

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Division 3: Premier and Cabinet (except Native Title Unit), \$183 387 000 —**

Ms J.M. Freeman, Chairman.

Mr C.J. Barnett, Premier.

Mr P.F. Conran, Director General.

Mr J. Catlin, Deputy Director General, Community and Human Services.

Mr D. Smith, Deputy Director General, Economic and Deregulation.

Mr G. Moore, Assistant Director General, State Administration and Corporate Support.

Mr R. May, Executive Director, Whole of Government Future Directions and Strategic Projects.

Ms K. Andrews, Director, State Administration.

Ms M. Reynolds, Executive Director, Office of Science.

Mr S.V. Calabrese, Principal Policy Adviser, Department of the Premier and Cabinet.

**The CHAIRMAN:** This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item program or amount in the current division. It will greatly assist Hansard if members can give these details in preface to their question.

The Premier may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. I ask the Premier to clearly indicate what supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the Premier's cooperation in ensuring that it is delivered to the committee clerk by Friday, 30 May 2014. I caution members that if the Premier asks that a matter be put on notice, it is up to the member to lodge the question on notice with the Clerk's office.

I now ask the Premier to introduce his advisers to the committee.

[Witnesses introduced.]

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

**Mr M. McGOWAN:** My question relates to the final dot point on page 75 of the *Budget Statements*, which refers to commonwealth-state relation matters. The next page refers to dealing with the commonwealth in taxation reform. I have a series of questions relating to the recent federal budget and the cuts to Western Australia over the forward estimates. I am interested in what analysis of the cuts to Western Australian programs has taken place across portfolios, not only in health and the area of support for retirees and pensioners. Can the Premier detail to the committee the cuts to programs in each portfolio area that have been assessed as a consequence of the federal budget? As I understand it, in health the cut is roughly \$200 million over the forward estimates. In the area of pensioners and retiree benefits, the cut is in the vicinity of \$100 million or so over the next three or so years. Can the Premier detail the entirety of it, as an analysis would have been done?

**Mr C.J. BARNETT:** That is a matter for the Treasury portfolio. Treasury has done an initial analysis of the impact of the federal budget measures on Western Australia and there are some gains and some losses. Although a lot of attention has been given to changes to longer-term commonwealth funding of education and health, they are not as severe as they might be perceived. Health has tended to go down. Education has tended to go up over the forward estimates. Goods and services tax payments were not reduced by as much as we thought. There is a set of winners and losers.

The other point I make is about national partnership agreements. The full details of what will happen there are yet to be determined. There are headline statements in the federal budget, but the detail of that has not yet been determined. Treasury has done an analysis of that and I guess we will know the final result only when the national partnership issues are resolved. The overall net loss to Western Australia in the immediate future through cuts is about \$100 million.

**Mr M. McGOWAN:** Does the overall net loss in the immediate future mean next financial year?

**Mr C.J. BARNETT:** It means the forward estimates.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr M. McGOWAN:** I do not quite understand how that could be the case given what we have learned about health cuts and cuts to pensioners and retiree benefits, which the Premier has indicated the state will not make up. How has the government come to that figure? Considering the government has come to that figure, what was the basis for it? Was the Premier presented with any material or report on it? I understand the Premier says that Treasury is doing some analytical work, but the truth of the matter is that the Premier is the minister for commonwealth–state relations, so what work has been done and how has the government arrived at that figure?

**Mr C.J. BARNETT:** Treasury has done an initial assessment of the impact. I understand why the Leader of the Opposition is focusing on where reductions have been made, but the commonwealth has made a commitment to Roe Highway stage 8. That is yet to be negotiated, but that is a substantial commitment. Also, the GST outcome is better than we had anticipated, so those two things tend to compensate. The net effect on the operating balance over the forward estimates is positive for Western Australia.

**Ms R. SAFFIOTI:** Therefore, Roe Highway does not impact the government’s operating balance. As I understand it, that funding comes outside the forward estimates.

**Mr C.J. BARNETT:** No.

**Ms R. SAFFIOTI:** When is the Roe Highway money coming?

**Mr C.J. BARNETT:** It is treated as revenue as it comes into the state.

**Ms R. SAFFIOTI:** Yes; when is the Roe Highway money coming?

**Mr C.J. BARNETT:** That is yet to be negotiated.

**Ms R. SAFFIOTI:** The Premier just said that it created a net positive impact —

**Mr C.J. BARNETT:** I think it will impact —

**Ms R. SAFFIOTI:** Pardon?

**Mr C.J. BARNETT:** I expect to see something happening in the forward estimates, but we are yet to agree on Roe 8, so there is some way to go.

**Ms R. SAFFIOTI:** Is the Premier saying that, in GST revenue, there was an improvement between what the state budget provided and what the federal budget provided?

**Mr C.J. BARNETT:** Yes, that is my understanding.

**Ms R. SAFFIOTI:** How much is that?

**Mr C.J. BARNETT:** This is not the Treasury portfolio. If the member wants to ask a lot of Treasury questions, she should give me prior notice and I will answer them. I have come prepared to deal with the Department of the Premier and Cabinet, not Treasury.

**Ms R. SAFFIOTI:** The Premier is the minister for federal financial relations —

**Mr C.J. BARNETT:** Yes, but I am not the Treasurer. I will happily answer all the opposition members’ questions, but they did not give me prior notice that they wanted to quiz me on Treasury matters. If I had known, I would have brought a Treasury folder with me.

**Ms R. SAFFIOTI:** A whole dot point refers to the state’s role in Council of Australian Governments negotiations.

**Mr C.J. BARNETT:** I am happy to talk about that, but if the member wants details of Treasury information, she needs to ask the Treasurer.

**Ms R. SAFFIOTI:** Just to confirm, the Premier is saying that the GST —

**Mr C.J. BARNETT:** The GST outcome is better than anticipated.

**Ms R. SAFFIOTI:** In the state budget that the government presented.

**Mr C.J. BARNETT:** No; that is the member’s summation, not mine.

**Ms R. SAFFIOTI:** Surely that is what we are looking at. We are looking at the 2014–15 budget. Is the Premier saying that the federal budget has a net positive impact compared with what the government has in its state budget?

**Mr C.J. BARNETT:** Yes, when we take into account all the commonwealth changes.

**Ms R. SAFFIOTI:** The government picked up GST revenue from when the state budget was released.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr C.J. BARNETT:** As I said, the net effect of the changes in the commonwealth budget is positive to the operating balance of the state over its forward estimates.

**Ms R. SAFFIOTI:** The Premier cannot provide any evidence to show us that.

**Mr C.J. BARNETT:** If the member had given me some prior notice, I might have been able to do so. They are Treasury questions.

**Mr M. McGOWAN:** I referred to the dot point at the bottom of page 75. The dot point at the top of page 76 states —

The fair and equitable distribution of GST revenue remains the highest priority.

The Premier appears to be happy with the commonwealth's distribution of GST revenue.

**Mr C.J. BARNETT:** I never said that.

[2.10 pm]

**Mr M. McGOWAN:** The Premier seems to be happier.

**Mr C.J. BARNETT:** That is not true.

**Mr M. McGOWAN:** The Premier does.

Obviously, this is a matter for commonwealth and state financial discussions or relations—negotiations between the states and the commonwealth—but the Premier indicated the other day that the Prime Minister agreed with him that the GST needed to be renegotiated. I think the words the Premier used were that the Prime Minister was privately of that view. Is the Premier looking at a new arrangement in relation to these things, considering his private discussions with the Prime Minister that the Premier has alluded to publicly? Is there a new way forward on this, considering what the Premier has had to say in recent days?

**Mr C.J. BARNETT:** I would think that, with the exception of probably Tasmania and South Australia, there is a general consensus at the Council of Australian Governments that the GST needs reform and that it needs to be fundamental reform. Some Premiers would favour an increase in the rate of the GST; others would favour a reduction in the number of exemptions. The point I would make is that the GST is grossly unfair to Western Australia and although it is not as bad as we might have thought, it is still pretty bad. We are seeing the fall of GST revenue continue—if you like, the return of cents in the dollar is continuing to decline. From a state point of view, as I have said publicly, Western Australia is not about to agree to an increase in the rate of GST or a broadening of its base, unless at the same time there is fundamental reform in the distribution of the GST. In that regard, the four big states, New South Wales, Victoria, Queensland and Western Australia, which represent 90 per cent of the economy and 90 per cent of the population, have agreed and formally signed a joint letter urging a review of the distribution. Again, I stress the point I have made in this house on numerous occasions that although the rate and breadth of the GST—that is, exemptions—require the approval of every state, the distribution of the GST through the Commonwealth Grants Commission is answerable solely to the federal Treasurer; he has a responsibility to consult the states, but distribution lies with the commonwealth government, not state Premiers.

**Mr M. McGOWAN:** Just to conclude on that line of questioning, when the Premier refers to COAG, he appears to be referring to only the Premiers. My question again is: is the Prime Minister of the same view as the Premier in relation to these matters—that is, the GST is to be renegotiated or extended or the distribution formula changed or the like? Is that something that the commonwealth will agree to?

**Mr C.J. BARNETT:** I cannot answer that. The Prime Minister has said that he is not up for changing the GST during this term of government, but I have no doubt, and media commentary would reinforce this, that the real issue in commonwealth–state relations is the GST. Some of the issues in the federal budget, although they are significant, do not relate primarily to the forward estimates—they are beyond 2017. That is why, with respect to the Premiers' meeting over the weekend, it was my judgement, and still is, that there is no reason to panic at all. There is a long way to go. At the COAG meeting held earlier, the Prime Minister indicated to Premiers that he thought schools and hospitals were the responsibilities of the states and he also implied there could be some quid pro quo; in other words, maybe the commonwealth will take over increased responsibility in other areas. That is why I was surprised at the Premiers having this meeting; that had been flagged at COAG.

**Mr M. McGOWAN:** Just to again conclude, the Premier said that the Prime Minister is privately of the view that he agrees about the redistribution of the GST.

**Mr C.J. BARNETT:** I have never said that.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr M. McGOWAN:** The Premier did. What does that mean? Does it mean that there is some secret agreement in relation to these things or not?

**Mr C.J. BARNETT:** No, there is no secret agreement and it is not my position to answer on behalf of the Australian Prime Minister.

**Mr M.H. TAYLOR:** I refer to the third dot point on page 76 of the *Budget Statements* concerning the government's efforts to improve trade relations with Africa. Can the Premier explain how his recent trips to Africa and China have helped to grow the state's economy?

**Mr C.J. BARNETT:** I thank the member for the question. One thing this government seeks to do is to broaden our international relations, not only in trade investment, but also across all areas—sport, arts, science and so on. That is a long-term strategy and I hope successive governments follow it. I was invited to speak at the African Mining Indaba Conference in Cape Town earlier this year. Associated with that, I visited Lusaka in Zambia and met with mainly mines ministers of the 19-member Common Market for Eastern and Southern Africa group, which is a trade bloc in that region. We signed a memorandum of understanding that the state of Western Australia would assist them in the development of their mining industries. There are nearly 200 Western Australian mining services and companies involved in those countries over several hundred projects. In some cases it surprised me that there is very little mining law in place; there is not a lot of technical ability to assess the content of concentrates being exported or piped out; and there is no really consistent approach to taxation, whether it be royalties or some other form, with, in some cases, nothing being paid for minerals. It is in that administration that Western Australia can help. Of course, in the private sector, mining companies are doing an enormous amount to develop the African mining industry. I do not see Africa as a threat at all; I think it is an opportunity for the mining services industry in particular. Some prominent mining service companies in Western Australia have significantly more employees in Africa than they do here or in Australia as a whole, and I am talking about hundreds, and in some cases thousands, of employees. I hope that in due course members of Parliament become involved because these countries trust Australia. They recognise that the mining industry in Western Australia is probably the most sophisticated in the world and there is a great deal that we can do to assist them.

**Mr W.J. JOHNSTON:** I refer to the first dot point about shark hazard mitigation under “Significant Issues Impacting the Agency” on page 74 of budget paper No 2. What was the total cost of this year's drum line policy; could it be broken down for the metropolitan and the south west programs; and where is the reference in the budget to the money for the program in future years?

**Mr C.J. BARNETT:** The shark mitigation program, as controversial as it may have been, concluded only a couple of weeks ago. A full report is being prepared on that and I expect it to be available in the next couple of weeks. It will detail all aspects of the program, including the costs. The costs of the actual, if you like, catching of sharks part of the program are in line with what was anticipated, and I think they will probably come out at a little over \$1 million. For the interest of the member, the western suburbs *Post* newspapers, which rarely say anything nice about me, had a very graphic photograph of a shark on the front page, which was recently taken, swimming very close in at Cottesloe Beach. If anyone thinks there is not a threat from sharks, they should look at that photo. I will send it across to the member; I am sure he will find it interesting.

**Mr W.J. JOHNSTON:** Just to clarify the answer, where is the money to be found in the budget for the program in future years—2014–15 et cetera?

**Mr C.J. BARNETT:** We have to go through the approvals process and I expect we will achieve that at some time. That being the case, we intend to continue the program along Perth and south west beaches.

**Mr W.J. JOHNSTON:** Is it in this year's budget, Premier? It is the same question; I just have not had an answer.

**Mr C.J. BARNETT:** The department holds extra funds that would be available for this purpose. We will wait until the approvals for next year are in place and we will allocate the money to the program.

**Mr W.J. JOHNSTON:** Where is the money mentioned in the budget papers?

**Mr C.J. BARNETT:** They may not appear in the budget papers, but there are funds within the Department of the Premier and Cabinet to fund the program.

**Mr W.J. JOHNSTON:** So the Premier cannot tell me which line item —

**Mr C.J. BARNETT:** I just said that it is not explicitly listed in the budget.

**Mr W.J. JOHNSTON:** Yes, but it must be in the budget.

**Mr C.J. BARNETT:** It is in the Department of the Premier and Cabinet's reserves.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr W.J. JOHNSTON:** I just want to know about the selection of the contractor in the south west. What were the criteria that the contractor scored more highly on in order to win the contract? There were criteria for the person to be judged and their bid was higher than other bids from operators in the south west, but that particular operator was chosen, so there must have been a reason relating to quality or some other issue. What were the criteria that they scored more highly on to get a job, considering they were not the cheapest bid?

