nine local government areas were impacted. The new \$1 million water efficiency scheme is to support horticultural and viticulture licensees. It was only ever envisaged to be a \$1 million allocation. That is what we announced. We did not announce that it would be an ongoing plan. My predecessor announced that it would be a \$1 million allocation for viticulture and horticulture licensees affected by the 10 per cent reduction. In addition, there is \$4 million of assistance for local government areas most impacted by urban heat in that they are being supported with assistance to prepare and implement plans to reduce their abstraction. Sorry, the \$4 million is given through the Water Corporation, which is why it is not in the budget.

**Ms M.J. DAVIES:** I just want some clarification. Can the minister tell me if I am in the wrong division? We just had a bit of a problem asking this question in another division, so we want to know where it fits. Can I ask a question about page 680, paragraph 7, “Environmental Impact Assessment Services to the EPA”? Is that in the minister’s delegate or is that the DBCA’s?

**Ms S.F. McGURK:** I think the member has missed the opportunity. Did the member ask it in environment?

**Ms M.J. DAVIES:** We tried and we were told that this is where it needed to go. I want to clarify that we have been given—never mind. It is all right; we tried!

**Ms S.F. McGURK:** It is a pea under the cup trick.

**Dr D.J. HONEY:** I refer to page 677 of budget paper No 2, “Water Regulation, Licensing and Industry Governance”. The table shows under the efficiency indicators that there has been a rise in the time to assess water licence applications. We have seen that cost increase. I apologise, minister; I have to go to page 677, services 3, because I want to talk about the time for licences. The efficiency indicator shows that there has been a slippage of time taken to undertake licence application assessments within the high-risk category. The time slipped from an average of 65 days last year to 81 days this year. As I recollect, the number of days last year was a slippage from the year before. The minister will be aware that those high-risk applications are typically around mining activity and other major activities. One of their bugbears is time slippage and that the “stop the clock” aspect adds to a greater real approval time. Can the minister explain why there has been such a significant change by 28 per cent in the increase in time?

**Ms S.F. McGURK:** I am advised that timing has been impacted by staffing challenges, particularly technical staff required to do this work. This is even more the case in regional areas that undertake the lion’s share of this work. That is the short answer. There has been a lot of focus on that by the agency, particularly in terms of recruitment across skilled staff needed.

**Dr D.J. HONEY:** Does the minister anticipate that that will reduce this year or going forward? The table indicates that this year it is going to increase even further. Have we lost even more staff? Otherwise, what plans are in place to get the required staff?

**Ms S.F. McGURK:** It was pointed out to me that the target is actually unchanged; that is done by Treasury—sorry, it is within the target range. A particular effort has been made around recruitment. I point out that the risk categories for applications guide the level of assessment carried out by the department. I could talk about how they assess risk indicators, but the indicator of risk is calculated using the time taken to assess all licence and permit applications within each risk category completed within the period. The measurement of time includes “stop the clock”, which



I should explain. I think the member probably knows, but “stop the clock” means that the time measure excludes the time taken by processes outside the department’s control. When an application process is outside the department’s control, the time taken in that process is not included.

**Dr D.J. HONEY:** I refer to the same area on page 677, paragraph 3, “Water Regulation, Licensing and Industry Governance”. What expectations are there around the Aboriginal cultural heritage impact on water licence applications? For example, I was told that when a station owner from the north applied for a water bore, they were told that they would have to get an Aboriginal cultural heritage water bore clearance before the department would consider their application.

**Ms S.F. McGURK:** Before I answer that question, a good point was made by one of my advisers about the member’s previous question; that is, the time taken has been affected by floods, particularly within this financial year. That has really impacted the agency’s work.

In terms of the impact of the new heritage act and the approvals and consultations required, I suggest that that be referred to the Minister for Aboriginal Affairs.

[8.50 pm]

**Dr D.J. HONEY:** But in relation to the Department of Water and Environmental Regulation considering any application, will it require Aboriginal cultural heritage clearance before it considers an application? Will that be a precursor to being able to obtain a water licence?

**The CHAIR:** This is again a question that is not really about a budget item; it is a policy question that a member might ask in question time or by notice to the minister. If the minister has something to say, she can, but it is just not in order, member for Cottesloe.

**Dr D.J. HONEY:** I am not seeking to argue, chair, but just seeking to explain. My view is that it has a direct impact on the time to obtain a water licence.

**The CHAIR:** I do not share the view that questions can be asked about any matter that has an impact on the budget. It needs to hue closely to the items in the budget itself.

**Dr D.J. HONEY:** I refer to page 677 of budget paper No 2 and water regulation, licensing and industry governance. Paragraph 2 under “Explanation of Significant Movements” indicates a rise in income from \$1.8 million last year to \$3 million this year due to higher application fees for mining and public water supply sectors. Why has that risen so significantly in the year?

