

APPROPRIATION (CONSOLIDATED ACCOUNT) RECURRENT 2009–10 (SUPPLEMENTARY) BILL 2010

Committee

Resumed from 12 April. The Deputy Chairman of Committees (Hon Brian Ellis) in the chair, Hon Simon O'Brien (Minister for Finance) in charge of the bill.

Schedule 1: Consolidated Account for the year ended 30 June 2010 —

Progress was reported after the schedule had been partly considered.

Hon KEN TRAVERS: I was wondering whether the minister has available answers to the questions we asked yesterday and whether he wants to go through them now.

Hon SIMON O'BRIEN: I gave an undertaking yesterday during an earlier sitting of this committee stage to provide answers to some questions that were taken on notice, as it were. The first of those related to procurement savings, which were displayed under various agencies in the schedule. The question sought a breakdown by agency of savings to be made from the procurement reform. I have a schedule with me, which I will table and ask for copies to be provided to interested members. That was the first question.

The DEPUTY CHAIRMAN: Is the minister seeking leave to table it?

Hon SIMON O'BRIEN: I seek leave to table it, if that is required.

Leave granted. [See paper 3241.]

Hon SIMON O'BRIEN: The next question was: what did the midyear review include for the Ombudsman; and was the increase in complaints related to the child death review function? On the basis of informal advice provided by the Ombudsman, a provision of \$200 000 was made in the Treasurer's advance in the 2009–10 midyear review for depreciation and leave liabilities. However, as this provision was not confirmed at the time the Treasurer's Advance Authorisation Bill was introduced, it was not included in the supporting information. After further consideration during the budget process the amount was included in the expenses in 2009–10 and the out years. I think Hon Sue Ellery asked about the increase in the number of complaints. That increase, which we discussed yesterday, was not related to the child death review function.

The third question was: what projects are affected by the transfer of funding to Building Management and Works? The answer is brief enough that I can read it into *Hansard*. I will not seek to table this information but I will ask a chamber attendant to make copies of it available to members who require it. I will read into the record the break-up by agency of the funds redirected to the Building Management and Works division of the Department of Treasury and Finance. The specific projects that these funds apply to are not available, at least not in a reasonable time frame. The only agency in the table that is to receive supplementary funding in the capital bill—we are getting into the bill that we are not considering now—is the Department of Health. As this is an immaterial amount, it will be included in the item referred to as “asset investment program cash flow adjustments”, which we discussed last night. The figures for 2009–10 that I have been referring to are: Education, \$2.461 million; Corrective Services, \$328 000; Health, \$71 000; Police \$44 000; and Attorney General \$115 000. That gives the total of \$3.019 million that we discussed.

The fourth question I took on notice, which was asked by Hon Ken Travers, was whether the payment of the district allowance occurred in 2009–10. I advise as follows: the 2010–11 budget included a provision of \$70.8 million under DTF administered, specifically identified as item 26 provision for district allowances. This provision included \$24.4 million in 2009–10 and in \$11.591 million in 2010–11. Negotiations with public sector unions were not finalised in time to make the back payments during 2009–10, and the 2009–10 funding lapsed and was never drawn down and paid to agencies. Following the registration of the District Allowance (Government Officers) General Agreement in September 2010, agencies have commenced paying the enhanced 2010–11 rates and back payment for the enhanced advanced rates in 2008–09 and 2009–10 to eligible public sector employees. It is estimated that agencies require \$23.2 million, consisting of \$15.3 million for the back payment and \$7.9 million for the enhanced rates.

The next question was why the Office of Health Review continues to receive supplementary funding. In connection with that, Hon Ken Travers noted a pattern of requirement and asked whether it was because of individual ups and downs or whether a pattern was emerging. The advice that I have, which relates to these recent years, is that the role of the Office of Health Review has or had recently been amended to include responsibility for people with disabilities, resulting in a change of name to the Health and Disability Services Complaints Office since this appropriation was done, which has required an adjustment to its budget. It is now expected that the budget of the office will be on a more stable basis. That is the reason for the change this year.

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The sixth and final matter that we took on notice was a request to provide a list of the positions abolished as a result of the voluntary severance scheme. I advise that we have been in contact with the Public Sector Commissioner to source this advice; the matter was in respect of 802 positions, from memory. The Public Sector Commissioner is identifying his capacity to deliver on that request, but with the short time frame between then and now it is just not practical, so if the member wishes to pursue the matter out of session, obviously we will cooperate in providing that information. But in practical terms, for these bills, I ask that the member just accept the information that has been provided.

Hon KEN TRAVERS: I thank the minister. I guess there are two issues that arise from that. Firstly, it strikes me as an interesting process if, from what I am hearing, the Office of Health Review had changed function. Was it given an increase in its budget at the time the function was changed, or does the government change the function of an agency without changing the budget?

Hon SIMON O'BRIEN: Obviously an agency's needs are considered for the budget, but on this occasion the change occurred after the budget process.

Hon KEN TRAVERS: I will not labour the point, but it happens that a lot of legislation that comes into this Parliament clearly has financial implications for the government, but when we ask questions, no budget allocation has been made. In my view it is a poor process to make decisions without knowing the upfront costs.