[2.20 pm]

**Mr C.J. BARNETT:** I might get some further detailed information for the member in a moment. It was a tender process, and obviously we were looking for someone who had a suitable boat, crew and experience in that area; that was the prime thing. As the member will recall, there was a great deal of intimidation, including personal threats—death threats against some of the people who attended—and reluctantly most of them pulled out because they could not stand the public pressure that was being placed on them. In my view, it was grossly unfair and grossly un-Australian. So we came down to a reduced field. The person who took on the tender in the south west did a good job. The tenderers fell away in the metropolitan area, so we used the fisheries department to do the work. I would expect next summer there will be an increased number of tenderers, but in terms of the criteria, I will ask Richard May to make a few comments.

**Mr R. May:** The tender actually had a number of specifications for the drum line operations, including size of vessel, equipment to be used, appropriate firearms licence and also previous experience in this area. Those were the main criteria used by the tender panel in the assessment of the submissions.

**Mr W.J. JOHNSTON:** I understand they are the three criteria; I have the criteria in front of me. The question I asked, which was quite specific, is: what part of the tender did the contractor score more highly on when it was not the cheapest bid? Why was a more expensive bid chosen? What was the quality or reason or what else that led to them being better?

**Mr C.J. BARNETT:** I would imagine primarily experience and the willingness to do the job; it is a highly political situation. When someone has personal threats made against himself and his family, as happened, people can understand a reluctance by some to take up the work. Again, I do not know. Perhaps Mr May can provide some further information.

**Mr R. May:** The tender process involved a list of qualitative and quantitative criteria, and a panel assessed those criteria and completed a formal report at the end of that process, and then submitted it to a finance committee for approval. I cannot go into the specific details, but appropriate weightings were applied to the criteria and the selection of the ultimate contractor. I believe there has been a previous question raised in a committee and the information may have been provided or it is on notice to be provided.

**Mr M. McGOWAN:** When the Premier presents the report on the costings and all aspects of it in a few weeks, as he said, will he detail the exact costs to the Department of Fisheries of operating the scheme, considering it is a different way of funding it from funding an independent contractor? Will he detail the exact costs the Department of Fisheries had to expend to operate this scheme, including the costs of staff, boats, fuel and all those sorts of things? Secondly, as part of his government's shark mitigation strategy, will he fund or assist in funding the program run by Cockburn to put a shark-proof barrier in the ocean so people can swim without any risk of shark attack, as has been happening over the last summer? Will he assist in the half funding of that barrier?

**Mr C.J. BARNETT:** First, when the report comes out, yes, it will be detailed in every respect of the mitigation program, which is not only the operations offshore; there are a lot of other components to that mitigation program. That will be detailed, including the costs of the work of both the tenderer, the private fisherman, and the Department of Fisheries. With respect to the barrier that was erected at Cockburn, the state government allocated funds to a trial and of shark protection barriers. The proponent who installed one at Cockburn was one of those who put in a tender and withdrew from the process; that is probably the major reason the proponent did not receive funding. The state government did fund a shark barrier at Dunsborough. I visited that about a month ago; it is very impressive. It goes about 100 metres out to sea and is 300 metres long, so the whole bay is enclosed. There are no unobtrusive effects by way of visual impact and it is very popular and well used.

I think a report is being compiled on the Dunsborough trial; that is a state government trial. I expect that to be positive but we will wait for that report. I then anticipate we would seek proposals from councils to install similar ones where suitable. The major criterion is wave conditions. A protected, calm beach is needed to have that in place. Cockburn council decided to go ahead by itself; it was entirely its decision. There was no obligation or expectation from the government. However, if we do fund a future program, which I expect we will, that proponent may well put in their proposal. Will the state government step in to fund the remainder of the City of Cockburn's contribution? No, it will not. That proponent pulled out of the tender process.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr G.M. CASTRILLI:** The seventh dot point under the heading “Significant Issues Impacting the Agency” on page 74 of budget paper No 2 states —

Resolving the problems arising from the absence of a Native Title compensation agreement between the Commonwealth and the States ... remains a priority for the Department.

Obviously, the commonwealth government has withdrawn funding; it is not funding it anymore. I am just wondering what progress has been made on that matter. Basically, where are we at on that? Is it likely that the commonwealth government will help us out with those grants?

**Mr C.J. BARNETT:** Thank you for that question. I think over recent years —

**The CHAIRMAN:** Sorry; can the member just repeat the section referred to?

**Mr G.M. CASTRILLI:** Yes; sorry. It is the seventh dot point under the heading “Significant Issues Impacting the Agency” on page 75. It starts with “Resolving the problems arising from the absence of a Native Title”.

**The CHAIRMAN:** I just note that this division is Premier and Cabinet, except native title policy. So I am not entirely sure whether that fits, but does the Premier want to continue?

**Mr C.J. BARNETT:** Yes; I think this is to do with commonwealth–state relations rather than actual settlements of native title. Yes, the point is true that when the federal native title legislation was being debated, Prime Minister Keating did commit to the commonwealth meeting 75 per cent of the cost of settlement. John Howard, as Prime Minister, further agreed that that would happen. Over recent years, there has been a great deal of success in settling native title in Western Australia. The most recent related to the Anketell proposed port and industrial area; also, a major settlement in the Kimberley is about to be signed, and the state has met the costs and provided land and benefits.

The big settlement coming up is with the South West Land and Sea Council—which covers an area that basically comprises the whole south west of Western Australia—and the Noongar people. The total value is in the order \$1.3 billion. The state has pursued that in particular with successive Prime Ministers, including the current Prime Minister. It will be the largest native title settlement in value, geographic area and the number of Aboriginal people in Australian history, both from the past and into the future. I would think that the Prime Minister would want the commonwealth government associated with that, so I live in some hope.

I think it is important also that the cooperation ultimately of the states and territories with the 1993 Native Title Act was achieved by that commitment by Prime Minister Keating to provide funding. Last week, the member for Victoria Park asked the same question; nevertheless, although we think the commonwealth has a responsibility to share the costs of that, the commitment made to the Noongar people by the state will stand, regardless. I am optimistic—even mildly confident—that the commonwealth government will come to the party to contribute something towards that settlement.

**Ms R. SAFFIOTI:** My question relates to the “Government Policy Management” line item in the outcomes and services section on page 74 of budget paper No 2. My question concerns the negotiations with Allia Venue Management in relation to termination payments. Earlier today I had asked questions of the Minister for Sport and Recreation and he referred me to the director general of the Department of the Premier and Cabinet about the final negotiations that occurred on the heads of agreement that was struck between the state government and Allia back in 2011. Who did the director general meet with during the heads of agreement negotiations, and on whose insistence was the termination payment included?

[2.30 pm]

**Mr C.J. BARNETT:** I will make a couple of comments about it. The project has been an outstanding success already, and it had several components to it. The first was the state government’s commitment to spend about \$9 million on the redevelopment of the old Perth Oval, with grandstands going halfway around and a whole lot of improvements, including the pitch for both soccer and rugby. As part of negotiations, the state leased that sporting facility from the Town of Vincent. In exchange, the state government paid \$5 million to the Town of Vincent, which was absolutely fundamental to the refurbishment of Beatty Park Leisure Centre. Two sports facilities came out of that. Allia had the contract for managing the facility, and that contract had several years to run. Once the state basically became the owner of the facility, it negotiated with Allia, which had a long-term contract that had value. In the negotiations, there was an exit provision for Allia in the contract so that it could leave the contract with a payout for the value of that contract. There were a lot of issues to resolve—as there were on the stadium and Burswood. It was natural for the director general of the Department of the Premier and Cabinet to be involved in the negotiations with a major state project, acting on the advice of others with a professional background, including legal advice. I am perfectly satisfied with the outcome, but I will ask the director general to comment on whom he met with, because my meetings on the project were initially with the Mayor of Vincent about the lease and the \$5 million, which I handled more personally. Although I agreed with the termination of Allia’s contract, I was not directly involved.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr P.F. Conran:** From the state's side, the meetings essentially involved the Department of Sport and Recreation, VenuesWest and the State Solicitor's Office. Mostly, the chief executive officer of the Town of Vincent was there. Mr Tana was there for a number of those negotiations, but his representatives were there, including, I think, a Mr Bauchop; there may have been one or two other of his representatives. As the Premier indicated, the negotiations were oversighted by the State Solicitor's Office, which drew up the documentation relating to the matter. My recollection is that the termination clauses had been the subject of negotiation well before any involvement I had with the finalisation of the negotiations.

**Ms R. SAFFIOTI:** The director general said that the termination clauses were subject to extensive negotiations before he came involved. Can I clarify? As I understand it, DSR handled the initial negotiations, and the Department of the Premier and Cabinet took over the negotiations at the end, which was when the termination clause was agreed to.

**Mr P.F. Conran:** It is not correct to put it in that manner, with respect. The Department of Sport and Recreation, VenuesWest and the State Solicitor's Office were all intimately involved in this issue. I was involved in the negotiations. Not one party from the state's perspective disagreed with where we ended up in the agreement; that is, the issue was resolved to the satisfaction of the Department of Sport and Recreation, VenuesWest and the State Solicitor's Office—then the matter was put before cabinet for cabinet to properly consider the matter.

**Ms R. SAFFIOTI:** With respect, through the Premier, this differs from the information that we received that the Department of Sport and Recreation warned against the termination payment, in particular, the potential liability to the state. Can the Premier confirm that the Department of Sport and Recreation warned against the exposure to the state because of the inclusion of the termination clause?

**Mr C.J. BARNETT:** I will get the director general to comment. Allia had an asset; its contract. When we took over by leasing the site and investing in the new facilities, which I think are very good and appreciated by the sporting community, Allia had a right to continue its contract. We were happy to work with it, because it was doing a pretty good job, but it elected to terminate the contract. The contract had a value and the state had a responsibility to provide compensation. The director general can add to that if he wishes to.

**Mr P.F. Conran:** It is correct that the Department of Sport and Recreation made comments prior to my involvement in the negotiations, but at the conclusion of the negotiations, we reached a position at which all the relevant agencies were satisfied with the outcome of the arrangement. Again, that matter was properly put before cabinet so that it could make a decision about the matter.

**Ms R. SAFFIOTI:** The director general said that the Department of Sport and Recreation supported the new heads of agreement that included the termination clause, and that it was involved in the last meeting and the last throes of these discussions?

**Mr C.J. BARNETT:** Again, I make the point that this was something that had to be resolved—and it was, and it was done with State Solicitor advice throughout the process.

**Mr P.F. Conran:** The answer to the question is yes. This issue was signed off ultimately by cabinet. It was oversighted by the State Solicitor's Office. The Department of Sport and Recreation and VenuesWest were satisfied when the negotiations concluded that the matter had been resolved to their satisfaction, such that the matter could be put before cabinet.

**Mr W.J. JOHNSTON:** Madam Chair, I want to clarify something because the director general's answer is not quite related to the question. The director general is talking about agencies being satisfied with the outcome and that cabinet gave proper approval. I understand that the question to the Premier was whether the agency was present at the final meetings at which the agreement was entered into. This morning DSR said through its minister that it was not; that is what the member is trying to clarify. We need the answer to relate to the question, which was: was DSR part of the final negotiations that led to the agreement? The question was not whether it was satisfied with the agreement.

**Mr P.F. Conran:** Absolutely and unequivocally, yes.

**Mr M. McGOWAN:** I refer to the second dot point, "Administrative policy advice and support to Ministerial offices and the Leader of the Opposition" and to the seventh dot point, "administration of entitlements for Members" on page 77 of the *Budget Statements*. I refer to the motor vehicle accident on 23 February involving the member for Vasse's government vehicle. I have a few questions to ask. We learnt yesterday through a hearing of a parliamentary committee that significant damage was done to the steering column and chassis of the government-owned vehicle. I have looked at the price of a Caprice motor vehicle. It turns out that a Caprice costs \$66 941, which I understand is the vehicle that was being driven on the night in question. I have a few

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

questions to ask: does the Premier have an assessment of the cost of the damage to the vehicle as yet? Is the vehicle a write-off? Who will pay?

[2.40 pm]

**Mr C.J. BARNETT:** That is a matter for the insurers. As the Leader of the Opposition knows, the government self-insures through RiskCover. The owners of other vehicles no doubt have their own insurers. That process is not yet complete. A decision will be made by the insurers as to whether they seek funding or compensation from the member for Vasse. That is a process that is going on and usually takes a while.

**Mr M. McGOWAN:** Again I ask: that might well be the case going forward with the insurers, but has an assessment been made, or has the government received an assessment of the cost of the damage to the vehicle and whether or not the vehicle is a write-off, considering the accident occurred in February and we are now in mid-May?

**Mr C.J. BARNETT:** As I say, that is the role of the insurers. They will assess that for themselves, as they do with any other vehicle accident. They will then make a decision on how that is met and whether they make a claim against the member for Vasse. That is something that is running its normal course.

**Mr M. McGOWAN:** With respect, Premier, ordinarily —

**Mr C.J. BARNETT:** We do not go out and independently double-check the insurers. I think they know what they are doing.

**Mr M. McGOWAN:** The insurer is the government, as the Premier said.

**Mr C.J. BARNETT:** Yes, but we allow it to operate independently on that insurance business. It will negotiate with other insurers and there will be a payout, presumably. Whether it also seeks compensation or repayment from the member for Vasse will be followed according to its normal process.

**Mr M. McGOWAN:** My question is: ordinarily it would be the government garage that gets the vehicle repaired. The government garage is part of the Department of the Premier and Cabinet. What have the quotations been to repair the vehicle and is the vehicle a write-off? That is a question directly for the Premier, not for the insurers.