**Ms S.F. McGURK:** I understand that the member is talking about the increase in income.

**Dr D.J. HONEY:** That is right.

**Ms S.F. McGURK:** Total income for the service comes mainly from water licence applications, external funding for projects, and permit application assessment fees for mining and public water supply sectors. The increase from the 2021–22 actual to the 2022–23 budget target is due to increases in regulatory fees and fines as a result of the inclusion of water regulatory fees, commercial and institutional industry and power generator sectors, and changes in the volume of water licence applications.

**Dr D.J. HONEY:** Why do we see such a dramatic reduction in the 2023–24 budget target?

**Ms S.F. McGURK:** When the department collects fees, it considers a range of legislative instruments. This is encompassed in those fees, so it is a broad range, including contaminated site fees, controlled waste licence and tracking fees, industry regulation, native vegetation clearing fees, noise regulation fees, Port Hedland dust regulatory fees, and water regulatory service licence fees. We are alive to the increased cost pressures over the past year on many important business sectors as well as the community. We have worked hard to manage those fees to make sure that there is no unnecessary cost impact on industry. The fees currently apply to only the mining and public water supply sectors. I hope that answers the member’s question.

**Mr P.J. RUNDLE:** I refer to page 670 and ongoing initiatives. I note that \$6.25 million is coming out of royalties for regions per annum for Healthy Estuaries WA. Why is there no budget item for the current year, 2023–24?

**Ms S.F. McGURK:** This table represents spending changes. It is already funded going forward; it is not represented in this table because this represents only changes in the years specified.

**Mr P.J. RUNDLE:** Are those seven estuaries all in regional areas?

**Ms S.F. McGURK:** Yes; Peel–Harvey is included in that.

**Mr P.J. RUNDLE:** How are they all measured—that is, reducing nutrient losses through fertiliser, dairy effluent management, use of soil amendments and phosphorus in streams?

**Ms S.F. McGURK:** I have appreciated this program since I became aware of it and I visited some of the stakeholders in Oyster Harbour who are involved in this program through the City of Albany. When I was reading before this session, I was trying to remember the surname of a farmer called Chris who I met and who had been very impressed

by the assistance he had been given through this program in a very accessible way to understand his soil and the levels of nutrients needed at various parts of his farming operations and how he could adjust the fertilisers he was putting in at different times and at different locations. He was a convert and he said that the resources that were given to him through the Healthy Estuaries program meant that he understood his practice better. He was able to adjust the nutrients he was putting into the soil and, therefore, were able to be retained through that process. I asked him whether it was cheaper for him and he said that it was a bit early to tell because sometimes he had to reduce some of the nutrients and fertilisers and at other times he had to increase them.

However, he was happy to talk at length about how he found the program of assistance. It was good to visit that site near Oyster Harbour in Albany to be with the department staff and the partners who were involved, including the City of Albany. The mayor was there, along with administration staff and community members who had helped clean up some of the bank area and the like, and a member of the farming community who had benefited from the program.

**The appropriation was recommended.**

[9.00 pm]

**Water Corporation —**

Mr D.A.E. Scaife, Chair.

Ms S.F. McGurk, Minister for Water.

Mr P. Donovan, Chief Executive Officer.

Mr E. Hambleton, General Manager, Assets Plan and Delivery.

Ms K. Willis, General Manager, Customer and Community.

Mr D. Page, Chief Financial Officer.

Dr S. Gallacher, Chief of Staff, Minister for Water.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

The minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information she agrees to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by 12 noon on Friday, 2 June 2023. If the 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 Roe.

**Mr P.J. RUNDLE:** Paragraph 9 relating to energy infrastructure on page 813 of budget paper No 2 states —

Government has approved funding of \$188.8 million in 2023–24 towards the Flat Rocks Wind Farm Stage 2.

Can the minister please share with us when she expects stage 2 of this project to commence?

**Ms S.F. McGURK:** Last year the government took a significant step towards achieving its target of net zero emissions by securing the development of water rights to what will be one of Western Australia's largest renewable wind energy projects—Flat Rocks wind farm, stage 2, which the member referred to. Up to 24 of the project's 200-metre high wind turbines are expected to generate a quarter of the total renewable energy the corporation needs to achieve its target of net zero emissions across all its operations by 2035. The corporation's plan to secure 400 megawatts of additional wind-generated renewable energy will generate enough clean energy to supply water to around 640 000 households a year as well as offset 240 kilotonnes of greenhouse gas emissions.

The corporation is currently developing a business case for the development of the review for government. The Water Corporation is proposing to consider government approval for stage 2 of the wind farm development for that business case development. It is a significant project. It requires proper business case consideration about how it will be implemented. That is what the corporation is in the process of doing now.

**Mr P.J. RUNDLE:** Has the minister or her representatives met with the Flat Rocks wind farm committee and answered the questions and concerns it raised after the recent purchase?