Hon Simon O'Brien: I'll acknowledge the point by interjection, if you'll accept that. There are times when decisions are made that are outside the budget cycle.

Hon KEN TRAVERS: But if the government knows it is going to bring in legislation that changes often —

Hon Simon O'Brien: Yes; point taken.

Hon KEN TRAVERS: My final question on the Department of Treasury and Finance regards the \$2.5 million for Water Corporation. Can we have a quick explanation of that?

Hon SIMON O'BRIEN: The member foreshadowed this question yesterday and we ran out of time. The state Waterwise rebate strategy closed on 30 June 2009, and \$500 000 was budgeted to meet wind-up costs and any additional claims made in 2009–10. However, an unexpected number of claims were received from customers when the closure was announced, and an additional \$2.5 million was provided to Water Corporation to meet the cost of these claims.

Hon KEN TRAVERS: So this was as a result of the Waterwise rebate scheme being closed down? From memory, there was only a limited period in which to put in an application after purchasing an item.

Hon Simon O'Brien: I believe it was the end of September.

Hon KEN TRAVERS: I think there was a defined limit between purchasing and making a claim within three or six months of the time of purchase.

Hon Simon O'Brien: It was more popular than expected.

Hon KEN TRAVERS: That is an interesting point, because it makes me think that those rebate schemes were more popular than expected. I suspect that when people heard it was going, they got in quickly. I think that highlights that there is probably a need for a similar scheme to be brought back, particularly as we continue to have a drying climate and these measures did a great job in reducing water consumption.

I will move on to the next area. I think we covered Browse LNG, Oakajee Port and Rail, Ashburton and even the heritage liaison branch when we dealt with the Treasurer's advance authorisation. The minister's colleague, Hon Helen Morton, answered a lot of questions in that area.

Hon Simon O'Brien: We're a team!

Hon KEN TRAVERS: I note that at the time we were expecting the heritage and community liaison branch to require an extra \$945 000 and it is now requiring only \$9 000. I do not know whether the minister has a comment about that, so I will pose that question. I then go to my next substantial question on the offset of the Ord–East Kimberley expansion project—the \$13.5 million. I believe that is a new project that has come in since the time of the Treasurer's advance. I have three quick questions on this area. What was the reason for us getting a saving on the Ord–East Kimberley expansion project? My final question in this area is on the ASI groyne buyback scheme grant saving. Could the minister just give us a quick explanation as to what those are about?

Hon SIMON O'BRIEN: In relation to heritage and community liaison, \$9 000 was all that was brought down there as a supplementary appropriation.

Hon Ken Travers: It was originally intended to be \$945 000. Do you know why?

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Hon SIMON O'BRIEN: The information that I am aware of is that in the 2008–09 financial year, following the completion of the 2009–10 budget, the Department of State Development was given approval to defer expenditure of \$9 000 allocated to the heritage and community liaison branch from 2008–09 to 2009–10 as a result of delays experienced in project expenditure—just in that narrow window. That is why it is here. Is that enough said?

Hon Ken Travers: Yes.

Hon SIMON O'BRIEN: The Ord–East Kimberley expansion project was an offset simply because expenditure was deferred. In other words, it will be in a subsequent year, not 2009–10. That is why it is a saving in 2009–10; it was because it was deferred. The ASI groyne —

Hon Ken Travers: Do we have any idea of what expenditure was deferred? At this stage I would have thought that project was mainly capital. I am surprised such a large recurrent amount was deferred.

Hon SIMON O'BRIEN: I can only provide the explanation that there was a slowdown in progress. That was the reason why the money was not expended; in a sense, it was deferred.

The allocation of \$560 000 for the ASI groyne buyback was a reduction in the grant. There were some grants reduced across the public sector. This was one of them. It was reduced to that amount.

Hon Ken Travers: What is the ASI groyne? I am tipping it is probably in the south metro region, so the minister would know it intimately.

Hon SIMON O'BRIEN: I think I have actually worked there. I have just gone blank in terms of the acronym for ASI groyne, but it is a piece of infrastructure, a groyne, down in South Fremantle, I think.

Hon KEN TRAVERS: Maybe if I ask a question so you can just have a bit of time to get some advice. I am intrigued, because I would have thought that if we are buying something back, it is not a grant; we are buying it back as opposed to it being a grant. That is why I am intrigued as to how we managed to get a saving. Is it that we have just deferred a payment?

Hon SIMON O'BRIEN: One of the reasons I am not necessarily equipped to discuss that right now as fully as I would like is simply because this is not an additional appropriation that I am seeking to justify to the chamber; this was a saving or an offset. That is why, I would suggest, it is just as germane as some of the other expenditure items.

Hon Ken Travers: Maybe with a bit of luck the minister could agree to get some information today.

Hon Simon O'Brien: I'm intrigued so I'm going to put this question on notice and save you the trouble. How's that?

Hon KEN TRAVERS: Yes, and maybe the minister could give us that information as part of the third reading. If we complete the Committee of the Whole stage today, the minister could maybe provide information as part of the third reading stage of the bill.