**Mr C.J. BARNETT:** The vehicle was taken by police, if the Leader of the Opposition recalls, obviously with full cooperation from the government. I do not know whether or not the vehicle is a write-off. I do not know.

**Mr M. McGOWAN:** At what point in time will answers be provided to these very simple and straightforward questions: what is the cost to repair the vehicle that was damaged three months ago? Is the vehicle a write-off? Who will pay? When will we get answers to those questions?

**Mr C.J. BARNETT:** I do not know the answers. RiskCover will determine the condition of the vehicle, whether or not it is a write-off, what the damage or repair bill is, and who pays. That will be determined through RiskCover, along with the other insurers of other vehicles that presumably were damaged during that night.

**Mr M. McGOWAN:** My other question related to this: the Premier indicated that other vehicles were insured. The advice I have is that some of the other vehicles were not insured —

**Mr C.J. BARNETT:** One, I think, was not, yes.

**Mr M. McGOWAN:** So the Premier is aware that one vehicle was not insured. The person in question is now walking everywhere. Will the government meet the cost of that vehicle, considering it was the Treasurer of Western Australia who damaged it whilst driving carelessly?

**Mr C.J. BARNETT:** I imagine the person of the uninsured vehicle will make a claim to RiskCover. That will be treated according to the law.

**Mr M. McGOWAN:** Even if the other vehicles involved were insured, will that be something that RiskCover picks up the cost of, again considering it was the Treasurer of Western Australia who drove and damaged those vehicles?

**Mr C.J. BARNETT:** It will simply follow its normal process according to the law and according to the practices it follows. There will be no special deals—nothing different from any other situation.

**Mr M. McGOWAN:** Is it a requirement under RiskCover's rules that if the driver of the vehicle was affected by alcohol, that the driver of the vehicle is responsible for the cost instead of RiskCover, and therefore the taxpayer is paying?

**Mr C.J. BARNETT:** That will be a judgement it makes.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr M. McGOWAN:** My question was not about a judgement. The Premier may need his staff to help him with this question: is it the rules of RiskCover, as it is with virtually every other insurer, that when the driver of the vehicle was affected by alcohol, any insurance policy is void?

**Mr C.J. BARNETT:** It will certainly look at the responsibility or otherwise of the driver. It is open to pursue that if it wishes.

**Mr M. McGOWAN:** Once again, Premier, what is the rule that RiskCover applies? Is the rule, policy or procedure of RiskCover the same as virtually every other insurance policy I have seen; that is, if the driver of the vehicle was affected by alcohol, the driver of the vehicle pays and the insurer—in this case the government—does not?

**Mr C.J. BARNETT:** It will be up to RiskCover to determine whether it wishes to pursue that issue. That will be its choice.

**Mr W.J. JOHNSTON:** Premier, can I clarify the government's policy. When a person is using a government car while they are over the limit, what does the policy say about that?

**Mr C.J. BARNETT:** If someone is not competent to drive a vehicle, I would assume they would bear responsibility. It is up to RiskCover if it chooses to pursue the line the member is suggesting. It is not something the government is going to interfere in.

**Mr W.J. JOHNSTON:** I am terribly sorry; clearly I did not make my question straightforward enough for the Premier. What I am asking is not related to the insurance claim; I am asking about the policy of the government —

**Mr C.J. BARNETT:** I said yes, it would be.

**Mr W.J. JOHNSTON:** I am not interested in RiskCover in this question; I am interested in the policy of the Department of the Premier and Cabinet. Is it government policy that a person who drives a vehicle while inebriated bears liability for damage?

**Mr C.J. BARNETT:** They have a responsibility as the driver. If someone is not fit to drive, they should not be driving. That is the government's view and that would be reflected in RiskCover's criteria.

**Mr W.J. JOHNSTON:** What does the policy say about that?

**Mr C.J. BARNETT:** That is certainly my view. I have no doubt that is the approach that RiskCover would take. Anyone driving a vehicle, whether it is a private vehicle or a government vehicle, has a responsibility to be fit to drive.

**Mr M. McGOWAN:** This is a significant point. We can come back to it again or we can clear it up now: is it a requirement of RiskCover that the individual who was driving, who may well have been intoxicated, has to have a conviction recorded in order to be seen to be driving under the influence, or is it a matter of the evidence presented, on the balance of probabilities, that they were intoxicated or under the influence of alcohol? What is the judgement call of RiskCover? What is the policy, considering RiskCover is the state government insurer? Does RiskCover require a conviction or does it just require evidence to then say it will not pay for this—the individual will—if there is evidence, on the balance of probabilities, that the person was driving whilst intoxicated?

**Mr C.J. BARNETT:** If the Leader of the Opposition is referring to the member for Vasse, which he obviously is, he has been convicted of careless driving—I think four counts of careless driving. That is a fact. He pleaded guilty to that. It is a matter for RiskCover whether it wishes to pursue whether or not he was intoxicated. It will do that on the balance of whether it thinks that is likely to change the outcome. I suspect RiskCover will pursue issues such as that.

**Mr M. McGOWAN:** What is your view as Premier about what should happen?

**Mr C.J. BARNETT:** What part of the —

**Mr M. McGOWAN:** What is your view as Premier? Should the member for Vasse meet these costs or should RiskCover, and therefore the government, meet these costs?

**Mr C.J. BARNETT:** My view is irrelevant.

**Mr M. McGOWAN:** Seriously!

**Mr C.J. BARNETT:** My view is irrelevant because this will be assessed properly. If RiskCover believes alcohol was a factor, I would imagine it will pursue that, but I will not tell it to pursue it or not to pursue it. I will let

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

RiskCover follow its process. If it believes alcohol was an issue, I have very little doubt that it will pursue that in the final determination of who pays for the damage to the respective vehicles.

**Mr M.H. TAYLOR:** I refer to the eleventh dot point on page 75 of the *Budget Statements*. I understand that under the Kimberley science and conservation strategy, substantial progress has been made towards the implementation of a major network of marine and terrestrial parks and the delivery of major improvements in the management of fire, feral animals and weeds across the broader Kimberley landscape. Can the Premier please outline, firstly, the extent of the marine and terrestrial parks network that has been delivered and the next steps in the 2014–15 budget; and, secondly, the key outcomes achieved to date under the landscape conservation initiative?

[2.50 pm]

**Mr C.J. BARNETT:** The protection of the Kimberley into the future has been adopted by this government as our number one environmental and conservation objective. I am pleased with the progress that has been made. With respect to the marine environment, both Camden Sound and Eighty Mile Beach have been established as new marine parks, and are under joint management with the traditional owners. —Work is progressing well on the remaining Kimberley national parks, which includes Horizontal Falls and Roebuck Bay. Collectively, once they are completed, the Kimberley marine parks will cover 26 000 square kilometres, or around 60 per cent of state waters off the Kimberley coast, which I think is an extraordinarily significant effort.

In respect of terrestrial parks, the progressive creation of the Kimberley national park, using existing parks and adding new areas, will result in a park of 27 000 square kilometres that will be associated with the adjacent marine parks. A lot is happening with regard to landscape conservation and the protection of the broader Kimberley landscape. A lot of research activity is being undertaken, and some of the more practical things include the removal of more than 16 000 feral cattle from areas of high biodiversity value and also the removal of feral pigs, cats and horses; that is not always popular with everyone, but it is fundamental to the protection of the Kimberley landscape. The amount of country burnt and often destroyed by wildfires has been halved from about 36 per cent to 17 per cent. Obviously, the ongoing advancement of cane toads is a huge problem, and a lot of research is going into that. One of the great benefits of the Kimberley work is the way in which the traditional owners have become involved in not only protecting the marine and terrestrial environments, but also gaining skills in park and nature management. I think it is a program that will go on forever, and we are ensuring that the iconic features of the Kimberley—some yet to be nominated—will be included in the conservation estate.

**Mr W.J. JOHNSTON:** I refer to the second dot point under “Administration of Executive Government Services” on page 77, which reads —

administrative policy advice and support to Ministerial offices and the Leader of the Opposition;

Did any of the employees engaged in that activity notify the government garage about the damage to the former Treasurer’s car on any date after 22 February 2014; and, if so, when did that happen?

**Mr C.J. BARNETT:** The first knowledge of damage to the vehicle happened some two weeks later. I have detailed that at length to the media and in this house. Up until that point, the government garage was not aware of damage to the vehicle. Can I say that, regardless of how events played out, that car would eventually have come to the notice of the government garage and would have been identified, but the damage to the vehicle was known only on Monday, 9 March, following media reports. I have detailed that at length in Parliament and the sequence of events is in *Hansard*. That is when I became aware of the damage to the vehicle, when my staff became aware and, I assume, therefore, when the department and the government garage became aware—some two weeks after the event.

**Mr W.J. JOHNSTON:** As the Premier says, his staff. His staff at that time included Rachael Turnseck. I understand —

**Mr C.J. BARNETT:** Not on my direct staff, but certainly a government employee, yes.

**Mr W.J. JOHNSTON:** No, in fact she was the Premier’s employee. As I understand it, she was a ministerial staffer and they are, in fact, formally employees of the Premier.

**Mr C.J. BARNETT:** Well, not employed within my office.

**Mr W.J. JOHNSTON:** Certainly, but the Premier’s employee nonetheless. She actually knew about it, according to the —

**Mr C.J. BARNETT:** The Premier is not the employer of any staff.

**Mr W.J. JOHNSTON:** Of ministerial staff?

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr C.J. BARNETT:** No, staff are employed through either Department of the Premier and Cabinet or the Public Sector Commission. One of the reforms of this government was to ensure that, so I am not the employer, but yes.

**Mr W.J. JOHNSTON:** We are splitting hairs. The Premier's employee, the government's employee, knew on 23 February 2014 about the damage to the car. We know that because it was reported yesterday in the media, following the reading of a police statement from Ms Turnseck to the Community Development and Justice Standing Committee's inquiry. Is there an obligation on the Premier's employees to advise the government of damage to government cars?

**Mr C.J. BARNETT:** I think the member needs to appreciate the circumstances. The then Treasurer had had a serious breakdown. I will not go into too much detail, but it was an extremely serious situation. There has been criticism, principally from the opposition, about the conduct of Rachael Turnseck. Accordingly, the director general of the Department of the Premier and Cabinet conducted an inquiry and did so in consultation with the Public Sector Commissioner and other agencies of government, and he sought the advice of the Solicitor-General, in terms of that inquiry and in terms of his report, so it was, I guess, peer reviewed. I will just quote, if I may, in terms of the conduct of Ms Turnseck, what the Solicitor-General said. He said —

Ms Turnseck's actions in not advising anyone of this damage was, in my opinion, entirely unremarkable. Even if Ms Turnseck had not been concerned for Mr Buswell's health during the period up to 9 March 2014, not reporting the damage to the vehicle, in the circumstances noted, is, in my view, profoundly trivial.

**Mr M. McGOWAN:** In light of the fact that the Premier is quoting from what appears to be an official document, can I ask that he table the document?

**The CHAIRMAN:** We cannot table a document, but the Leader of the Opposition can request that it be provided as supplementary material.

**Mr M. McGOWAN:** I request that the document be given as supplementary information.

**Mr C.J. BARNETT:** No, this is advice from the Solicitor-General and the state does not make that publicly available. I have quoted from it because I think the point needed to be made.

**Mr M. McGOWAN:** The Premier has quoted the bit he liked.

**Mr C.J. BARNETT:** Sorry?

**Mr M. McGOWAN:** The Premier has quoted the bit that he wanted to quote.

**Mr C.J. BARNETT:** I have quoted a section from it; I think this is not something to be made public.

**The CHAIRMAN:** I am advised that the Premier does not have to table the document in these proceedings, and if he is not providing the information as supplementary information, the Leader of the Opposition can ask a question on notice at a later date.

**Mr W.J. JOHNSTON:** As the Premier has explained, a report was done by Mr Conran. Is the Premier going to make that report publicly available?

**Mr C.J. BARNETT:** There is no secrecy here, from the government's point of view, and the government has nothing at all to hide on this. We are talking about things relating to the health of a member of this house and an extremely dangerous situation that a staff member had to deal with. It has been reviewed by the director general of the Department of the Premier and Cabinet as, essentially, the employer. He has shared that review with the Public Sector Commissioner, the State Solicitor and other authorities, and there is nothing that is found wanting. Does the member really wish to pursue the intricacies of that situation? If he does, he is showing scant regard for respecting the issues of mental health.

**Mr W.J. JOHNSTON:** I must have asked the wrong question again, because the Premier does not appear to have talked about the issues that I am raising. I am not raising anything about the member for Vasse; I am raising issues about the Premier's employees. The Premier is saying that he is not prepared to table the report into the behaviour of Ms Turnseck and other staff who are involved in the report.

**Mr C.J. BARNETT:** No, but I understand that the opposition has made a freedom of information request for that document, and I will leave it up to the Information Commissioner to make the decision, bearing in mind that this relates very much to personal details of events and personal matters relating to individuals. The member can pursue that if he wishes, through FOI, and I will let the Information Commissioner make that ruling.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr W.J. JOHNSTON:** I am still confused by the answer. I understand the answer, but I am confused by it, because, as I keep pointing out, I am not talking about the member for Vasse; I am talking about the Premier's employees and their conduct.

**Mr C.J. BARNETT:** We know exactly what the member is talking about. I have the view that individuals have a right to some privacy, particularly in the area of mental health, and when a report is done and is shared with public sector commissioners, state solicitors and others, to make sure that it is a fair and proper report, I, for one, accept that. The member—perhaps not the member individually—has decided to pursue this under FOI. That is his entitlement, and the Information Commissioner will make the decision.

[3.00 pm]

**Mr M. McGOWAN:** Is the Premier saying that he will reject any request under freedom of information and make the opposition appeal it?

**Mr C.J. BARNETT:** I did not say that. I thought I just said that the Information Commissioner would make the decision.

**Mr M. McGOWAN:** If the Premier understands FOI, he can make a call to release the documents. The only way it gets to the FOI commissioner is if the Premier rejects the application.