**Ms S.F. McGURK:** There is ongoing community consultation. It is not envisaged that the wind farm will be in operation until 2025–26. After getting budget approval, from the government's point of view, it is still fairly early days. It is envisaged that there will be community consultation on the actual turbines and how they will operate et cetera closer to their development.

**Mr P.J. RUNDLE:** Will Water Corp be engaged in sourcing labour, housing and so on to build these turbines et cetera or will the government just be handballing that off to some builder to build the turbines and provide the labour et cetera?

**Ms S.F. McGURK:** No, the Water Corporation will not be building the turbines or constructing them in place. It will contract that work to specialist builders.

**Mr P.J. RUNDLE:** Has Water Corp visited the shires of Kojonup and/or Broomehill–Tambellup to hear their concerns and to witness the impact that the construction of stage 1 under Enel Green Power is having?

**Ms S.F. McGURK:** In short, no. The Water Corporation has secured the rights to the wind farm. Approvals have been secured as part of those rights. At this stage, it is considered to be too early to engage with the community when construction and development of the wind turbines are still a number of years off.

**Mr P.J. RUNDLE:** The minister says it is too early. I suggest that it is not too early. I believe it is important that the Water Corporation visits that area, considering that \$188.8 million has been allocated to this project. Will the minister be visiting the area very soon?

**Ms S.F. McGURK:** I am advised that the corporation has met with community group representatives and visited those involved in stage 1 of the project to learn from that development.

**Mr P.J. RUNDLE:** Going back to the minister's initial answer that she had not met with them, she said she has had community consultation, so she has met with the group concerned and she has visited the site of stage 1.

**Ms S.F. McGURK:** I am advised that the Water Corporation has met with people who are impacted by stage 1 of the development, and community representatives, so not the community as a whole. There have been no large meetings with the community but Water Corp has been getting some feedback about the impact of stage 1 of the wind farm.

**Mr P.J. RUNDLE:** Considering those meetings, does the minister have any doubts or concerns about whether the project will go ahead?

**Ms S.F. McGURK:** I am advised that the community has outlined its concerns about the impact of stage 1 and the buffer zone around the site and its distance to houses. We will take into account what impact this has on the local community and how we can alleviate and accommodate those concerns in any way we can.

**Dr D.J. HONEY:** The Water Corporation has insourced maintenance, so Aroona Alliance was dissolved. Aroona Alliance achieved and delivered a two per cent year-on-year saving. Can the minister please explain, firstly, what maintenance efficiency measures have been put in place for Water Corp since that work was insourced?

[9.10 pm]

**The CHAIR:** Where are we at?

**Dr D.J. HONEY:** I believe that I do not have to refer to a line item for corporations.

**The CHAIR:** That would certainly be contrary to the statement I read before we commence every division.

**Dr D.J. HONEY:** Not for the corporations.

**The CHAIR:** We need some reference to the budget.

**Dr D.J. HONEY:** I refer to page 808, "Utilities: Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information".

**Ms S.F. McGURK:** Can the member slow down?

**Dr D.J. HONEY:** I refer to the table on page 808.

**Ms S.F. McGURK:** I will have to take the member's word for it. I do not have budget paper No 3 with me.

**The CHAIR:** We are on page 808 of budget paper No 2.

**Dr D.J. HONEY:** I refer to part 12, "Utilities".

**The CHAIR:** The member is asking a general question about the budget for the Water Corporation.

**Ms S.F. McGURK:** Yes; sorry. Can the member repeat the question? It was a bit distracting.

**Dr D.J. HONEY:** Certainly, minister. I refer to the Water Corporation insourced maintenance from Aroona Alliance. Part of the justification, at least given at the time, was, apart from other things, that we would continue to see or in fact generate savings. Aroona Alliance was consistently delivering its target of two per cent savings on maintenance year on year as part of its contract when that was dissolved. My first question is: minister, what measures of maintenance cost efficiency are used by the corporation currently?

**Ms S.F. McGURK:** Those insourced positions include some 170 roles in the corporation's metropolitan production and treatment team and 250 in its metropolitan operations and maintenance team. The decision to insource those roles was made following a careful review of the previous alliance delivery model and in the interests of driving better long-term outcomes for customers of the corporation in Perth and Peel. The review identified benefits from

insourcing, including long-term operational efficiencies, improved customer service standards, heightened safety, a stronger and more inclusive workplace culture and more favourable employee conditions, and the Water Corporation continues to make progress towards realising these benefits. It is confident that it now has greater consistency and adherence to the corporation's best practice and certified corporate safety and management system and that insourcing has created a culture whereby incidents can be openly reported without fear of reprisal.

Finally, I make the point that former alliance employees have access to more entitlements and benefits such as the corporation's superannuation co-contribution scheme and increased personal long service and wellbeing leave, which I am sure the member would support.