Hon Simon O'Brien: We'd have to do that tomorrow. I'll find some mechanism to provide the information.

Hon KEN TRAVERS: I thought that if we adopted the committee report tonight, or even tomorrow, we could have the third reading tomorrow, and as part of the third reading debate the minister could table the answers. The other option, of course, is to just keep the debate going so that we continue the committee stage tomorrow. I am more than happy to do that, if that is the government's wish!

Hon SIMON O'BRIEN: Hon Ken Travers has done it again; his first guess was obviously the correct one! I will come back with that information if we can knock off the committee stage for both bills tonight.

Hon KEN TRAVERS: The next area will be health, and I know that my colleague Hon Ljiljana Ravlich has some questions to ask about that area. Does the activity and cost growth of \$210 million include the equity injection that effectively balanced the books for the exceeded expenditure in the year prior? This picks up the expenditure that occurred the year before, which exceeded the expenditure limit allocated to the agency. There was the growth for that year and there was also an equity injection into the health department to provide it with working capital into the future years. Is that all contained within this \$210 million?

Hon SIMON O'BRIEN: No; the amount that the member refers to is in the capital bill, when we get to that. This \$210 million was for additional funding provided to meet a projected increase in activity and costs across the health system. The funding was also to be used to support the Department of Health's move towards activity-based funding and the benefits that that regime would provide in budget transparency and accountability.

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Hon KEN TRAVERS: I thought the equity injection was about \$110 million. I am testing my memory now, but I thought it was the money that went in during the first couple of days of the 2009–10 financial year.

Hon Simon O'Brien: About \$110 million?

Hon KEN TRAVERS: Yes.

Hon Simon O'Brien: That's in the capital bill.

Hon KEN TRAVERS: Although it is called working capital, I thought it was more for the purposes of cash flow and recurrent expenditure than for actual capital expenditure.

Hon SIMON O'BRIEN: Consistent with the nature of a supplementary appropriation, the expenditure had already occurred and the amount then injected was to replenish that working capital. Just to digress, although we are in the committee stage and we are not having a cognate debate, we will deal with both bills in this committee session, I hope. The \$110 million cash injection shown in the capital supplementary appropriation for 2009–10 was to enable the Department of Health to restore its cash reserves to a level sufficient to meet day-to-day payments. The member is correct that it was about that amount, and that is where he can find it.

Hon KEN TRAVERS: In effect, that was really about providing for ongoing cash-flow purposes. It is not traditional capital in terms of purchasing assets; it was money to be held in the bank that allowed the agency to have cash flow. Are we saying that on top of that \$110 million a further \$210 million was put into the health department to sustain its budget?

Hon Simon O'Brien: Yes.

Hon KEN TRAVERS: We will look and see what we get at the end of this year then.

Hon Simon O'Brien: Yes.

Hon KEN TRAVERS: Is the government now satisfied that the money in the Department of Health's next budget should be sufficient to allow the department to operate without it having to come back and draw down on the Treasurer's advance? Will the department be able to operate within the budget given to it at the time of the next budget? This is another agency that regularly comes back to draw down on the Treasurer's advance as it exceeds its expenditure.

Hon SIMON O'BRIEN: Mr Deputy Chairman, I will seek your indulgence to go outside this bill to point out that in the 2010–11 budget, we believed there was sufficient funding to put the health department on the sustainable footing required. The actual outcome of the current financial year is a matter that I am not immediately able to respond to, but, then again, that is not part of this 2009–10 supplementary bill. That is all the information I can provide.

Hon Ken Travers: Whilst the minister is on his feet: do we have any idea how much of this \$210 million was related to activity growth and how much was related to cost growth?

Hon SIMON O'BRIEN: The information I have is that the \$110 million was the replenishment of reserves and the \$210 million is described as activity and cost growth.

Hon Ken Travers: Do we know how that is broken up? How much relates to an increase in activity as opposed to an increase in the cost of doing that activity?

Hon SIMON O'BRIEN: I am sorry; I have to ask the member to address that question to the Minister for Health. I cannot tell him.

Hon LJILJANNA RAVLICH: I want to ask a question related to the WA suicide prevention strategy and the saving of \$6.3 million. I wonder whether the minister could advise the chamber how, and why, this saving was made.

Hon SIMON O'BRIEN: This amount appears here because \$6.3 million from the WA suicide prevention strategy was deferred from 2009–10 to 2010–11 and forward estimates. The reason at the time was to ensure a comprehensive approach across government departments in further developing the strategy, including the alignment of benefits arising from synergies and commonalities gained under the commonwealth's closing the gap national partnership agreement. The explanation I have for why that changed was to line it up. The simple reason for how this saving accrued in 2009–10 was the payment was deferred past that year.

Hon LJILJANNA RAVLICH: One could reasonably say it was anticipated that the money allocated would be expended in the 2009–10 financial year.

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Hon SIMON O'BRIEN: Yes. It originally appeared, as I understand it, in the 2009–10 budget, and that was the intention in the course of the 2009–10 year. That amount was deferred or delayed outside that financial year. That is why it is shown as an offset in this supplementary appropriation bill for that year.