**Mr C.J. BARNETT:** I am not doing that.

**Mr M. McGOWAN:** Is the Premier saying he has rejected the application?

**Mr C.J. BARNETT:** I am not saying that. I have said that I will leave the decision to the FOI commissioner.

**Mr M. McGOWAN:** That is exactly what the Premier is saying.

**The CHAIRMAN:** Further questions?

**Mr W.J. JOHNSTON:** I have a further question, but I need to make the point so the Premier understands his —

**The CHAIRMAN:** Ask the question, member for Cannington.

**Mr W.J. JOHNSTON:** I need to make the point so that the Premier might understand his obligations as a decision-maker.

**The CHAIRMAN:** Ask the question.

**Mr W.J. JOHNSTON:** I will ask the question in a second, but I just make the point that it is not the Information Commissioner who decides whether to release an FOI document; it is the decision-maker. As I understand it, if the request is to the Department of the Premier and Cabinet, that is going to be a person in DPC; if it is to the Premier's office, it is the Premier. The Information Commissioner is not actually involved in that decision at all.

What is the policy for ministerial cars that are home-garaged when the minister goes on leave? Do they stay at the minister's home or do they return to DPC or go to the government garage?

**Mr C.J. BARNETT:** I do not know whether there is any hard and fast rule. If someone goes away for any extensive period, beyond a couple of days, I would imagine—certainly it has been the case with me—that the usual practice is that the car would be in the government garage. That is usually what happens. There is no requirement, but that has always been my practice and I would imagine the practice for most ministers.

**Mr G.M. CASTRILLI:** I presume that the fifth and last dot points on page 75 come together. They relate to disaster recovery and the link to critical commonwealth–state relation matters. In the context of intergovernmental relations, I note that Malaysia Airlines flight MH370 has been the subject of a lot of activity out of Perth, and it obviously still has not been found. A great deal of cooperation between the commonwealth and the state has taken place, and I presume it is still not over. Could the Premier bring us up to speed on the cooperation between the commonwealth and state and how that is continuing?

**Mr C.J. BARNETT:** The disappearance of flight MH370 is one of the great mysteries of our time. Tragically, 239 people lost their lives, including six Australians. The majority—152—were Chinese. The search has involved the coordination of ships and aircraft from Australia, China, Malaysia, Japan, Korea, the United States, United Kingdom and New Zealand. Obviously, the chances of finding floating wreckage now seem to have gone. There is still a level of doubt as to which part of the vast Indian Ocean this plane may have crashed into. The commonwealth established a command centre in Perth. I must compliment Air Chief Marshal Angus Houston and also the director general of the Department of the Premier and Cabinet, Peter Conran, for the way the commonwealth and the state have worked together on this. It is obviously a commonwealth operation but the state provided full support in every respect. The state made available accommodation in Dumas House that provided a good environment. We assisted with media communications from Dumas House and we helped host

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

international media. One group, CNN, were camped outside my office for about five weeks. It would be a pretty tedious experience, I would have thought. A whole lot of other work was undertaken. The search continues, using subsea equipment. The view is that the aircraft will eventually be found and it seems that there is a commitment to continue on until it is—that could be months or it could be even years. The Chinese in particular have indicated that they intend to continue the search for as long as it takes. The state continues to support that, but the main operation now is centred out of Canberra. I hope it is found and that we eventually find out what happened. As I may have remarked during question time, having been in China a couple of weeks ago with the Prime Minister's delegation, I was surprised at how conscious and emotional the Chinese people were about this issue, from President Xi Jinping down. Whenever the matter was raised with people, I could almost see the tears well up in their eyes. It is an incredibly emotional issue for the Chinese people. Hopefully, the plane can be found and there will be a sense of closure.

**Ms R. SAFFIOTI:** I refer again to commonwealth–state relations and would like to drill down to some of the comments the Premier made earlier. The last dot point on page 75 of the *Budget Statements* refers to the central role of the Department of the Premier and Cabinet in negotiating commonwealth–state agreements. I understand that four agreements will expire on 30 June. They include: \$166 million over four years for improving services for subacute care in public hospitals; \$71 million over 18 months for early childhood; \$42 million over five years for Indigenous early childhood development; and, \$39 million over three years for financial assistance for long-stay older patients. Has the Premier received any certainty from the federal government in the past weeks on whether any of that funding will be continued?

**Mr C.J. BARNETT:** No. There were the announcements, as the member for West Swan would have read, within the federal budget. How that will play out on individual national partnership agreements is yet to be determined. An obvious one relates to things such as seniors' concessions. Most of them will continue for a time, so there will be some sorting out. I have stated the principle that if the commonwealth pulls out of a particular partnership, the state has no ability to pick up that commonwealth responsibility. The one that probably concerns me the most is infrastructure in remote Aboriginal communities, for which the commonwealth had assumed the prime responsibility. There are 180-odd remote communities in Western Australia, so that will impact significantly on Western Australia, if that is the case.

[Mr P. Abetz took the chair.]

**Ms R. SAFFIOTI:** To clarify, going back to the Premier's earlier comments, do we not have certainty over significant funding agreements under the national partnership arrangements? The Premier said that health was being cut as well. Can the Premier provide a figure on how much the health budget has been cut over the forward estimates?

**Mr C.J. BARNETT:** Yes; I have some information relating to the earlier questions. From now through to 2017–18, the net impact on the operating balance of Western Australia is plus \$977 million; so, there are lots of ups and downs and there are elements of accounting within that. GST revenue is up by \$418 million. The Perth Freight Link will show initially as revenue. These are the commonwealth's accounting principles, not ours.

**Ms R. SAFFIOTI:** Just so —

**Mr C.J. BARNETT:** I am getting to it. That is a net gain of \$866 million. Black spot funding is up \$22 million but health funding is down \$300 million. Pensioner concessions are potentially down \$100 million, but I think there is a lot of uncertainty about that. There are other components of health—preventive health, minus \$16 million, and so on. There are gains and losses. There is a net operating gain to the state, but that does not mean there are not difficult issues to deal with in certain areas.

**Ms R. SAFFIOTI:** To clarify, does the \$418 million impact on the forward estimates? Is the Premier taking the commonwealth budget numbers to get that \$418 million?

**Mr C.J. BARNETT:** They are the commonwealth's figures. It is probable that the reduction in health funding will be more than offset by the increase in GST revenue to Western Australia.

**Ms R. SAFFIOTI:** I will go to the GST. I am just trying to understand the numbers.

**Mr C.J. BARNETT:** I am not sure anyone really quite understands them at this stage. The federal budget was delivered only last week and there is a lot of discussion to take place.

**Ms R. SAFFIOTI:** Sure, but I just want to refer to the \$418 million. How has the Premier revised those numbers?

**Mr C.J. BARNETT:** How have we revised them?

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Ms R. SAFFIOTI:** Yes; normally the commonwealth GST contribution is not taken and put into the state's figures. Why is it different this time?

**Mr C.J. BARNETT:** That is the assessment by Treasury of GST. Although it is still declining, it is not declining as much.

**Ms R. SAFFIOTI:** I thought that was already built into the forward estimates. Is this a further increase?

**Mr C.J. BARNETT:** That is the initial assessment by Treasury of the impact of the federal budget on Western Australia.

**Ms R. SAFFIOTI:** Is the figure of \$866 million for Roe Highway?

**Mr C.J. BARNETT:** Yes.

**Ms R. SAFFIOTI:** Is the Premier assuming that the entire \$866 million will be in the forward estimates?

[3.10 pm]

**Mr C.J. BARNETT:** If I understand the accounting principles, if that money flows from the commonwealth into the Roe Highway project, it will initially show up as revenue.

**Ms R. SAFFIOTI:** I understand that. I am talking about the timing. I am talking about the forward estimates. I understand that Roe Highway is expected to be completed in 2021. I would expect a significant proportion of the commonwealth funding to be outside the forward estimates. Has the Premier received any clarification or certainty that the entire commonwealth contribution is in the forward estimates?

**Mr C.J. BARNETT:** Not the entirety but the proposal of the commonwealth is that its contribution is up-front.

**Ms R. SAFFIOTI:** I understand that.

**The CHAIRMAN:** There have been quite a number of further questions. If the opposition wants to continue, it delays the Leader of the Opposition from getting his call. Just be aware of that.

**Ms R. SAFFIOTI:** In relation to Roe Highway again, I know it is up-front, but it would not see the entirety coming into the forward estimates.

**Mr C.J. BARNETT:** I quoted \$866 000. If it pans out as the commonwealth thinks it will—again, that is not necessarily the case—that \$866 million would be in the forward estimates for Western Australia. It may not happen that quickly.

**Ms R. SAFFIOTI:** There is a reduction in health of \$300 million; a reduction in senior concessions of \$100 million; and a reduction of \$16 million for the elderly —

**Mr C.J. BARNETT:** That is the preliminary analysis. Again, I caution the member to be careful about national partnerships because there is some discussion to take place on those.

**Mr W.J. JOHNSTON:** I seek further clarification in respect of the \$866 million for Roe Highway. I understand that is coming with the proviso that the government will introduce tolls. Is it expected that those tolls will be for trucks only? How will the government determine what is a truck and what is not?

**Mr C.J. BARNETT:** That issue is yet to be resolved. I assure the member that there will be no toll roads in Western Australia. By toll roads, the understanding is that all vehicles pay a toll. That will not happen. Whether there is a system of increased charging for heavy vehicles is a matter for negotiation. I do not think that is an unreasonable proposition. I am opposed to toll roads, and there will not be toll roads. I do not think it is unreasonable to impose additional charges on heavy vehicles that cause wear and tear. That is something that the state will discuss with the commonwealth and the heavy vehicle industry.

**Mr W.J. JOHNSTON:** Just to clarify that answer, are there any other roads that the government thinks heavy vehicles should pay a contribution to use?

**Mr C.J. BARNETT:** That is not under consideration. The concept of developing a freight route, basically going from the port area through the eastern suburbs and to the north, is not a bad concept. That will take thousands of heavy vehicles off the other roads that are predominantly used by passenger vehicles. It will save the transport industry time and money. I think the transport industry is taking a responsible attitude to this. They want an effective heavy freight network.

**Mr M. McGOWAN:** I return to commonwealth–state issues. I asked these questions up-front and the Premier indicated that he did not have the information earlier, but apparently he has it to hand now. The Premier said that

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

the totality of the cuts are \$300 million to health, \$100 million to pensioner retiree concession programs and \$16 million to preventive health. Are there any others?

**Mr C.J. BARNETT:** Yes, there are. There are a whole number of partnerships and we do not know what the outcome will be. There are two points. Although it sounds odd, if the funding for Roe 8 comes through, that shows up as revenue but the net effect on the operating balance of the state over the forward estimates is positive. The improvement in GST basically compensates for the loss of funding in health. Although there are changes in health, the broad commitments of the commonwealth, inherited from the previous government, have remained in place over the forward estimates. The real issue about health and education is post-2017. I agree with the Prime Minister; I think it is more sensible in federal–state relations that the state governments take prime responsibility for schools and hospitals. I do not disagree with that. That is the reason I seem to have a different approach from some of my counterparts in other states. I also say that at previous Council of Australian Governments meetings, particularly under Prime Minister Gillard, all sorts of special deals were negotiated, particularly by New South Wales and Queensland. They thought they were all pretty smart at the time. They can hardly be surprised that some of those deals have disappeared, particularly as Prime Minister Abbott indicated in the COAG meeting a couple of weeks ago that hospitals and schools should primarily be state responsibilities and there could probably be some trade-off in increased commonwealth funding in other areas. That discussion has not even begun. There is no sense of panic from me because we are talking about post-2017.

**Mr M. McGOWAN:** The Premier is saying that it is not that hard to manage.

**Mr C.J. BARNETT:** I did not say that at all.

**Mr M. McGOWAN:** I think he said it is not that big a deal.

**Mr C.J. BARNETT:** I said it is post-2017.

**Mr M. McGOWAN:** In any event, the Premier detailed \$416 million, although he indicated that it might be more than that, in cuts across the forward estimates in health, pensioner programs, preventive health and whatever else is there. What programs or activities of government will suffer as a consequence of those cuts? What is the government not going to do?

**Mr C.J. BARNETT:** We do not see any major changes, even in health. The state budget just presented has an \$8 billion budget for health. Yes, it is going to make it tight. I recognise that. Australia is in a bit of trouble. The days of high salary increases and large amounts of funding from the commonwealth or the state will be constrained. This is a period of belt-tightening, to use a cliché. We do not shy away from that.

**Ms R. SAFFIOTI:** Is there a debt issue?

**Mr C.J. BARNETT:** The commonwealth government has a pretty big debt. We have one too; we have to deal with that. For example, if we look at schools, the other states are complaining aggressively about school funding. It is an issue in Western Australia but Western Australia funds schools better than any other state. As Minister Peter Collier said the other day, had the other states committed more of their budgets to education, they would be in lesser difficulty than they are now. These special deals offered by Prime Minister Gillard have evaporated. I suggest to the Leader of the Opposition that even if the Labor Party had won the last federal election, those deals would have evaporated because they were unsustainable.

**Mr M. McGOWAN:** In the interests of accountability, I ask by way of supplementary: what is the totality of the cuts from the commonwealth to the state across the forward estimates, and what programs will be cut as a consequence? Maybe the Premier can provide an answer by way of supplementary information.

**Mr C.J. BARNETT:** We have not made decisions on programs, so that is impossible to answer.

**Mr M. McGOWAN:** Surely the Premier can answer the first part of the question because he has a document in front of him that details it.

**Mr C.J. BARNETT:** Yes, and I am prepared to have the Treasurer provide a summary of the net changes in funding, both the gains and the losses.