**Dr D.J. HONEY:** My question was quite specific. Does the corporation use any measures of maintenance efficiency or is this just something that has been done at the direction of the minister of the day? Was it determined to be done whatever the cost as a philosophical decision or does the corporation measure the efficiency of maintenance services as a basis of comparison in justifying this decision?

**Ms S.F. McGURK:** I will repeat what I said before, and I hope the member will pay attention to it because it addresses the question that he raised. The decision to insource was made following a careful review of the delivery model under the previous alliance. It was made in the interests of driving better long-term outcomes for Water Corporation customers in the Perth and Peel area. A two per cent efficiency target was required by the previous contractors. This was largely achieved at the expense of planned maintenance work. This government is prioritising investment in Perth's water and wastewater. Water Corporation is still required to innovate and to meet efficiency targets, but not at the expense of employees' entitlements and wellbeing and safety.

**Dr D.J. HONEY:** The minister mentioned that this was to improve planned maintenance and she has made the assertion that planned maintenance was being sacrificed under the previous arrangement. What change has there been in the planned maintenance metrics for Water Corporation since this new arrangement has been made?

**Ms S.F. McGURK:** I might ask the CEO, Mr Donovan, to answer.

**Mr P. Donovan:** Since the insourcing of the alliance, we have been refocused on a proactive asset management approach that was, as the minister said, de-prioritised under the former alliance model, which had a cost driver to reduce short-term costs. Obviously, we are an operator of long-life assets so we need to take a long-term view in delivering long-term outcomes for our customers. That means that sometimes we need more planned maintenance to prevent more costly asset failures in the longer term and the resulting impact that that has on customer interruptions and the like. We certainly are delivering a more effective and efficient delivery across all our operations than if we had continued with the alliance. As the minister states, we are still required to deliver a 1.5 per cent efficiency target year on year, which is built into our budgets.

**Dr D.J. HONEY:** I spent 24 years in the industry, so I am very familiar with maintenance and maintenance metrics. Planned maintenance is a metric. Does the corporation have a metric that shows improvement or is it simply an assertion that this is better because people feel it is, and it is not based on measurement?

**Ms S.F. McGURK:** I will ask Mr Donovan to answer, but I think it is important to note that the corporation's board that made a decision around this gave careful consideration to the concerns identified with the alliance operating model. The lack of a single point of accountability of how processes were integrated across the whole business and maintenance and operations within the metropolitan area not being consistent with work practices in regional areas of the state were indicative of a lack of integration across the alliance than in-house employees doing this work. I ask Mr Donovan to answer.

**Mr P. Donovan:** As the member would appreciate, there is a link between the amount of planned maintenance that is completed on an asset and how it is managed through its life cycle. Obviously, the consequences of underinvestment in planned maintenance leads to an increase in the number and magnitude of failures, and that leads to reactive maintenance. All those metrics are certainly monitored closely through all our facilities. As I said, the corporation has refocused on proactive asset maintenance to prevent those longer term large-scale asset faults that have the consequence of impacting supply to our customers.

**Dr D.J. HONEY:** I appreciate the general statements, but I am still not hearing anything about data. The chief executive officer can sit there and say the corporation is doing better, but I doubt he would accept it from his subordinates—through the minister—if they just came to him and said not to worry and that everything is okay. Is it possible to provide maintenance information showing the change in planned maintenance compliance from the Aroona contract to the current arrangement by way of supplementary information?

**Ms S.F. McGURK:** The member has numerous opportunities to ask these sorts of questions during the normal course of the parliamentary year, and I would ask him to do that. Some of this information will be sensitive to the corporation and there are times when the corporation does employ outside contractors to do commercial projects, so I cannot guarantee that that information will be available. If it is able to be tabled, I am happy to do that if the member puts the question on notice and we can properly consider the scope of the question and whether we are in a position to answer it.

[9.20 pm]

**Ms M.J. DAVIES:** I am interested in the farmlands water supply project and the investment status of that project.

**Ms S.F. McGURK:** I might ask my adviser to speak.

**The CHAIR:** Mr Hambleton.

**Mr E. Hambleton:** If the member is referring to the four specific projects in rural areas funded out of the national water grid, which are three catchments and the pipelines, they are underway. One of the catchments in Cranbrook has been completed and the pipeline is underway. The Katanning to Kojonup pipeline I think is underway at the moment. Those projects are being progressed at the moment.

**Ms M.J. DAVIES:** Maybe it has been renamed but there was, under the previous government, a specific farmlands water supply project that dealt with the water loss experienced in the agricultural regions' network in the pipes that were put together by a combination of the Water Corporation and farmers back in I think it was Kim Hames' day. There was a line item in the budget and it was funded. The program was prioritised according to the amount of water that was being lost in the system so that upgrades could be made to those pipelines. Does that program still exist?