Hon LJILJANNA RAVLICH: Would the minister have information on how much has been spent thus far of the \$13 million that was allocated to the suicide prevention strategy?

Hon SIMON O'BRIEN: No, I regret I do not. It is not part of the bill that I am managing. It falls elsewhere.

Hon LJILJANNA RAVLICH: I have heard the minister give that response on quite a number of occasions yesterday and today. When we consider the detail of a bill, we can usually have at least some information or access to detailed information about these changes to the appropriations. I am wondering whether the minister could at least give me an undertaking that he will seek that information—namely, a breakdown of how much has been expended to date, and on what that money has been spent on.

Hon SIMON O'BRIEN: First, I assure Hon Ljiljana Ravlich, and all members in the chamber, that I wish to assist in their inquiries. I am here in a representative capacity. I have no axe to grind. I am more than happy to assist in any way I can, and I hope I have demonstrated that in the course of the proceedings. The member has my reassurance on that. Insofar as I can comment on what is contained in this bill—because that is what I have charge of right now, so therefore I can comment on it—with respect, that is a legitimate response on occasion, because I do not have charge of policy decisions that are outside of this bill, or expenditures that are beyond this bill. I assure the member I am not withholding anything that I am capable of providing, or indeed can reasonably try to provide. The relevant minister might be the person to address this. But, for now, I most certainly do not know. All I can talk about is what was spent, or in the case of an offset like this, what was not spent, under this item in 2009–10. I would imagine that there was some money spent in 2009–10—certainly it was short of this \$6.3 million—and then some more money was to be spent, which was deferred into 2010–11, and I think even beyond that. But as to the exact break-up, that is not information that is available to me now. The member may wish to ask the responsible minister. From the materials that I have, I cannot give the member that answer.

Hon LJILJANNA RAVLICH: I am wondering whether the minister's adviser might have some additional information, if the minister does not. The minister is asking us to accept that there was an underspend of \$6.25 million for a key government commitment in the area of mental health. Obviously money has been spent, because the work had not been done to roll out the strategy. I think it is a fair question to ask how much of the strategy has been rolled out, and where it has been rolled out to. Those are quite legitimate questions that the minister should be able to answer, given that we have been asked to accept that there has been a deferral of expenditure of, at the very least, \$6.25 million.

Hon SIMON O'BRIEN: Mr Deputy Chairman, I seek your guidance on this. I have already indicated my willingness to assist the chamber in any way that I can. I am not seeking any extra appropriation for this item. It is just that, in dealing with this item, information has been provided by me, in the course of the debate on this bill, that we will not be calling on \$6.25 million worth of expenditure, because that was the result of an underspend or a deferral of this particular item. I am not seeking the approval of the chamber for any of this expenditure. This is just information that has been provided.

Hon LJILJANNA RAVLICH: But you are asking us to tick off on the appropriation, and that contains this.

Hon SIMON O'BRIEN: With respect, the appropriation bill does not contain this. The appropriation bill contains a net appropriation under “contribution to hospital fund” of \$193.04 million.

Hon LJILJANNA RAVLICH: But this saving makes up part of the total. This is in fact a contribution to savings.

Hon SIMON O'BRIEN: That is correct.

Hon Ken Travers: Minister, can I make a suggestion?

Hon SIMON O'BRIEN: Yes.

Hon KEN TRAVERS: I accept that the minister is acting in a representative capacity, but I think the issue of this offset comes into the totality, and I guess this process is about understanding the totality. I note that the minister is representing the Treasurer, but the Minister for Mental Health is a member of this chamber. I note she is away on away on urgent parliamentary business, but to try to progress this matter maybe one way of resolving it would be for the government Whip to find out if the minister is available, and then we could move on and deal with some of the other areas until the minister responsible, who should have that greater detail, is able to come into the chamber and assist the chamber to understand why and how this deferral occurred in the suicide prevention strategy. I do not know if Hon Ljiljana Ravlich would be happy with that approach, but that is my

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suggestion to facilitate progression so that we are not bogged down on this one. The Whip could check if the minister is available to come into the chamber, and that would allow us to move on to some of the other areas.

Hon SIMON O'BRIEN: Mr Deputy Chairman (Hon Brian Ellis), I believe the minister is unavailable. But, in any case, I am the minister at the committee table. Other processes are available to ask questions.

Hon Ljiljana Ravlich: You can take it on notice.

Hon SIMON O'BRIEN: If it will help to make some progress I will, because I do not want to get bogged down on this point and I do not want to get bogged down on arguing about whose responsibility it is.

Hon Ljiljana Ravlich: Usually you would offer to take it on notice, minister, and provide me with the information.

Hon SIMON O'BRIEN: No, I am not representing the Minister for Health, and I would not be the minister representing the Minister for Health if I was here in another capacity, anyway. I am here as the minister representing the Treasurer in the management of this bill. However, because it is of concern to the chamber, I will take it on notice to provide the detail of what was provided in 2009-10 for this item; how much was expended in 2009-10; and what has happened to the balance that has been deferred. I think I can deal with everything the member has asked for.