**Mr M. McGOWAN:** Is that by way of supplementary information?

**Mr C.J. BARNETT:** Yes.

**Mr W.J. JOHNSTON:** I wish to make a point of order.

**Mr C.J. BARNETT:** I will provide it. I am relying on the Treasurer to provide that information.

[*Supplementary Information No A8.*]

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr M. McGOWAN:** I still do not understand. There will be more than \$400 million—who knows, it could be \$500 million or \$600 million; I do not know because the Premier has not detailed the entirety of it—worth of cuts to core areas, yet the Premier is claiming there has been an increase in funding because of a capital injection into one part of the budget —

**Mr C.J. BARNETT:** Plus GST.

**Mr M. McGOWAN:** I still do not understand. Is that GST just above what the state estimated, but it is providing what the commonwealth always estimated in its forward estimates?

**Mr C.J. BARNETT:** I just agreed to provide the member with supplementary information, which will include the changes in expected returns from GST. I will provide it to the member in black and white.

**The CHAIRMAN:** For the sake of the record, exactly what is to be provided?

**Mr C.J. BARNETT:** I will provide a summary of state Treasury's assessment of the gains and losses to Western Australia out of the federal budget. That is provisional data because we do not know all the detail. There are decisions to be made. We will provide the current information—a summary, which will cover health, education, partnership agreements, GST and the like.

**Mr P.T. MILES:** I refer to the seventh dot point on page 76 and the line item for the two National Disability Insurance Scheme trials happening in the state—one in the Perth hills and the other in the lower south west. Do any issues or points of interest need to be addressed on that program that is being run in this state?

[3.20 pm]

**Mr C.J. BARNETT:** Yes, I think pretty well everyone across the country supports the National Insurance Disability Scheme. Western Australia was probably the last state to sign up to the scheme, because we were not happy with some aspects of it. In particular, we believe that the devolved system in Western Australia, whereby most services are provided through not-for-profit organisations and in a decentralised way, is a good model. Victoria has a similar model. That was a sticking point. Eventually, that was resolved and Western Australia agreed to the NDIS under Prime Minister Rudd, Mark II. He was at least a bit more flexible and could see the merit of the devolved system, whereas his predecessor, Prime Minister Gillard, did not seem to see it. The two trials in Western Australia will start on 1 July this year and provide significant benefits to people with a disability. They will be in the lower south west, the Perth hills and the Cockburn–Kwinana area. Around 8 400 Western Australians with a disability will take part in the trials. Of those people, 4 133 will participate in the My Way trials—that is, the devolved system—and 4 250 will participate in the commonwealth NDIS trial in the Perth hills. Western Australia will have a comparison, if you like, of the centralised model and the decentralised model, which is what I think a trial should be about; it is a form of test. The trials cost a lot of money. An amount of \$129 million will be spent in the Perth hills trial and \$171 million in the My Way trials in the lower south west and Cockburn–Kwinana. We will learn something from that; no doubt there will be advantages in both the devolved system and the centralised system.

One of the early experiences from the other states, where trials are well underway, is that the initial cost of providing the support packages was about 30 per cent above what was estimated. In more recent times, the cost has been about 15 per cent above. One explanation is that there was probably a skew in some states where the early sign-ups, if you like, were people with high levels of disability. Nevertheless, the scheme, although comprehensive, will certainly be expensive.

**Mr P.T. MILES:** The concern is that at the end of the two years people will expect that scheme to automatically continue. Will participants in this program be advised up-front that it is only a two-year trial?

**Mr C.J. BARNETT:** I think the member is right; there is an expectation that the scheme will continue and will be progressively broadened. Controlling the costs will be a big factor. Another factor is the availability of service providers; it is all very well to say that there are lots of service providers in New South Wales and Victoria, but there is not a lot of choice outside Perth, so that is a practical difficulty. The system in New South Wales is highly centralised with a large number of government services. We have more not-for-profit service providers.

To return to the earlier discussions about commonwealth–state responsibilities, the commonwealth could pick up a bigger share in the disability area. That might be one of the trade-offs for health and education.

**Mr W.J. JOHNSTON:** I refer to the table on page 78 of budget paper No 2. It shows a 24 per cent increase in the number of full-time equivalent positions for services to the Premier. Can the Premier explain why that is needed?

**Mr C.J. BARNETT:** I will ask the director general to comment on those numbers. If the member is alluding to ministerial officers, I point out that the number of ministerial staff employed by this government is significantly smaller than that of the previous government; it continues to be in the order of about 30 people. The department performs a range of functions, including shark hazard mitigation. Members will also recall that the department is picking up responsibility for the Anzac Centenary and Dirk Hartog anniversary celebrations and other events.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

Quite a number of functions have come into the department and they may well be showing up there, but I will ask the director general to comment.

**Mr P.F. Conran:** The answer is quite simple: the Office of Science came in.

**Mr W.J. JOHNSTON:** How many people does it employ?

**Mr P.F. Conran:** It employs 14 people.

**Mr W.J. JOHNSTON:** What is the explanation for the balance of the increase?

**Mr C.J. BARNETT:** Director general.

**Mr P.F. Conran:** When other agencies come in, it is the practice of our agency to allocate them a proportion of corporate support, so that adds a couple more full-time equivalent positions. We have also moved around one of our agencies. The protocol branch now also comes in under that service area and it has five FTE positions. The number of staff working on the Browse program implementation decreased and the number of staff in the south west increased. We are moving people across agencies. We are decreasing staff numbers in areas such as Browse and increasing them in areas such as the south west, and these figures add up in that way. We also throw an element of corporate support across agencies, but the principal factor is the Office of Science.

**Mr W.J. JOHNSTON:** Does “Total Cost of Service” include contracts for service; in other words, individual contractors that the department or the Premier —

**Mr C.J. BARNETT:** It would include, for example, the shark contracts.

**Mr W.J. JOHNSTON:** Is the contract for Robert Taylor in this?

**Mr C.J. BARNETT:** Yes, that contract fits under the Department of the Premier and Cabinet.

**Mr W.J. JOHNSTON:** Is he still engaged by the department?

**Mr C.J. BARNETT:** Yes, he is engaged by the department on a part-time basis.

**Mr W.J. JOHNSTON:** What is the cost of that contract for Mr Taylor?

**Mr C.J. BARNETT:** I do not know whether that is available. If not, I will agree to provide details of that contract as supplementary information if the member wishes.

[*Supplementary Information No A9.*]

**Mr C.J. BARNETT:** I will provide the details of the employment contract of Robert Taylor.

**Mr W.J. JOHNSTON:** Given that the budget is complete, what are Mr Taylor’s duties now?

**Mr C.J. BARNETT:** He is working in a media role. I think that he is working on a three-days-a-week contract as one of the media team, predominantly in the Treasurer’s office.

**Mr M.H. TAYLOR:** My question relates to the first dot point under “Significant Issues Impacting the Agency” on page 74 of the *Budget Statements*. I understand that at least one person has referred to the state government’s deployment of drum lines in the metropolitan and south west areas of WA as “a horrific slaughter festival”. Can the Premier please advise the house of the government’s shark hazard mitigation strategy?

**Mr C.J. BARNETT:** I thank the member for the question. As I said previously, a full report on this will be available shortly. It is being compiled at present. I appreciate that there are differing views within the community, but I think that the responsibility of government is to put the protection of human life first. No-one wants to kill sharks in a willy-nilly way. Although I know members opposite and the media will refer to it as a cull policy, it is not that. It is nothing like it. It is simply about catching sharks and, if they are of a certain variety and beyond three metres in length, destroying them. It is along only about a 40-kilometre stretch of Perth and south west beaches and involves only sharks that come within a kilometre of the shore. The photograph that I passed over to members opposite shows a dramatic image of a shark swimming between the groyne and the Indiana Tea House at Cottesloe Beach. It was a very large shark, and if anyone is suggesting that that does not pose a danger, I would be surprised. This is not being anti-shark or anything else. In the past couple of weeks, 4.5-metre sharks have swum along Floreat Beach. People who use and enjoy the ocean, particularly parents of children and young surf lifesavers, feel very strongly about this.

Our policy is in sharp contrast to the netting and the like that has been used in New South Wales and Queensland for the last 40 or 50 years, and equally the same sorts of policies are used in South Africa, and, indeed, in South America where people are basically told not to go into the water. I think using the water is part of the Australian and the Western Australian way of life, and we cannot ignore the fact that of the 20 shark fatalities in the last 100 years, seven have occurred in the last three years; something clearly has changed. There can be all sorts of

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

theories about that. I am a layperson in that regard, but I think the theory with the most credibility is simply the dramatic increase in the whale population since the cessation of whaling. I am not advocating a return to whaling, but the humpback population had fallen to around 350 in the early 1960s and it is probably approaching 30 000 today, and that clearly is leading more sharks to trap them.

The overall state government shark mitigation program is a \$22 million program, but that includes a number of facets. Major features have been increased aerial patrols, which is the most expensive, and the use of helicopters, both in Perth and the south west. That has been developed, and clearly that is identifying sharks in the area, allowing surf clubs to evacuate the waters and so on. There has been increased funding for surf lifesaving and \$6 million for research. People make the accusation that we do not do research, but we are probably doing the world's leading research into shark behaviour to understand and to try to limit, I guess, the requirement to catch and destroy some sharks. We have talked about beach enclosures; phone apps have been put into place, as have websites and the like. We will continue to do that. If anyone talks anecdotally to fishermen, they will simply say that without doubt there are far more sharks in the ocean, far more larger sharks and that particularly the older and larger ones tend to come in. I was in Albany last week and a large shark up to five metres long, which I think has been given the nickname "Bronwyn", has been repeatedly sighted hanging around the Middleton Beach area—it might be an old or weak shark—and people are concerned. Similarly, there have been repeated sightings in the south west in the early parts of summer of the same shark in the same vicinity. Members opposite think that that can be ignored. I suggest to the Leader of the Opposition that if he ever finds himself Premier, he will know that it cannot be ignored. It is the responsibility of the government of the day.

[3.30 pm]

**Ms R. SAFFIOTI:** I refer to the services summary on page 74 of the *Budget Statements* and the second line item, "Government Policy Management"; this is from where the subject of my question would be funded. I refer to the compensation payment paid to GolfWest as a result of the requirement of the land for the Perth Stadium and ask: can the Premier's department reveal the amount of compensation paid to GolfWest?

**Mr C.J. BARNETT:** Obviously, in order to be able to construct the new stadium, the Burswood Park Golf Course, which I think was 18 holes, could no longer operate and there was a contract to enable that to happen. A compensation payment was negotiated and I understand the settlement is confidential; it was part of the agreement. I think I am correct in saying that. If that is the case, I cannot divulge that information.

**Ms R. SAFFIOTI:** Why is it confidential?

**Mr C.J. BARNETT:** I understand that it is primarily at the request of the company operating the service. Part of the agreement to forgo the lease was that there would be compensation; no-one ever argued that, and it is my understanding that it was wished that the amount remain confidential. I have just been advised that the Minister for Sport and Recreation was asked a similar question. He said he will speak to the State Solicitor's Office about whether that information can be released. I am not sensitive about it at all, but it was a condition of the agreement reached.

**Ms R. SAFFIOTI:** Why was such a confidentiality clause agreed to by the state?

**Mr C.J. BARNETT:** Because the operator of the course wanted that and we agreed to it. The government is not sensitive about it. When building a billion-dollar stadium, there will be some costs, and that payout was a clear cost. I am not sensitive about the informational, but the operator wanted confidentiality, so we will respect that. However, the Minister for Sport and Recreation has undertaken to talk to the State Solicitor and maybe he will relax, as maybe the operator will also.

**Mr W.J. JOHNSTON:** I just make the observation that the minister actually said he would provide the answer in camera if necessary. Given the DPC's involvement in this matter, why was it chosen for the Burswood Park Board to pay out the lease rather than the agency doing the project, which is the Department of Sport and Recreation?

**Mr C.J. BARNETT:** I am not aware of the details of that. I do not know whether the director general can add anything, but it was at that stage primarily being handled by the Department of Sport and Recreation. I will ask whether the director general can add any information.

**Mr P.F. Conran:** I will clarify my comments if need be with supplementary information, but my recollection is that the Burswood Park Board had the arrangement with GolfWest and consequently it was considered that the appropriate agency through which that compensation should be paid to was GolfWest. That is a recollection of events that are now two years old, and if it needs to be corrected with some supplementary information, I will ensure that it is provided.

**Mr C.J. BARNETT:** On that basis, if there is more information that can be released, we will provide it.

[*Supplementary Information No A10.*]

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr W.J. JOHNSTON:** I am sorry; I do not understand what supplementary information A10 is.

**Mr C.J. BARNETT:** I am not being secretive; I am not embarrassed and sensitive about the information at all. If we can legally provide more information on that payout, we will do so; and if we can provide further information about why it was done through the Burswood Park Board, we will provide details about that also. As I think the director general said, the contract for the golf operator was with the Burswood Park Board, as it oversaw the land.

**Ms R. SAFFIOTI:** Was any agency supplemented or its budget increased to reflect the compensation payment?

**Mr C.J. BARNETT:** We will provide what details we can.

**Ms R. SAFFIOTI:** Of what the Premier can or what he chooses to?

**Mr W.J. JOHNSTON:** This is very difficult. I am not trying to put the Premier on the spot, but part of the chairman's advice at the start of the sessions was that supplementary information be clearly identified, and I am still not quite sure what it is.

**Mr C.J. BARNETT:** I think the director general might be able to provide a bit more information now from one of the other advisers, because we are going back a couple of years.

**Mr P.F. Conran:** I have been corrected already. The funding in respect of the golf course came out of consolidated revenue.

**Ms R. SAFFIOTI:** It came out of consolidated revenue, but it must have gone through an agency; what agency was it?

**Mr C.J. BARNETT:** It would have been paid by the park board and funded by consolidated revenue.

**Ms R. SAFFIOTI:** Can I actually have an answer?

**Mr C.J. BARNETT:** That was an answer.

**Ms R. SAFFIOTI:** Can I follow up? Burswood Park Board was —

**The CHAIRMAN:** Let us just direct proceedings through the Chair so we do not get this banter across the chamber.

**Mr C.J. BARNETT:** The answer is that the funding to compensate the operator of the golf course was provided by consolidated revenue.