**Ms S.F. McGURK:** It does. I will ask Mr Hambleton to speak.

**Mr E. Hambleton:** Thank you for the question. It is actually one of the programs the corporation is quite proud of because, firstly, it delivers some significant savings, and, secondly, we have been able to use it to bring on several Aboriginal contractors who are delivering most of the work for the corporation. From year to year, the amount of money we spend on that program goes up and down based on need and based on performance levels. It is a program that we like to keep going because it is used to make sure we support Aboriginal procurement in the area.

**Ms M.J. DAVIES:** Thank you; that is good news. How do I find out how much money has been allocated to the program across the forward estimates and which projects are being delivered?

**Ms S.F. McGURK:** I will take that question on notice. I am sorry I am being a bit vague but I cannot see it. It is not listed as a separate line item, so I do not have specific information about it. I am happy to take that question as supplementary information.

**The CHAIR:** Do you want to provide supplementary information?

**Ms S.F. McGURK:** Yes.

**Ms M.J. DAVIES:** Thank you, minister.

**The CHAIR:** Can I clarify the supplementary information we are providing? Perhaps Mr Hambleton can assist.

**Ms M.J. DAVIES:** It is details of the farmlands water supply program—how much is being invested over the forward estimates and what the projects are.

**The CHAIR:** It is how much is being invested over the forward estimates for the farmlands water supply program and what projects are being funded under that program. Is that correct, minister?

**Ms S.F. McGURK:** Yes.

**Ms M.J. DAVIES:** Thank you.

[*Supplementary Information No B7.*]

**Mr P.J. RUNDLE:** Could I have a status update on the Katanning to Kojonup pipeline the minister mentioned previously, if that is okay, minister?

**Ms S.F. McGURK:** Yes.

**Mr E. Hambleton:** The latest I understand is that works are underway or about to commence. I think contracts have been let, so work should be underway soon, if they have not already started.

**Mr P.J. RUNDLE:** Is that to replace the whole 40-kilometre section?

**Mr E. Hambleton:** It is a pipeline replacement project, yes.

**Mr P.J. RUNDLE:** I will be disappointed not to see people out there welding sections all day, every day during the summer! That is good news.

**Ms S.F. McGURK:** We will see what we can do!

**Dr D.J. HONEY:** Through the minister, with that program, is the corporation looking at underground pipelines as opposed to high-temperature processed underground pipelines or steel surface pipelines? It seems that steel surface pipelines introduce a whole lot of maintenance activity and I do not know of any major mining operations, which typically pump much larger volumes of water than those lines over considerable distances, that use steel anymore.

**Ms S.F. McGURK:** I will ask Mr Hambleton to answer that question. I think it may be a little indulgent because I am not quite sure what line item the member is talking about.

**Dr D.J. HONEY:** It goes to cost.

**The CHAIR:** It is not so much that it does not have a line item but it is probably a little far from the general authority's budget. Mr Hambleton.

**Mr E. Hambleton:** The corporation uses a range of pipeline materials depending on the nature of the project being delivered. Almost all our pipes these days are delivered below ground. Whether it is steel or HTP, it is rare that we would build an above-ground pipeline these days. That is a difference between us and mining companies, which I think has been mentioned before. For most of our assets, we are aiming to get 100 years of life out of them, so steel is still our preferred option, particularly for large-diameter mains and high-pressure mains. The Kalgoorlie pipeline is an example. As we replace that, it will be with steel mains belowground. We are using high-density polyethylene and other materials in other locations where we do not have high pressure or the need for a 100-year design life.

**Mr P.J. RUNDLE:** I appreciate the indulgence. Further to that, will the Katanning to Kojonup pipeline be above or below ground and will it be poly or steel?

**Mr E. Hambleton:** The —

**The CHAIR:** Sorry, Mr Hambleton. I have to go to the minister first.

**Ms S.F. McGURK:** Yes; permission granted.

**The CHAIR:** Mr Hambleton.

**Mr E. Hambleton:** Are we right? Okay. That pipeline will be below ground. To be honest, I will have to come back to the member on the material, but it is more than likely that it will be steel.

**Mr P.J. RUNDLE:** Would the minister be able to provide that as supplementary information or come back to me?

**Ms S.F. McGURK:** I am sure we can send the member an email on that one.

**Mr P.J. RUNDLE:** Thank you.

**Ms M.J. DAVIES:** I refer to page 809 and significant issues impacting the government trading enterprise. Paragraph 1 is a general statement but it references “increased social and environment expectations” and the GTE's operating environment will continue to be shaped by that. I am curious what engagement there has been on the charges that will come as a result of the Aboriginal Cultural Heritage Act because obviously the corporation will have a significant workflow that will intersect with it. Will the Water Corporation as a government GTE be exempt from charges or will that be factored into its funding?

**Ms S.F. McGURK:** As the member is aware, we were asked with the previous agency, the Department of Water and Environmental Regulation: what is the intersect between the Aboriginal Cultural Heritage Act and the work of that agency? I said then that I think it would be better asked to the Minister for Aboriginal Affairs, particularly because it is early days for that new regime. The corporation now has responsibility under either native title or a whole range of other intersecting regulatory regimes that it needs to navigate. I do not imagine that this will be particularly onerous, but it is still in the development stage in terms of the impact on particular agencies.