Hon Ljiljana Ravlich: Yes.

Hon SIMON O'BRIEN: I do not know how long it will take to provide that information so I will take it on notice now because I am the minister at the committee table and I do not think we want to have cross-chamber digression everywhere.

Hon LJILJANNA RAVLICH: In addition to that which the minister has already outlined, I seek the exact breakdown of what it has been spent on.

Hon Ken Travers: Maybe now that the minister is here, you should ask her the question.

Hon LJILJANNA RAVLICH: I am more than happy to ask the minister—if they want to swap places.

Hon Ken Travers: No; she can answer from her seat.

Hon LJILJANNA RAVLICH: Can I do that, Mr Deputy Chairman?

Hon Ken Travers interjected.

The DEPUTY CHAIRMAN (Hon Brian Ellis): Order, members! I think you are asking the minister to respond, and I think we will wait for the minister's response.

Hon LJILJANNA RAVLICH: I think this needs a detailed response, because I am after a level of detail of information that will give me confidence that the money, other than the \$6.25 million, has been spent; where it has been spent; and, specifically, what it has been spent on. I think that is a fair enough question.

Hon SIMON O'BRIEN: I think the only way I can do that is to go to the minister and seek the information. I do not think we can interrupt or just sideline these proceeding so that other members can have a dialogue with a minister about something that does not have anything to do with this bill; I would seek Mr Deputy Chairman's support on that. I have indicated that I will seek, from the minister representing the Minister for Health, who is now the Minister for Mental Health—this was a previous budget—the information that the member requested, and find some mechanism of delivering that information. I am not the custodian of that information and it is not an appropriation contained in this bill; this is other information that explains, by way of the supplementary information that I provided on my own initiative, how some of the totals were arrived at. It fact, this is not money that is being appropriated in this bill; this is money that, because of the non-expenditures being referred to, does not have to be appropriated. I therefore do not think the committee needs to seek this information at this time in connection with the business before the chamber.

Hon KEN TRAVERS: I will put a slightly different view. I have made it very clear that I am keen to facilitate the progress of this bill. There is nothing to stop another member in this place who can inform the chamber from rising to their feet and providing that information if it assists. We are dealing with an appropriation of \$193 million—and \$40 million.

Hon Simon O'Brien: \$193 million and \$40 000.

Hon KEN TRAVERS: Yes, for the WA Health Contribution Hospital Fund. So that the Parliament can understand how we arrived at that figure, the main issue is the activity and cost growth of \$210 million, and then there are some offsets. That is how we arrived at the \$193 million. For the purpose of progressing this

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legislation, this chamber is entitled to understand how that \$193 million was arrived at. If members in this chamber can assist, I would have thought the quickest way to find out would be for them to stand and speak. Other members often provide information to help members understand an issue so that we can progress something. If the Minister for Mental Health is able to answer this question, that would be quick and easy. I do not want to be bogged down on this point, but I suspect we will be if we do not take the opportunity to deal with it so that we can then move on.

Hon SIMON O'BRIEN: I think I have made my contribution. If, Mr Deputy Chairman, you want to entertain dialogue between other members or if they want to address remarks to me and that is a way ahead, I will sit down and allow a member to make that contribution.

Hon Ken Travers: It is a committee stage; anyone can contribute.

Hon Simon O'Brien: Indeed they can.

The DEPUTY CHAIRMAN (Hon Brian Ellis): Members, if anyone wishes to stand, I will give them the call.

Hon HELEN MORTON: Having come in at this stage of this discussion, obviously, I do not have at my fingertips right now the dollar value that Hon Ljiljana Ravlich is seeking for some of the things, but there are two things I can say that might put members' minds at ease. Offsets occur through an underspend in one area and an overspend or a requirement for more funding in another area, and we end up with a bottom line. That is all an offset is, as I understand it. Two things occurred that year with the funding for the suicide prevention strategy. First of all, the strategy was first being developed. It was ambitious of the government to assume that that amount of money could be spent in that year, given that was the year the strategy was developed. The amount of money that was not spent was rolled over into the next financial year and the strategy time frame was taken out of that year. It is not, as Hon Ljiljana Ravlich might be concerned about, that the money was handed back to Treasury, lost to the strategy or something like that. The full amount of funding for the suicide prevention strategy is guaranteed for the suicide prevention strategy. Hon Ljiljana Ravlich is quite right in saying it was ambitious on our part to think we would be able to spend it in that first year. We could not do so because we did not have all the strategy developed that we wanted undertaken in the first year. It was moved into the next year. That is why an offset in the suicide prevention strategy occurred in that particular year.

The other point is that that is the year that the Mental Health Commission was established. The funding was initially identified as part of the health department's budget but once the commission was established, it was never allocated as part of the health department's budget. The money was directly appropriated from Treasury to the Mental Health Commission. That is why the Mental Health Commission has made it absolutely clear that the full \$13 million, or whatever has not been spent to date, is safeguarded and guaranteed in the Mental Health Commission's budget. It is not in the health department's budget any more. It is not a matter of handing money back to Treasury and then drawing more money down. The total amount of funding that was initially allocated to the health department for the strategy did not get spent. Consequently, the funding was rolled over into the following year and then appropriated to the Mental Health Commission from Treasury.