**Ms R. SAFFIOTI:** Which agency received that supplementation to pay the compensation?

**Mr W.J. JOHNSTON:** If Mr Chairman wants to know, that is what should be in supplementary information A10.

**Mr C.J. BARNETT:** I will provide supplementary information about how that transaction was completed, but the funding came from consolidated revenue and was paid to the operator on cessation of its contract. I will provide supplementary information about how that transaction was followed through.

**Mr M. McGOWAN:** I thought the Premier was going to look at the amount.

**Mr C.J. BARNETT:** I said I understand the Minister for Sport and Recreation will provide that, but again I will not breach the contract. If we can provide that information, we will do so, but I expect in the meantime that the Minister for Sport and Recreation will already have done so.

**The CHAIRMAN:** That is already noted in the format of the supplementary information.

**Ms R. SAFFIOTI:** Can that same information be provided in relation to the compensation to Klemap as a result of its contract being extinguished because of the Burswood Park stadium?

**Mr C.J. BARNETT:** Which contract?

**Ms R. SAFFIOTI:** As I understand it, it was the catering company for that facility—the golf course.

[3.40 pm]

**Mr C.J. BARNETT:** The Department of Sport and Recreation has been asked the same question, which I understand it will provide.

**The CHAIRMAN:** Does the Premier want that noted as special supplementary information?

**Mr C.J. BARNETT:** No. The Minister for Sport and Recreation has indicated he will provide that information.

**Ms R. SAFFIOTI:** I was just asking whether the same information —

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr C.J. BARNETT:** No; only once.

**Ms R. SAFFIOTI:** This is about another compensation payment.

**Mr C.J. BARNETT:** No, I am not providing that.

**The CHAIRMAN:** The Premier is not required to agree to provide supplementary information. If the Premier says no, that is no. The member for West Swan is free to lodge a question on notice, but it would seem rather unproductive, given that the Minister for Sport and Recreation has already agreed to provide that information.

**Ms R. SAFFIOTI:** Will the Premier not provide any information about whether supplementary funding was provided for the Klemap compensation deal?

**Mr C.J. BARNETT:** No, I am not saying that. I said the Minister for Sport and Recreation will presumably provide that information. I am not doing his portfolio as well.

**Ms R. SAFFIOTI:** But the Premier's agency is dealing with all the compensation matters.

**Mr C.J. BARNETT:** That is the member's assumption.

**The CHAIRMAN:** I give the call to the Leader of the Opposition.

**Mr M. McGOWAN:** Thank you, Mr Chairman.

**Mr C.J. BARNETT:** I do not know why members opposite are so against Burswood stadium. It will be fantastic.

**Ms R. SAFFIOTI:** I do not know why the Premier cannot tell us how much was paid out.

**Mr M. McGOWAN:** It is public money. Geoff Gallop would have answered.

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

**Mr M. McGOWAN:** I refer again to the issue of the goods and services tax, which can be found in the first dot point on page 76 of the *Budget Statements*. I would like clarity about the impact of the commonwealth budget on the state. I saw the Premier on television either this morning or last night saying that if the commonwealth pulls out of joint funding, the state will not make up the difference for pensioner and retiree concessions. If the GST take is higher and the net take from the commonwealth is higher, why will the government not fund that when all the Premier's arguments have been that the state needed to receive more in untied funding as opposed to tied funding? According to the Premier's argument, the commonwealth has delivered that; therefore, why will the government not continue with the pensioner and retiree concessions?

**Mr C.J. BARNETT:** Under projections, whether they be state or commonwealth projections, the state's absolute return on GST continues to fall—we are getting less. The commonwealth budget showed that the reduction is not as severe as we thought but, nevertheless, it is quite severe. We are getting less GST revenue from one year to the next and our share is likely to continue to fall. With respect to a general approach to our policy position on national partnership agreements, I made it clear even before the federal budget that if the commonwealth pulls out of a national partnership agreement, the state will not step in and pick up the shortfall; indeed, we do not have the capacity to do that. Western Australia has by far the most generous concessions for seniors of any state in Australia in terms of the number of concessions and their value. Commonwealth involvement in that area in recent times has primarily been about getting consistency across Australia in travel concessions—public transport concessions to be more specific. That was initiated by the commonwealth. I suspect the changes—this is only speculation—that will affect pensioners will be changes that the commonwealth may introduce to the eligibility of pensioner cards and healthcare cards. Many of the concession entitlements are centred on a person holding a pensioner card or a healthcare card. If the criteria are tightened, those people will not only lose some of their commonwealth benefits, but also may automatically lose state benefits; that is where the impact will be greatest. We are simply not in a position to step up and take over the commonwealth's role. Again, I stress that by far the predominant funder of concessions for seniors is the state government, not the commonwealth, which obviously provides tax benefits.

**Mr M. McGOWAN:** Further to that point, earlier the Premier said that the state was net \$977 million better off. If the state is net \$977 million better off, I do not understand why the government cannot afford \$25 million for concessions for pensioners—if that is indeed true. Secondly, when the Premier judged that the GST take is higher —

**Mr C.J. BARNETT:** Higher than what we feared.

**Mr M. McGOWAN:** Yes. Is the Premier comparing the commonwealth's allocation of GST under the recently announced budget with the state's projections or is he comparing it with the commonwealth's forward estimates?

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

Is the Premier saying that it is greater than what the state predicted we would get or is he saying that it is in line with the commonwealth's forward estimates?

**Mr C.J. BARNETT:** It is; we still continue to lose GST revenue but the loss is less than what we expected. As I previously indicated, I will provide details on the ups and downs of the impact, including the impact of the GST.

**Mr M. McGOWAN:** The Premier has assessed that the commonwealth will provide us with more money by comparing the commonwealth's forward estimates of GST and allocations with the state's predictions.

**Mr C.J. BARNETT:** It is the assessment of Treasury.

**Mr M. McGOWAN:** That is not really a fair comparison.

**Mr C.J. BARNETT:** I said that I would provide supplementary information. It will become clear in that supplementary information.

**Mr M. McGOWAN:** That is a very tricky comparison.

**Mr C.J. BARNETT:** It is not. It is Treasury's assessments of the impact of the federal budget on the state—no-one is being tricky.

**Ms R. SAFFIOTI:** I do not understand how the Premier can come in here and say it will be \$400 million when he cannot tell us the year or how he got the figure of \$400 million.

**Mr C.J. BARNETT:** I can tell the member by way of supplementary information.

**Ms R. SAFFIOTI:** The Premier has made a claim of \$400 million, but he has no idea how he arrived at that figure.

**Mr C.J. BARNETT:** No, I have quoted figures, and I have said that I will provide the full information as supplementary information. We went through that half an hour ago.

**Ms R. SAFFIOTI:** The Premier has no idea how he got that figure.

**Mr C.J. BARNETT:** I read it off a bit of paper; that is how I got it.

**Mr M. McGOWAN:** Can the Premier table that bit of paper?

**Ms R. SAFFIOTI:** How did the Premier get the \$400 million?

**Mr C.J. BARNETT:** Treasury got that figure.

**The CHAIRMAN:** There is a further question from the member for Wanneroo.

**Mr C.J. BARNETT:** I was asked about Treasury's forecast, and that is how I answered.

**Mr W.J. JOHNSTON:** I have a point of order. Does the parliamentary secretary have a right to participate as a backbencher?

**The CHAIRMAN:** If he is on the committee, yes.

**Mr W.J. JOHNSTON:** I do not understand how a government member can ask questions of the government.

**The CHAIRMAN:** I will need to get some advice on that matter. I do not know the answer.

**Mr M. McGOWAN:** The Premier said it was his judgement call to not participate in the meeting of Premiers on Sunday. Did the Premier take advice on that or was that his intuition?

**Mr C.J. BARNETT:** I can make my own decisions.

**Mr M. McGOWAN:** Did the Premier take any advice or did any agencies or departmental people advise him to attend, but he elected not to attend?

**Mr C.J. BARNETT:** No. I made my own decision.

**Mr M. McGOWAN:** When the Premier elected to not attend, what did he do instead?

**Mr C.J. BARNETT:** I did not attend.

**Mr M. McGOWAN:** That is not answering the question.

**Mr C.J. BARNETT:** I did not attend and my decision to not attend, as I explained to the media in some detail last night, was made fairly quickly—and it was the correct decision, in my view.

**Mr M. McGOWAN:** Not in mine.

*Meeting suspended from 3.47 to 3.55 pm*

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**The CHAIRMAN:** In terms of the point of order, standing order 224 states —

Each estimates committee will consist of —

- (a) a Chairman;
- (b) three members appointed by the Leader of the House and three members appointed by the Leader of the Opposition; ...

The only condition is that they have to be appointed by the Leader of the House or the Leader of the Opposition. The committee could have a minister on it, if that was the wish, or even the Premier. As long as the minister is answering the question, that is the key issue. In that case, there is no point of order.

**Mr P.T. MILES:** I have a further question to the Premier that continues from what the Leader of the Opposition was asking; namely, Western Australia's share of GST per head of population is obviously declining. Does the Premier know roughly what the figure is now? Given that his plan with the other Premiers was to lift it to a baseline figure, what sorts of extras would we get year by year or over the forward estimates?

**Mr C.J. BARNETT:** The current return, if you like, is about 37c in the dollar, which I think is just an outrageous situation, and I have been saying so for a long time.

**Ms R. SAFFIOTI:** Under Tony Abbott, it's the lowest share in our state's history.

**The CHAIRMAN:** Thanks, members! The Premier is speaking.

**Mr C.J. BARNETT:** I thought the member was contributing to the debate; clearly, she is not.

**Ms R. SAFFIOTI** interjected.

**The CHAIRMAN:** Thanks, member!

**Mr C.J. BARNETT:** It is down to 37c in the dollar. Under some predictions by state Treasury, it could get down to less than 10c in the dollar in future years, although I doubt that will happen. If the GST was calculated on a per capita basis, Western Australia would receive close to \$3 billion extra each year, which would make an enormous difference to our financial position.

What frustrates me, apart from the inequitable position for Western Australia, is that among the issues of financial and state-commonwealth finance, the GST is, in a sense, not that difficult to resolve. The GST pool is growing. Other states now see that they will probably get less than 100c in the dollar, and the transfer to the smaller states—Tasmania, the Northern Territory and South Australia—is not that big a part of the total pool. It will be comparatively simple to take X billion dollars out of the \$50-billion-plus pool. Maybe the commonwealth could supplement it as well and provide support to the weaker states and simply allocate the remainder—maybe 80 or 90 per cent or more of the GST pool—on a per capita basis. This is not a difficult reform to do. Western Australia has advocated that for some time and we have also said that we will be part of the solution. In other words, we do not expect it to be corrected overnight; we would settle for a gradual transition. I have also said publicly, ever since I have been Premier, that we are prepared to contribute to the other states, but we think it should be at a floor of 75c. Even a progression to at least getting back half of our GST would be fair. The other little nuance to it is that Western Australians tend to be more highly paid than the average person across Australia. Given that we have a population share of 11 per cent, we actually contribute about 15 per cent of the pool. Western Australians earn more and spend more, so it is even more iniquitous in that sense.

**Ms R. SAFFIOTI:** In respect to —

**The CHAIRMAN:** Has the Premier finished answering the question?

**Mr C.J. BARNETT:** Yes.

[4.00 pm]

**Ms R. SAFFIOTI:** With respect to the new levy introduced by the Abbott government, there will be more than 10 per cent coming from WA then?

**Mr P.T. MILES:** That is not GST.

**Ms R. SAFFIOTI:** I am asking the question.

**Mr P.T. MILES:** It is not GST.

**Mr P. PAPALIA:** Are you the Premier now?

**Ms R. SAFFIOTI:** The Premier said we are more highly paid.

**The CHAIRMAN:** Member for Wanneroo; thank you.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr G.M. CASTRILLI:** Premier, I refer to page 74. The last four dot points relate to the National Anzac Centre. It is a very important part of our history, and it will be a very important moment not only for the people of Albany and Western Australians, but also for all Australians. Participation rates in Anzac celebrations, especially in my part of the world, are increasing every year. Could the Premier outline how planning is going for that and what levels of cooperation exist between the City of Albany and the state and federal governments? I presume RSL clubs around Western Australia are planning a range of celebrations. What celebrations does the state government plan to fund?

**Mr C.J. BARNETT:** The state government is contributing very significantly to the Anzac events. As everyone is aware, the Anzac convoys, if you like, departed from Albany, although the Western Australian troops departed from Fremantle and joined up at sea. The first dawn service was in Albany. On Friday last week, I was in Albany for the opening of the upgrade to Mount Clarence, which was a fully state-funded project of \$5.8 million. The project has been beautifully and tastefully done. It was overseen and managed by the City of Albany. The other major physical structure is the National Anzac Centre, which was majority funded by the commonwealth but the state contributed \$2.2 million. The state had a fair bit to say in the ultimate siting of that. That building is nearing completion. It looks like there is a fair bit more work to do but most of that is the fitting out of all the interpretive material. That will be completed a full month before the November anniversary. There is another series of events. To commemorate the departure of the Western Australian troops, there will be a re-enactment. There will be a train ride from the training camp in Northam down to the troops' departure from Fremantle. In Albany, there will be a march down York Street. There will also be a ceremonial re-enactment of the convoy leaving the harbour, and a concert. A range of events will be held around the state. The anticipated attendance is something like 50 000 visitors to Albany. Albany will be the centre of attention. Albany will be left with enhanced facilities of military history. That will hopefully become the centre of Albany's tourism industry. I have no doubt through the four years of the centenary of the First World War there will be a whole series of events, one after the other. I think the public will endorse it very strongly.

**Mr W.J. JOHNSTON:** The Premier just mentioned the event on 31 October in Fremantle. What budget allocation has been made for that event? How was the figure arrived at? Is there an expectation of federal funds to contribute to that event?