[9.30 pm]

**Ms M.J. DAVIES:** I did ask the Minister for Aboriginal Affairs during that division and the answer was that government agencies would be paying but there was capacity for them to be exempt. I wonder whether there have been any conversations. It would clearly be something that the board and executive would need to anticipate. It is only a matter of weeks until the regime comes into play and that must be factored into the works that are hitting the ground or in train already.

**Ms S.F. McGURK:** It is not envisaged that the financial impact will be such that it could not be accommodated within the corporation's work. The corporation, along with the other government trading enterprises, is looking at what impact it will have as distinct from normal government agencies.

**Ms M.J. DAVIES:** Has the regime—not the charges—been identified as a risk to the time lines for works already in the pipeline, given the new time frames being talked about as part of the act and the substantial infrastructure capital works program that the Water Corporation has?

**Ms S.F. McGURK:** As the member would appreciate from her involvement in this portfolio, the level of detail, and often complexity, with even just normal maintenance work on the existing assets, let alone construction of new ones, means that there are any number of variables that need to be taken into account. The impact of the enactment of the Aboriginal Cultural Heritage Act will be no different. It will be considered by the corporation on a project-by-project basis and responded to and implemented accordingly.

**Ms M.J. DAVIES:** Can I confirm that no specific team at the Water Corporation has been assigned to managing the new legislation?

**Ms S.F. McGURK:** There is an existing Aboriginal approvals team that has have some expertise in different language groups around the state and other relevant pieces of legislation, and it will consider the impact of this act and its implementation.

**Dr D.J. HONEY:** I refer to page 810 of budget paper No 2 and the heading “Retained Dividend”. There is a retained dividend referred to there of \$2.1 billion to contribute to funding the Alkimos seawater desalination plant. Has the Water Corporation looked at alternative models? For example, it has been put to me that there are numerous reputable private operators that would happily take on the capital expense of that project for a suitable take-or-pay arrangement or some suitable commercial arrangement by Water Corp for water from the facility. Has the Water Corporation examined alternative models for the provision of that facility or has it looked only internally to provide that new facility?

**Ms S.F. McGURK:** The government has made a commitment to build a desalination plant and for it to be a government-owned asset. As the member pointed out, significant dividends of the corporation have been set aside towards that project. I was just discussing with Mr Donovan that there has been interaction with the alliance proponents for early works and construction of the plant itself. They will be done by a private provider, and the extent of their ongoing maintenance and part operation of the plant will also be part of the consideration for the project. But, ultimately, it will be a government-owned facility and it will be an asset retained by the Water Corporation.

**Dr D.J. HONEY:** Just to be clear, is the minister indicating that that was not examined as a commercial option—that is, a build-own-operate external provider, then having some commercial arrangement to provide water to Water Corp versus Water Corp owning the entire physical asset? Was that a Water Corp decision or was it a government policy decision?

**Ms S.F. McGURK:** I do not have that information in front of me. As the member appreciates, I was sworn in as minister in the week before Christmas 2022, so the decision had already been made. I am not saying I do not have responsibility for that decision; I endorse it wholeheartedly, but this government has been very clear in its opposition to privatisation and support of government-owned facilities, and I think we have been vindicated many times in that decision, not the least in regard to the energy sector. I cannot answer that question, I am sorry, but I support the decision that has been made, and the contribution has been made by the corporation, via the government, if you like, to make such a significant down payment on the facility through the retained dividend.

**Dr D.J. HONEY:** Does the minister have any information on the anticipated capital and operating costs of the facility, and by “operating costs” I mean the cost per kilolitre of water provided to the interconnected scheme?

**Ms S.F. McGURK:** I do not at this stage. There are negotiations occurring with the alliance proponents in regard to this project, so the information is still being worked through in terms of the different proponents bidding for the work.

**Dr D.J. HONEY:** I refer to page 812 of budget paper No 2 and the asset investment program. Paragraph 3.2 refers to the Wanneroo south groundwater scheme. We have already had a discussion in a separate area about the Gngangara water mound. Can the minister explain why we have to invest in more groundwater bores in the mound given that Water Corp has significantly reduced its take from the Gngangara mound, as the minister outlined in another session earlier?

**Ms S.F. McGURK:** I might hand over to Mr Hambleton. I have some ideas on a higher level, but I will hand over to Mr Hambleton. It is still accessing some of the water.