Hon LJILJANNA RAVLICH: By the Minister for Mental Health's own admission, there was a time frame in which this sum of money was expected to be spent.

Hon Helen Morton: It was hoped. We hoped we'd be able to do that.

Hon LJILJANNA RAVLICH: It was allocated.

The DEPUTY CHAIRMAN: Order! As members know, the process is that members direct their comments through the Chair to the minister who is handling this bill, who is the Minister for Finance.

Hon LJILJANNA RAVLICH: By the Minister for Mental Health's own admission, this money had been appropriated for the 2009–10 financial year. The fact is that the targets were not met. I accept what the minister has said in that the program could not be rolled out and so on and so forth because the commission was established. That does not detract from the fact that this money was supposed to have been expended in the 2009–10 budget. It was not expended in its entirety and, consequently, \$6.25 million has now been deferred. I now ask the Minister for Mental Health, through the minister handling this legislation, to provide the chamber with a breakdown of where the moneys that have been expended to date have gone. In other words, how much has been spent in 2009–10, where has it been spent and what has it been spent on? I do not expect the minister to answer those questions off the top of her head tonight. I am happy for those questions to be taken on notice and for the answers to be provided to the house at some later date.

Hon SIMON O'BRIEN: Is the member proposing a question on notice in the normal terms of a question on notice to the Minister for Mental Health?

Hon Ljiljana Ravlich: That's right, but through this process.

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Hon SIMON O'BRIEN: The member has recognised that the information she seeks is not immediately available. I think she is asking for this question to be placed on notice.

Hon Ljiljana Ravlich: I would love for the minister to provide the information now but I know I cannot get it now. I am trying to be conciliatory.

Hon SIMON O'BRIEN: I will take the question on board and report back to the house with the information, under the process indicated.

Hon SALLY TALBOT: I have only a couple of questions, so I will start at the place we have got to in the schedule and then I will jump forward a bit. Firstly, the item under the health budget shows that, under the national partnership scheme, there was extra expenditure of \$586 000 for Indigenous economic participation. The minister will note that that item appears also in the next part of the schedule under the Indigenous Affairs budget, but it is listed at \$1.8 million. Could we have an explanation of what that involves, please?

Hon SIMON O'BRIEN: I thank the member for the question. The funding in each case was approved as state contributions under a Council of Australian Governments national partnership agreement for Indigenous economic participation. An agreement was struck at COAG and funds were provided, subsequent to the budget obviously, from those sources that the member has identified as the state's contributions. I have a little more information, because I know the member is interested. In 2009–10 a total of \$7.4 million was approved over four years, which the member might be aware of, and provided to the Department of Indigenous Affairs for the conversion of the commonwealth's community development employment projects program into 172 full-time and part-time state government positions.

Hon SALLY TALBOT: Is this the funding under the Closing the Gap program?

Hon SIMON O'BRIEN: As far as I am aware, it describes the national partnership agreement, which I believe is consistent with the Closing the Gap objectives. I am not sure whether they are identical programs. Forgive my lack of immediate familiarity, but I think the Closing the Gap strategy was the umbrella program and one of the instruments to help achieve that was the national partnership strategy. I think that is how it fits.

Hon SALLY TALBOT: I recognise that the Minister for Finance is in a slightly invidious position, because, just as with the question from Hon Ljiljana Ravlich, sitting behind him is the responsible minister who might be in a better position to answer this question. My understanding is that the Closing the Gap program is specifically a health initiative. I am curious about why there was so much more of an extra appropriation from the Department of Indigenous Affairs than there was from the Department of Health. I am happy for the minister to take that on notice, so that he can furnish me with a little more information. I do not know how long we will debate this bill.

Hon SIMON O'BRIEN: I will take that on board and find the member some more information. Specifically, it was about the Closing the Gap program.

Hon SALLY TALBOT: I believe the Closing the Gap agreement was signed in about 2008.

Hon Peter Collier: I think it was late 2008.

Hon SALLY TALBOT: It might have been a bit later than that. I acknowledge that Western Australia is named in the report as one of the early starters, so I assume that that is why the extra appropriation was made. I assume that the state government made the decision to be an active participant in that program from the beginning.

Hon Simon O'Brien: I will report back.

Hon SALLY TALBOT: That is why I am interested. I would like to know exactly what the half a million dollars from the health budget went to and the same for the Indigenous Affairs budget. Then, if I can skip right through to the Department of Environment and Conservation, I asked a question in my second reading contribution. I am not sure whether the minister answered it in his summary of the second reading debate. It was about a line item of \$33 885 000 for the landfill levy. Could the minister take us through the explanation for that, please?

Hon SIMON O'BRIEN: I understand this is a matter with which I think the member will be familiar. It reflects the deferral of the implementation of the increase in the landfill levy from 1 July 2009 to 1 January 2010. The consequent shortfall in actual receipts in April–May 2010 resulted in a funding shortfall of \$33.885 million in 2009–10, which was obviously required to be replaced with appropriation funding. I think it was an issue at the time it was debated in this place as well. That is the final outcome there.