**Mr C.J. BARNETT:** Yes. The event on 31 October begins with a camp fire breakfast at Blackboy Hill Commemoration Site. Cadets and students will then march from Blackboy Hill to the Bellevue RSL. There will be a train journey from Midland train station to Fremantle and a commemorative service at Fremantle port. The estimated budget for this event is \$350 000, inclusive of all costs. The City of Fremantle is providing some in-kind and financial support. We have requested some federal government assistance for that. To this point that has not been forthcoming, but nevertheless the state will fund that event.

**The CHAIRMAN:** I believe the member for Albany will ask a quick question, given he is not a member of the committee.

**Mr P.B. WATSON:** Does the Premier know how many ships will be in the re-enactment and from which countries?

**Mr C.J. BARNETT:** I understand there are five identified. I hoped there might be more. I have to say that is a little disappointing.

**Mr P.B. WATSON:** Does the Premier know which countries are coming?

**Mr C.J. BARNETT:** I do not yet have that information at hand.

**Mr R.H. COOK:** My question relates to the total cost of services on page 73 of the *Budget Statements* in relation to the office of the Chief Scientist. What allocation has been made to fund the position of the Chief Scientist and has the position been filled yet?

**Mr C.J. BARNETT:** Discussions are currently underway with a person. I am optimistic—in fact, I believe that that person will accept the position. That being the case, it should be possible to announce the new Chief Scientist in a matter of weeks, if not days. The terms and conditions of employment would be similar to the most recent Chief Scientist.

**Mr R.H. COOK:** Is it true that this is not the first person that the position has been offered to?

**Mr C.J. BARNETT:** No; I do not think that is the case. There has been an informal short list. I think there may have been some discussions with one person, who just simply had too many other commitments. Without giving names, at least three or four people were considered to be totally suitable. I know one or two people considered it. Whether they were interested or not, they said, no; they had other commitments, particularly in areas of research itself.

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr R.H. COOK:** I asked this question on 23 March and the Premier said he was having discussions that very day, raising expectations that the announcement was imminent. The Premier has said today that he is having discussions in the next few days.

**Mr C.J. BARNETT:** I think I am about to meet —

**Mr R.H. COOK:** Can the Premier give us some idea this time about his time lines?

**Mr C.J. BARNETT:** I think very, very soon. I understand this will be resolved—“resolved” is the wrong word. I am about to meet the person who has been invited to take up the position. All going well at that meeting, an announcement will be made.

**Mr R.H. COOK:** And I asked questions around the funding for that position.

**Mr C.J. BARNETT:** I do not know what the Deputy Leader of the Opposition means about funding. The person is paid a salary.

**Mr R.H. COOK:** Is the salary the only component of the office of Chief Scientist?

**Mr C.J. BARNETT:** Obviously the Chief Scientist has an ability to travel to conferences and to speak at conferences. There is support through the Office of Science for the position.

**Mr M. McGOWAN:** I refer to the administration of entitlements for members on page 77 of the *Budget Statements*. Last year, when the former Minister for Tourism was involved in an issue surrounding allowance claims, the Premier removed him from that portfolio. He kept his other portfolios but the Premier removed him from the tourism portfolio. Recently, another minister was in an identical situation but he has not been removed from the portfolio, unlike the Deputy Premier. I have two questions: firstly, last year when the Premier removed the Minister for Tourism from his portfolio, he said he would fix or repair the system. It appears the Premier has done nothing in the period since. I am interested in why the Premier has done nothing and what he plans to do. Secondly, I am interested in the distinction between the Leader of the National Party and the former Minister for Tourism and why one was treated differently from the other.

[4.10 pm]

**Mr C.J. BARNETT:** I judge each issue individually and on its merits. With respect to the Leader of the National Party, there was one night he was overseas and an incorrect claim was made. When he became aware of that, he immediately corrected it. I accept that within about 600 claims made over the years, that was just simply an error. His travel arrangements had altered and therefore it had not been picked up at the time. I accept that that was just simply an error. It was not due to a lack of attention or anything else.

With respect to the system as a whole, it does not affect only ministers. This is not only a ministerial entitlement; it is an entitlement as a country member of Parliament. It is not a ministerial issue as such, although I accept the responsibility as Premier. I was in contact shortly afterwards with the Salaries and Allowances Tribunal to ask it to review the situation, and it is doing that. I expect that it will be restructured, certainly before the end of this year, in a way that is both fair and unlikely to lead to inadvertent errors—perhaps something more similar to the previous system. Equally—this was not part of the question—I am also looking at impost overseas travel, which I guess is a related issue. As the member knows, one of the first decisions I took was to take the Premier out of that; I did not think it was appropriate for the Premier of the day to be assessing, approving or not approving, applications for travel, particularly for opposition members. I did not think that was fair, so that has been removed from the Department of the Premier and Cabinet. I am also strengthening the requirements of reporting to Parliament by ministers and all members of Parliament if they are to receive impost travel allowances for overseas travel—not for travel within Australia. I am also reviewing the entitlements to former Premiers and former members of Parliament, which I think are outdated.

**Mr M.H. TAYLOR:** The member for Forrestfield and I visited the International Centre for Radio Astronomy Research earlier this year and received a briefing from Professor Quinn about the Square Kilometre Array. Could the Premier give us an update on this internationally significant science initiative?

**Mr C.J. BARNETT:** I thank the member. As someone from a science background, he probably has a greater appreciation of aspects of this project than I do. There are Australian and South African components to this project, and it was described to me when I was in South Africa as possibly the greatest scientific endeavour of this century—one of the great experiments and one of the great endeavours for picking up information. The funding is expected to be €50 million and construction will begin in 2018. The South African and Australian parts work in different frequency ranges, so they are complementary rather than competitive. The state is committing around \$96 million, a lot of which has already been spent, in supporting this, and that includes the acquisition of the site and a system with power supply. I met with the international head of the project recently and he put in a request for the road to be sealed; I imagine the state will end up doing that. We are hoping that

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

more countries will come in and join it, particularly within the Asian region, and ultimately we are hoping that the USA will join. I met with the USA head of astronomy a few years ago, and he indicated that the prime focus of the US was on optical telescopes, but that they were likely to come into the project at some stage. There is a bit of discussion going on; there is a desire to try to spread a lot of the manufacturing components around the various member nations and I think that is progressively being sorted out. Progress is perhaps a little slower; maybe economic conditions have slowed it down, but I was particularly pleased that the UK government recently committed £100 million to the project. It is thought that that will now bring on similar commitments from other member countries. I think we are very fortunate to have that project, and the associated benefits, including in computer power and the like, will be immense. We are already seeing that at the Pawsey Centre at Curtin University; the supercomputers there are essentially the largest in the southern hemisphere and are already helping a whole range of different sectors. In terms of developing science in this state, I think that is a huge boost.

**Mr R.H. COOK:** My question is related, I guess, in some respects. I refer to page 80 and the heading “Details of Controlled Grants and Subsidies”. It is clear from the Office of Science line item that the grants and subsidies go from around \$25.7 million last year and will diminish to just over \$16 million over the forward estimates. Can the Premier provide a breakdown of what these grants and subsidies are for? Given that the Premier has taken on this portfolio and science is a pre-eminent area of government policy, why are we seeing a steady reduction in funding for the Office of Science over the forward estimates?

**Mr C.J. BARNETT:** There has been some tightening or cutbacks, if you like, in terms of funding directly for the Office of Science over future years, but I do not believe that reflects the true position. The state government has made a huge commitment to medical research, agricultural research and projects such as the SKA, so the public commitment to science is increasing very substantially. The individual science programs through the office may have diminished, but remain strong in my view. Members also have to bear in mind that there are other areas, such as shark research and the like. I think, overall, we are seeing a significant increase in science and research funding in this state.

**Mr R.H. COOK:** If I could perhaps go to one area of the programs within that line item. The Gravity Discovery Centre was funded in 2013–14 for \$250 000. I am aware that that facility has lost staff —

**The CHAIRMAN:** Is the member referring to a specific line item?

**Mr R.H. COOK:** It is still under “Details of Controlled Grants and Subsidies” on page 80.

What is the nature of the forward funding for the Gravity Discovery Centre, and will this facility be allowed to fold if its funding is going to be cut off?

**Mr C.J. BARNETT:** With regard to the Gravity Discovery Centre, which has received government funding for many years, I will ask the executive director of the Office of Science to comment.

**Ms M. Reynolds:** The funding is due to cease in 2015–16, and it has been on a diminishing scale since 2011. The GDC has been encouraged to seek alternative funding sources, and there has been an offer from the Lotteries Commission to work with the centre to develop a business case to assist in looking for these options. At this point, we are working very closely with the board and have been meeting with the interim chairperson to look at how the board might progress the organisation into the future.

**Mr R.H. COOK:** Just to be clear, we are guaranteeing the future of the Gravity Discovery Centre, but the government is just not quite sure what its future looks like.

**Mr C.J. BARNETT:** As was just indicated, it has some funding, but we are not guaranteeing it forever, no. It has to prove its way, and it has received government funding for many, many years.

**Mr R.H. COOK:** Would the Premier not agree that it is an important facility?

**Mr C.J. BARNETT:** I think the major focus of government funding is into the SKA project, in that field.

**Mr W.J. JOHNSTON:** Where are we at with Scitech?

**Mr C.J. BARNETT:** The Liberal Party before the last state election made a commitment to Scitech and, if it wished, to provide land—at the time, we considered Burswood—plus \$15 million. I have had several meetings with Scitech and we have confirmed that offer in writing to Scitech. It recently re-signed its lease for a period of, I think, four years, maybe five, at its current site, which is what was required in any case. In the discussions, which are not yet complete, it has emerged that Scitech probably does not prefer the Burswood site, to be honest, and that is okay; I am relaxed about that. We want a site that is most suitable and most convenient, and its preference is for a central city site. The Metropolitan Redevelopment Authority is exploring several sites owned by government that might be made available, and that is where we are at. I think that a new Scitech would be a

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

fantastic thing. At the moment the state government funds at least 60 per cent or more of Scitech's operation—I think it is above that—so it is largely a state government-funded body, but I think it needs to find permanent facilities and a purpose-built building. It has made the case, and I accept it without reservation, that it would prefer a central city site. That is fine; we will do that.

**Mr R.H. COOK:** In the 2013–14 budget, \$8 million was budgeted for Scitech. Is that on a similarly diminishing funding trajectory as the Gravity Discovery Centre?

**Mr C.J. BARNETT:** No, we will continue to fund Scitech as we have. The commitment that was made during the election campaign was to assist in the development of a new building, a new facility, so our ongoing sponsorship of Scitech continues.

[4.20 pm]

**Mr M. McGOWAN:** I have another issue, but I would not mind finishing this matter so that we do not have to come back to it.

**The CHAIRMAN:** Very quickly.

**Mr M. McGOWAN:** The Premier said that the board of Scitech is not in favour of a Burswood site. What are its reasons for not being in favour of Burswood? If it finds another location, does the Premier's \$15 million offer still stand?

**Mr C.J. BARNETT:** The \$15 million offer still stands. I do not think it was that it did not like the Burswood site; it stressed the advantage was that it was a central city site where it thought there would be easier public access—for school groups and the like. That is fine; I accept that. That is the board's view, and, as I said, the Metropolitan Redevelopment Authority is now searching for potential sites.

**Mr M. McGOWAN:** But if it has signed those —

**The CHAIRMAN:** I think we have covered Scitech. Do you have a new question, Leader of the Opposition?

**Mr M. McGOWAN:** I have a new question, but, Mr Chairman, you have to let people finish the issue.

**The CHAIRMAN:** You have the call.

**Mr M. McGOWAN:** Is this to finish with the issue of Scitech?

**The CHAIRMAN:** I did say final question on Scitech three questions ago, so I think I have been fairly lenient. On a new question, the Leader of the Opposition has the call.

**Mr M. McGOWAN:** It is not a matter of being lenient; it is a matter of examining the budget and allowing free-flowing discussion.

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

**Mr M. McGOWAN:** My question relates to “Administration of Executive Government Services” at page 77 of the *Budget Statements*. I note that the Premier's agency took over the negotiations of the nurse pay claim, and I note that there were a number of outstanding items for resolution in that pay claim. What items between the Australian Nursing Federation and the state government are still outstanding? How much are they worth? When does the Premier expect a resolution on that?

**The CHAIRMAN:** What specific point is the Leader of the Opposition talking to?

**Mr M. McGOWAN:** I am talking about the “Administration of Executive Government Services”. Considering that the Department of the Premier and Cabinet took over the resolution of that issue, what issues are outstanding?

**The CHAIRMAN:** What specific dot point are you referring to?

**Mr M. McGOWAN:** I refer to item one, “Administration of Government Services”. I am asking a plain question. Is DPC the agency resolving those issues between the ANF and the state?

**Mr C.J. BARNETT:** No; that is dealt with through the Department of Commerce. It handled it. The Department of Commerce is in charge of industrial relations in the government.

**Mr W.J. JOHNSTON:** When was that matter returned to the Department of Commerce?

**Mr C.J. BARNETT:** It lies with the Department of Commerce and it has responsibility for industrial employment issues and wages issues within government.

**Mr M. McGOWAN:** But was the original agreement not between DPC and the nurses?

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr C.J. BARNETT:** That was handled in the post-election environment, yes.

**Mr W.J. JOHNSTON:** I just want to —

**Mr C.J. BARNETT:** What is the Leader of the Opposition's problem? We have the best paid nurses in the country. I thought he would have been proud of that.

Several members interjected.

**The CHAIRMAN:** I cannot take further questions from everyone at once. The member for Cannington has the call.

**Mr W.J. JOHNSTON:** I ask again so that I can get an answer. Mr Chairman, it might be helpful if you were to help me with this. When was the matter taken from DPC and returned to commerce?

**Mr C.J. BARNETT:** The matter was always with the Department of Commerce.

**Mr W.J. JOHNSTON:** That is not what the Premier said last year.

**Mr C.J. BARNETT:** It was always with the Department of Commerce. I made a decision about nurses. Any major issue involving government will involve the Department of the Premier and Cabinet. That is why it exists.

**Mr W.J. JOHNSTON:** Last year in the estimates on this division it was explained on a number of occasions that Mr Conran had handled the negotiations with the nurses. As I understand it, Mr Conran is the director general of the Department of the Premier and Cabinet.