**Mr E. Hambleton:** Yes, the corporation still takes a significant volume of water from the Gngangara mound—over 100 gigalitres a year. The member may be aware that construction of a lot of the infrastructure that was put in place started in the 1970s and some of those assets are now approaching the end of their design life. Also, as we work with the Department of Water and Environmental Regulation as our regulator, we grade it and we get a better understanding of the impacts of our extraction. We are looking at both replacing existing assets approaching the end of their design life and moving extraction assets to new locations where there is a lesser impact on the groundwater-dependent ecosystems and we can take a more balanced extraction from the aquifer. It is about replacing some existing assets that are at the end of their life and also installing new assets at locations where there are less environmental impacts.

**The CHAIR:** That completes examination of the Water Corporation.

[9.40 pm]

**Division 35: Department of Communities — Services 1 to 6, Youth, \$1 154 930 000 —**

Mr D.A.E. Scaife, Chair.

Ms S.F. McGurk, Minister for Youth.

Mr M. Rowe, Director General.

Ms C. Irwin, Assistant Director General.

Mr C. Stewart, Executive Director.

Mr W. Millen, Chief Finance Officer.

Dr Susan Gallacher, Chief of Staff, Minister for Youth.

[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, 2 June 2023. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

Are there any questions? I give the call to the member for Central Wheatbelt.

**Ms M.J. DAVIES:** Can I just confirm that we are dealing with division 35, Department of Communities, services 1 to 6, so it is anything within those six services. I have had this challenge before of trying to find exactly what relates directly to the youth portfolio. Perhaps the minister can indulge me so that we are not wasting time. We have some questions on the empowered youth network and a whole raft of other projects that appear within those services that have the word “youth” in them. I presume that the minister does not have direct responsibility for a vast majority of them. Perhaps the minister can advise what specifically within the portfolio from a funding perspective we would be likely to find. I found the youth grants program and the member for North West Central found the empowered youth network on page 522.

**Ms S.F. McGURK:** I thank the member. On page 522, at the bottom of that table, there is a section headed “Youth”, as the member said, with the empowered youth network and youth support grants; then there are some other ongoing services that are funded, and scouts and cadets are two examples of those. If the member has other questions, I am happy to say whether they fall within my area.

**Ms M. BEARD:** I refer to page 522 and the empowered youth network. That is obviously a cancelled program. Was this a program to support young Aboriginal leaders in the Kimberley? Can the minister confirm that the empowered youth network program has ceased a year ahead of time?

**Ms S.F. McGURK:** I thank the member. I apologise, because as I was reading that out, I remembered that it is, in fact, a cunning trick. Even though it appears under “Youth”, it is not actually in my area of responsibility. It fits within the area of the Minister for Community Services. All I can suggest is that the member perhaps table some of her questions on that program to that minister. It is confusing, I grant that, particularly with this program, but also with at-risk youth, for instance. When I had the responsibility for communities and child protection, it was not easy to see where some of those programs fit. If children are in the care of the Department of Communities, it is pretty easy to see what the delineation is, but when young people are at risk of going into that area or are in the area of at-risk youth, it has been considered within the child protection remit or the portfolio of the Minister for Community Services.

**Ms M. BEARD:** Is it the same for youth support grants?

**Ms S.F. McGURK:** That is mine, yes.

**Ms M. BEARD:** Great! Can the minister provide a detailed list of the recipients of those youth grants in 2021–22 and the locations of those?

**Ms S.F. McGURK:** Yes. I refer to youth grants and the 2023–24 figures first of all. There is a budget of \$650 000 for the current youth grant funding arrangements. Out of that figure of \$650 000, \$200 000 is allocated to youth engagement grants. I am sorry; was that the one the member was asking about or was she asking about them all?

**Ms M. BEARD:** It was the youth support grants and which locations they were in.

**Ms S.F. McGURK:** I think that the member may be asking about the youth engagement grants, which is an allocation of \$200 000. Just so the member knows, there is also \$220 000 given to the Youth Affairs Council of Western Australia to establish advocacy for LGBTQIA+ young people, the Youth Pride Network; \$80 000 for Youth Week grants, which we just allocated; and also an allocation of \$100 000 to TransFolk of WA to support those young people.

I will just go through the youth engagement grants.

**Ms M.J. DAVIES:** Where are they in the budget, minister?

**Ms S.F. McGURK:** They are under youth support grants. They are a subcategory of youth support grants.

**Ms M.J. DAVIES:** I see; okay.

**Ms S.F. McGURK:** I am just making sure that we have the right figures here. I am happy to take that as a supplementary; I am sorry I do not have it.

**Ms M. BEARD:** That is fine.



**The CHAIR:** Just to clarify, the supplementary information to be provided is the recipients of the youth engagement grants in the 2023–24 financial year; is that right?

**Ms S.F. McGURK:** It is 2022–23. I am sorry; I was talking about the amount for 2023–24, but obviously we have not given those out yet.

**The CHAIR:** The supplementary information to be provided is the recipients of the youth engagement grants for the 2022–23 financial year.