Hon SALLY TALBOT: I do indeed agree that I am familiar with the basic structure of the problem, but I am mystified by the specific figure because that period to which the minister has just referred is six months—half a year—from 1 July to 1 January. My recollection is that the total anticipated to be raised by the landfill levy being

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charged at the increased rate—that is, \$28 a tonne—was \$52 million for the year. That is therefore about \$13 million a quarter. Two-quarters of forgone revenue is \$26 million.

Hon Simon O'Brien: Yes.

Hon SALLY TALBOT: We are talking here about \$33 million, almost \$34 million. That is a big difference. Presumably extra revenue was required for some other reason that the minister has not explained yet.

Hon SIMON O'BRIEN: I am advised that if we look at the period that it was then going to be in force—from 1 January to the end of that financial year on 30 June—we can see that the shortfall was actually in April–May 2010. That was the amount that was required to be replaced with this appropriation funding.

Hon SALLY TALBOT: I can give the minister a few more time lines if he needs them.

Hon SIMON O'BRIEN: Actually, I will just get some more advice. Perhaps I can enunciate it a little more clearly. I will accept the figure of \$52 million as the ballpark figure that was meant to be raised over the full year because I am sure the honourable member has looked into this matter more closely than I have.

Hon Sally Talbot: I just have this memory of the debate.

Hon SIMON O'BRIEN: The member's concern is why we have a shortfall of \$33 million—odd, when she would have expected that for six months it would have been about \$26 million pro rata. We can completely wipe out July to December and half of it is gone already, so there is the \$26 million. The reason that it is more than six months worth of deficiency is that, in the six months that remain, the shortfall in April and May is nearly \$8 million. It is that \$7 million or \$8 million shortfall out of the second \$26 million that adds to the \$33.8 million. That is where we got the figure from.

Hon SALLY TALBOT: What is the explanation for the shortfall for April and May? Is the minister talking about the shortfall in April and May 2010?

Hon Simon O'Brien: Yes.

Hon SALLY TALBOT: Why was there a shortfall in those months? Is it simply because less money was collected at the gate for the landfill levy revenue?

Hon SIMON O'BRIEN: The advice I have received is that the amounts were budgeted for but the receipts simply were not received.

Hon SALLY TALBOT: If I can be absolutely clear, there was a budgetary shortfall of between \$7 million or \$8 million in April and May 2010 but in June it picked up again?

Hon SIMON O'BRIEN: I imagine they are estimates for each month, but significantly, in April and May there was a quite unexpected lack of revenue forthcoming from the receipts.

Hon SALLY TALBOT: The minister will remember clearly that that same budget ended the hypothecation of the waste levy to the waste account. Was there a shortfall of money going into the waste account? The minister will remember, under the changes the government introduced, that 75 per cent of revenue now goes into general revenue for the department and only 25 per cent goes to the waste account. Did the waste account take an equivalent drop?

Hon SIMON O'BRIEN: I regret that I cannot advise the member. If I could, I would, but it is not part of the bill that I am briefed on. Obviously if the member wishes to pursue a question that arises from this information, she is free to pursue it.

Hon SALLY TALBOT: Is it appropriate for the minister to take that on notice? What I am asking, which is specifically related to the schedule, is whether the minister can provide a further breakdown of that \$33 885 000?

Hon Simon O'Brien: I am sure that we can do that and I will undertake to do so.

Hon SALLY TALBOT: As it applies to the ending of hypothecation to the waste account.

Hon Simon O'Brien: Does the member want a monthly breakdown firstly?

Hon SALLY TALBOT: Yes.

Hon Simon O'Brien: What was the second element?

Hon SALLY TALBOT: The minister might as well do the whole of that financial year and then a further breakdown of whether the shortfall was to the part of the waste levy that goes to consolidated revenue in the departments and/or to the waste account. Did both those pots shrink during those two months? I refer to the

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income going to the waste account and income going to the consolidated revenue account of the Department of Environment and Conservation from the waste levy.

Hon SIMON O'BRIEN: The member asked me a question and I have indicated that I do not have that information here, but I have also indicated my willingness to try to source the information overnight.

Hon KEN TRAVERS: I find this interesting because we are getting told that revenue is down and we are dealing with appropriations. As I understand it, 75 per cent of the money from the waste levy now goes into the consolidated account and the other 25 per cent goes into the waste account. I do not know whether it is the case anywhere else that if the government is not achieving the revenue it has predicted, it is picked up as a line item for an agency. Maybe the minister could explain to us why this is so different from all the others. An example is motor vehicle registrations—a fair chunk of that revenue is directly appropriated to Main Roads as part of its recurrent and capital works expenditure. If they were to drop off one year, would we then see an additional appropriation coming in, or would the revenue just drop off? The appropriation would still be the same as it was at the start of the year. I am intrigued to get a better understanding of how this works.