**Mr C.J. BARNETT:** That is right.

**Mr W.J. JOHNSTON:** Therefore, the director general of the Department of the Premier and Cabinet was handling the negotiations, not the director general of the Department of Commerce. There must have been a decision at some point to take the issue off Mr Conran and give it to the other director general.

**Mr C.J. BARNETT:** No; if the Premier is involved in a major issue, it goes as a matter of practice to the head of the Department of the Premier and Cabinet, who will also be involved. I have not been involved in the nurse wage negotiations in recent times. The prime responsibility lies with the agency, which is the Department of Commerce. Any major issue across this government also impacts within the Department of the Premier and Cabinet; that is what the department exists for.

**Ms R. SAFFIOTI:** I have a further question. During these estimates last year, the then Treasurer, the member for Vasse, said that the issue was put in charge of DPC. The director general of the Department of the Premier and Cabinet handled all negotiations, in particular during the caretaker period. I think the question from the member for Cannington was and still stands that it was the director general of DPC who led and handled negotiations. When did it revert to the Department of Commerce?

**Mr C.J. BARNETT:** I make it very clear. I made the decision on the settlement of the wages negotiation of nurses; and, yes, it was during the caretaker period and I made the decision. I took advice—well, not on the decision, but I certainly did, and the director general of the Department of the Premier and Cabinet as well. We had a dangerous situation in our hospitals and we acted. I do not apologise for that. I think it is a good outcome. Our nurses are the highest paid in Australia. That is something this government is proud of. The dealing with nurses and others is led by the Department of Commerce. In particular situations, I will take a role as Premier, and I do not apologise for that, and it will probably happen again in the future.

**Mr M. McGOWAN:** Are the outstanding issues resolved?

**Mr C.J. BARNETT:** The Leader of the Opposition would need to ask commerce.

**The CHAIRMAN:** I take one final question on this, member for Cannington.

**Mr C.J. BARNETT:** Ask the Minister for Commerce.

**Mr W.J. JOHNSTON:** The Premier is saying that he took advice from the director general —

**Mr C.J. BARNETT:** No, I took a decision on the nurses during the election campaign, and we were faced with a potentially dangerous situation in our hospitals.

**Mr W.J. JOHNSTON:** How did the director general —

**The CHAIRMAN:** Member for Bunbury.

**Mr W.J. JOHNSTON:** With due respect, Mr Chairman, you actually have to have the answer. You cannot have drive; you actually have to have the question answered. The question was not answered. Your job is to get the

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

questions answered, Mr Chairman. That is part of the statement that you read at the start of the proceedings, Mr Chairman.

**The CHAIRMAN:** Thanks very much for that insight, member for Cannington! Member for Bunbury —

**Mr W.J. JOHNSTON:** Mr Chairman —

**The CHAIRMAN:** I do not want to have to call you to order!

**Mr W.J. JOHNSTON:** Mr Chairman, you have an obligation to us to get the questions answered.

**The CHAIRMAN:** Member for Cannington, I have given you several further questions on this point.

**Mr W.J. JOHNSTON:** That is right, but that is not the question.

**The CHAIRMAN:** I have now given the call —

**Mr W.J. JOHNSTON:** That is not the issue. Mr Chairman, the issue is about the answer. I asked a simple question and you are allowing a simple question not to be answered.

**The CHAIRMAN:** Member for Cannington, you are wasting your own time now. The member for the Bunbury has the call.

**Mr W.J. JOHNSTON:** Just deep incompetence.

**Mr G.M. CASTRILLI:** Thank you, Mr Chair.

**The CHAIRMAN:** We got there.

**Mr G.M. CASTRILLI:** I want to go to page 107, and I am assuming I am allowed to do that, given that it is all within the time bracket.

**The CHAIRMAN:** No, member for Bunbury. That concerns a different division, so we cannot take questions on that.

**Mr G.M. CASTRILLI:** Mr Chairman, are you telling me that we are still on division 10, Premier and Cabinet?

**The CHAIRMAN:** We are.

**Mr G.M. CASTRILLI:** What about three o'clock, four o'clock and all those things?

**The CHAIRMAN:** We are on division 3, member. The question has to pertain to division 3.

**Mr G.M. CASTRILLI:** I know, but it is 25 past four, Mr Chairman.

**The CHAIRMAN:** I understand your concern, member for Bunbury.

**Mr G.M. CASTRILLI:** According to the schedule, we are supposed to be on —

**The CHAIRMAN:** We have several divisions to get through in the limited time available, so that is something for members to keep in mind in their questioning. Thanks for that point, member for Bunbury, but if you do not have a question pertaining to division 3, we move on. Member for Kwinana, do you have a question?

**Mr W.J. JOHNSTON:** Who is on the list, Mr Chairman?

**The CHAIRMAN:** The member for Kwinana is.

**Mr R.H. COOK:** Once again I refer to "Total Cost of Services" in relation to the functions of the Office of Science.

**The CHAIRMAN:** What is the page number?

**Mr R.H. COOK:** Page 73. I notice, for instance, when we look at the functions of departments or offices of science or their equivalent in other states, there will be a statewide policy on science or an action plan; they will have a policy on ICT and its utilisation in government; and they will usually have a policy on the digital economy also. Has the Office of Science developed any of these sort of documents; and, if not, why not?

**Mr C.J. BARNETT:** Work is currently underway on a broad science policy for Western Australia, but areas of pre-eminence for the state have been identified. I do not think anyone would disagree with those. They are agriculture and food; medicine and health; minerals, energy and petroleum; marine and terrestrial biodiversity; and radioastronomy. The government treats the science area primarily as a policy area, although it administers some grants, programs and the like. What we are seeking to do, and what we are doing, is promoting science broadly across the government. In agriculture, there is the Minister for Agriculture and Food and the agency to promote science in that area. It is similar in health and other areas. I took on the portfolio to try to drive science

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

within individual agencies and within the university, researchers, the private sector and the like. The Office of Science is a central policy unit to promote science in a general sense, not to do it itself.

**Mr R.H. COOK:** I appreciate that.

**Mr C.J. BARNETT:** Medical research is an obvious example.

[4.30 pm]

**Mr R.H. COOK:** When does the Premier anticipate that the science policy will be published or released?

**Mr C.J. BARNETT:** I anticipate that it will occur before the end of this year.

**Mr R.H. COOK:** I draw the Premier's attention to the fact that there is a reduction in the costs or the allocation of funding for the Office of Science. Funding has also been reduced to iconic science exhibitions or facilities such as the Gravity Discovery Centre. Even though the Premier said in 2013 that science will be a key part of his government, the state still does not have a science policy. The Premier is saying that science is a priority for this state. There is nothing in the budget papers in relation to the Office of Science that suggests it is a priority.

**Mr C.J. BARNETT:** In my previous answer I made the comment that we are delivering science policy and science funding through individual agencies. There has been a very large increase in medical research. We have built the Harry Perkins Institute of Medical Research and other facilities like that. There has been a big commitment of \$100 million to the Square Kilometre Array. We are seeing a commitment in agriculture that will grow in the future. I have great aspirations in biodiversity, including in Jiangsu province, which is the home of major botanical research in China. We are going ahead on many fronts. To assess science across government, we need to look beyond the budget of the Office of Science, which is a comparatively small agency within the Department of the Premier and Cabinet aimed at directing policy. I am sure that the member would agree that science is a big part of the state's future.

**Mr R.H. COOK:** With respect, the SKA was fundamentally underway before the government came to office. The Harry Perkins centre was predominantly funded by the previous government. Since then we have also seen the Office of Science and Innovation fairly much dismantled under the government. Now we have the Office of Science. Other states are going ahead in buckets and spades with their science policies and repositioning their economies in relation to science. We do not have a Chief Scientist, we have diminishing funding for science facilities and we have diminishing government expenditure in science. How is that making science a priority?

**Mr C.J. BARNETT:** We do not have diminishing expenditure on science; we have significantly increasing expenditure on science, spread across the key portfolios.

**Mr R.H. COOK:** So long as we are not at the Gravity Discovery Centre.

**Mr C.J. BARNETT:** The Gravity Discovery Centre has received continuous government funding for many years. It by itself is not a priority. The focus is on the SKA in that area.

**Mr R.H. COOK:** Could the Premier provide us with a summary of what he believes is the science funding across government that essentially reflects how science is a government priority?

**Mr C.J. BARNETT:** No, I cannot at the moment. When the science policy is released, it will document the areas of science funding across all of government and in collaboration with industry, universities and other entities. One of the problems is that we get a disproportionately low share of commonwealth funding into science.

**Mr W.J. JOHNSTON:** I refer to the line item relating to ministerial office accommodation at Dumas House under "New Works" on page 79, which has an estimated total cost of \$3 million. Is this the cost of relocating two ministers currently not in Dumas House, and does it include refurbishment costs? Which ministers are involved and where are they moving from?

**Mr C.J. BARNETT:** The member's assumption is right. We are getting to a situation in which all ministers are located in Dumas House. The major alterations consist of the conversion of two floors, which currently accommodate two ministers, to accommodate three ministers. That is a saving in itself. Obviously, work is to be done structurally and furnishings need to go in and the like. That will mean that both the Premier plus the ministers are all in government-owned occupation. Is that not a good achievement?

**Mr W.J. JOHNSTON:** I have a few more things I wish to clarify. Which two ministers are moving in?

**Mr C.J. BARNETT:** Minister Baston and Minister Francis are moving in. It is expected that that change alone will save \$1 million a year in rent and outgoings.

**Mr W.J. JOHNSTON:** Has the lease on the premises that they are leaving come to an end?

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr C.J. BARNETT:** The lease has expired.

**Mr W.J. JOHNSTON:** There is still one minister not in Dumas House. Is that correct?

**Mr C.J. BARNETT:** Yes.

**Mr W.J. JOHNSTON:** Who is that?

**Mr C.J. BARNETT:** The Minister for Mines and Petroleum is still in Allendale Square.

**Mr W.J. JOHNSTON:** When were the two floors that are being refurbished most recently refurbished?

**Mr C.J. BARNETT:** From memory, they were refurbished two or three years ago. I will ask the director general.

**Mr P.F. Conran:** Those floors were refurbished or refreshed—it was not a complete readjustment—that resulted in the move of most ministers from Governor Stirling Tower to Dumas House. The seventh floor was subjected to some change but not significant change. We have now moved to upgrade those floors and, as the Premier indicated, put three ministers on that floor as well. As has been pointed out, there are considerable long-term savings to the government by co-locating as many ministers as we can in Dumas House.

**Mr C.J. BARNETT:** The accommodation in Dumas House is certainly suitable and adequate; there is nothing lavish about it at all. There are significant advantages to government, financial being one, but also in just having all ministers located in one building on the one site. Progressively, the area over the road will become the centre of government, with major central government agencies, the Premier and ministers co-located there. That is a progressive work that will continue in future years and will bring immense savings and efficiencies to government.

**Mr W.J. JOHNSTON:** That is very interesting. Is there still vacant space in Dumas House?

**Mr C.J. BARNETT:** The top floor is vacant but not suitable, as a lot of plant and equipment for the building is housed there. It was used by the MH370 task force from the commonwealth but it is not suitable as permanent accommodation for either ministers or public servants.

**Mr W.J. JOHNSTON:** Perhaps by way of supplementary information, could I get a list of the agencies and organisations operating at Dumas House and what level they are on?

**Mr C.J. BARNETT:** It would be easier for the member to look at the directory at the bottom of the building. Why does the member not walk over and have a look?

**Mr W.J. JOHNSTON:** Is the Premier saying that he does not know what agencies are in the building?

**Mr C.J. BARNETT:** He should go and have a look at the directory. That is just plain laziness.

**Mr W.J. JOHNSTON:** I agree that it is plain laziness to not answer the question.

**Mr P.T. MILES:** I refer to the sixth dot point on page 76, which states that the department will develop effective cross-government policy on ageing and some negotiations will occur around that. Can the Premier provide us with a bit more information on that policy?

**Mr C.J. BARNETT:** Yes. Apparently, we are all meant to work until we are 70 sometime in the future. While those changes to pension entitlements will affect the retirement age, we have to face some issues. We do have an ageing workforce within the public sector. That is very obvious in areas such as education. With the general increase in retirement ages, it seems to me that that is a simple thing in one sense but there are issues around the ability of people to work longer according to their occupation. It is quite reasonable for people who have desk jobs. For people who work for agencies such as Western Power and the like, there is a limit to physical fitness and the ability to go up and down ladders and perform work in dangerous and stormy conditions. We need to think that through. Also, I would not want to see senior positions dominated by that oldest group of workers. I have raised this with the Prime Minister. It is an issue of rules around taxation and superannuation. If we are going to have a higher retirement age, there should be opportunities for people to maybe go down in their level of responsibilities without adversely affecting their retirement income. When I was education minister, I had lots of discussions with school principals who said they would like to stay in the education department but did not necessarily want to be a school principal. They were quite happy to go out to some of the remote schools, get back to teaching kids and support young teachers. We need to have that flexibility built into it, otherwise we will deny promotional opportunities for younger people.

[4.40 pm]

**Mr M. McGOWAN:** Sounds good to me.

**Extract from *Hansard***

[ASSEMBLY — Tuesday, 20 May 2014]

p41b-70a

Chairman; Mr Mark McGowan; Mr Colin Barnett; Ms Rita Saffioti; Mr Matt Taylor; Mr Bill Johnston; Mr John Castrilli; Mr Paul Miles; Mr Paul Papalia; Mr Peter Watson; Mr Roger Cook

---

**Mr C.J. BARNETT:** I agree with the higher retirement age, and the department is looking at that, along with the Public Sector Commission. The public service should provide opportunities for promotion. The director general in particular has been very strongly encouraging the movement of public servants from one agency to another, which happens more freely at a commonwealth level than it does at a state level. I think that can only be a good thing. As with any employer, all those issues need to be looked at continuously.

**The appropriation was recommended.**