[*Supplementary Information No B8.*]

[9.50 pm]

**Ms M.J. DAVIES:** On the same line item, “Youth Support Grants”, is that a contestable grant that is advertised?

**Ms S.F. McGURK:** Yes, and I think I have signed off on some recently for last year. But, yes, people apply and there are criteria, so some applicants are successful and some are not. There is also a limit to how much is available.

**Ms M. BEARD:** I am not sure whether the Kalgoorlie–Boulder youth precinct hub is one of the minister’s.

**Ms S.F. McGURK:** No, that is not funded by —

**Ms M. BEARD:** Maybe it is the Department of Primary Industries and Regional Development.

**Ms S.F. McGURK:** I am not sure; sorry, member, but it is not mine. I have a very modest allocation of funding under the youth portfolio.

**Ms M.J. DAVIES:** I imagine that it is the same with the residential youth facilities in the Kimberley.

**Ms S.F. McGURK:** It is not the youth portfolio.

**Ms M.J. DAVIES:** Where is that intersection? I imagine when the minister had her previous portfolio, it was easier—but the minister was not Minister for Youth.

**Ms S.F. McGURK:** No.

**Ms M.J. DAVIES:** What is the requirement in terms of responsibilities when it is clearly a youth issue in other portfolios? Is there an engagement strategy across portfolios? Is the portfolio more around those small number of grants?

**Ms S.F. McGURK:** I will answer that question broadly to say that there are a few portfolios that are similar to this one—seniors, for instance, or women’s interests, which I held previously. People intersect with a whole range of government services and agencies. I often described it as being victims of the Westminster system; they do not fit neatly into one portfolio area because their lives intersect across the whole range of issues. This portfolio has a focus on the positive promotion of young people and on advocating on their behalf. There is a special interest in youth development and youth engagement. There are also specific programs. In 2023–24, the government, through the Department of Communities, will invest just over \$7.3 million in initiatives comprising one-off grants, as well as ongoing service agreements. I talked about the grants earlier, which comprise \$650 000; they are controlled grants. We also talked about youth engagement, the Youth Week grants, Youth Pride et cetera, but there is some recurrent service funding from Community Services, so that fits into another item in the budget. There is \$3.9 million for Cadets WA. The member might be aware that Cadets WA has 184 units and services more than 9 000 cadets. There is also \$1.69 million for nine youth development services and \$550 000 for two youth support services. There is \$502 862 to support the peak body, the Youth Affairs Council of WA. We also have the Ministerial Youth Advisory Council, also known as MYAC, which was established in 2017 by the then Minister for Youth, Hon Peter Tinley, the member for Willagee, who is here in the chamber. That is composed of 12 young people aged 15 to 25 years.

It tends to be that the more universal services, if you like, such as cadet and scouts, are funded under one of the development services. We also need to understand the broad issues facing young people and how we advocate for them in broad policy.

**Ms M.J. DAVIES:** I thank the minister; that is very helpful. It is more information that I got from the previous Minister for Youth, so at least we have an understanding of the programs the minister is responsible for. As it is a broad responsibility, does the minister have any formal engagement with the Commissioner for Children and Young People on a regular basis? Are the current conversations around young people in the justice system something that comes across the minister’s desk—for instance, the issues being faced at Banksia Hill?

**Ms S.F. McGURK:** Yes, I meet with the Commissioner for Children and Young People reasonably regularly, considering I have been in the portfolio for less than six months. I receive correspondence from her and reports and the like, and I have met with her and I will continue to meet with her. There is a large intersect, I think, between our work, so her engagement with young people and her advocacy on behalf of young people and the research and reports that she does around particular issues affecting young people are of interest to me. I also note that her remit includes children up to the age of 18 years, whereas mine is young people aged 12 to 25.

There was one other area that I should have mentioned in explaining the work of the youth portfolio—the youth action plan. That was developed under our government in conjunction with young people and it concluded in December 2022. We are looking at an evaluation of that plan and the development of another plan that outlines the priorities and areas we are advised young people are interested in us responding to.

**Ms M. BEARD:** Is there funding attached to the action plan?

**Ms S.F. McGURK:** Not specifically. It would require further funding if there were specific areas, but the previous plan, which just concluded, had seven priority areas: a voice for young people; reaching potential; jobs; climate change; mental health and wellbeing; a secure place to live; and help when they need it most. The member can start to see the sorts of intersects with other portfolios and areas of interest. Certainly, the Ministerial Youth Advisory Council has been telling me that it wants to make sure that this portfolio has active involvement with other portfolios and other ministers and their agencies to give them feedback about how they can tailor their work to understand the requirements of young people in Western Australia.

**Ms M. BEARD:** I refer to the “Youth Long-Term Housing and Support Program” line item on page 518. Is that something that comes under the minister’s portfolio? I am wondering whether it is infrastructure or a program.

**Ms S.F. McGURK:** It does not. It is in housing, member.

**Ms M. BEARD:** Thank you.

**The appropriation was recommended.**

*Committee adjourned at 9.59 pm*

---