Hon SIMON O'BRIEN: The answer lies in looking at it from another angle. The example the member gave poses an interesting question, which will be dealt with on its merits by the government of the day. The honourable member knows that motor vehicle licence revenue has traditionally continued to rise as a total receipt with the increase in the number of motor cars and whatnot. In fact, the issue for Main Roads has traditionally been unexpected growth during the year that is not budgeted for Main Roads at the start of the financial year, to its distress. I used to be a lot more worried about that in a former portfolio than I am now, but I do recall it! In this case, the answer to the question asked by Hon Ken Travers is: the \$33.885 million was part of the budget allocated to the Department of Environment and Conservation at the start of 2009–10 in the current budget. That would have been apportioned for all the various things that the Department of Environment and Conservation needs to spend it on. Then, when there was a revenue shortfall of this amount, the supplementary appropriation was raised to restore the Department of Environment and Conservation's budget. It is as simple as that.

Hon KEN TRAVERS: Can the minister tell us what the total appropriation was for the Department of Environment and Conservation in 2009–10? That is, the appropriation in the original appropriation bill and this money—what will be the new total appropriation for the two?

Hon SIMON O'BRIEN: I am retrieving that total appropriation figure. The Department of Environment and Conservation budget for this year was made up of an allocation from consolidated revenue and anticipated income from the landfill levy source. Therefore, when the levy portion was not realised, consolidated revenue had to be appropriated to make up the gap. I advise that the budget figure for the Department of Environment and Conservation for 2009–10 was \$171 million, in round figures, and the total revised appropriation—this is from the consolidated revenue fund, of course—was \$210 million; so that is the \$39 million difference in round figures.

Hon Ken Travers: Is that both capital and recurrent?

Hon SIMON O'BRIEN: That is recurrent.

Hon Ken Travers: Can you just give me that figure again?

Hon SIMON O'BRIEN: It was \$171.2 million. The final revised appropriation was \$210.1 million.

Hon KEN TRAVERS: The reason I asked the minister to double-check it is, if we look at the 2009–10 budget papers for the Department of Environment and Conservation, that suggests that the total appropriation was \$200 000 for the recurrent. If we are including capital, it gets to \$212 000. I am trying to understand the discrepancy in DEC.

Hon SIMON O'BRIEN: Mr Deputy Chairman, I think I will take that on notice. As I indicated during my second reading speech, the document upon which this bill relies is the *2009–10 Annual Report on State Finances*, which was provided in September 2010. I do not have all the other budgets immediately to hand. The question that has been raised is the discrepancy. I will take that on notice and seek to reconcile the slight difference.

Hon KEN TRAVERS: If the minister is going to take the question on notice, I would not mind him reconciling the years 2007–08, 2008–09 and 2009–10 so we can get a constant flow of the appropriations. How much of that was related to the levy in 2009–10? It would only have been in 2009–10 when the levy came into play. If the minister could give us that breakdown, that would be useful.

Hon Simon O'Brien: That is, the appropriations for 2007–08, 2008–09 and 2009–10?

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Hon KEN TRAVERS: Yes. In 2009–10, how much of that was appropriation under the appropriation bill and how much of it was as a result of the waste levy?

Hon Simon O'Brien: Yes, I will take that on notice.

Hon SALLY TALBOT: I have a question about the \$16 million for wildfire suppression under the DEC appropriation. Could the minister give us some details about that?

Hon SIMON O'BRIEN: This was an additional \$16 million provided to the Department of Environment and Conservation in 2009–10 to meet wildfire suppression expenditure on aircraft, equipment, staff overtime and other costs.

Hon SALLY TALBOT: Was that extra spending as the result of a report or an inquiry? How did it arise? Sixteen million dollars seems a lot, in effect, to suddenly go over budget.

Hon SIMON O'BRIEN: As I understand it, they were actual events of wildfires that required a response. This reflects the extra expense incurred in dealing with those wildfires.

Hon SALLY TALBOT: Can the minister give us details about what those events were?

Hon SIMON O'BRIEN: No, I cannot. As the member would no doubt be aware, an agency such as Fire and Emergency Services Authority responds to any number of events in the course of the season in various places, but the level of activity was such that the extra \$16 million was required to be appropriated, and we duly did that.

Hon SALLY TALBOT: That is the information that I require, but I will go one step further. I am trying to find out whether one big event incurred that money or whether it was a general rise in activity across the season. I do not expect the minister to have that information at his fingertips, but I do not think that it would be too difficult to get me that information by way of a supplementary question.

Hon Simon O'Brien: I will provide that information.

Hon KEN TRAVERS: I want to quickly go back to health and move down the list from there. The minister earlier mentioned that he does not have the details of the breakdown between activity and cost growth. I note that when we get onto Education, which we will do in a while, we will have a breakdown. In that case, the agency gives us the growth in student numbers, and a whole range of other areas that I think the minister would argue are cost growth. I wonder why we are not able to get that same sort of breakdown for the Department of Health if we can get it for the Department of Education, noting that they are similarly large and complex organisations with respect to their cost structures. I think between them they make up half the state budget—pretty much about a quarter of the state budget each. Why can we get that level of detail for one but not the other?

Hon SIMON O'BRIEN: I am advised that I do not have any further information for this particular amount beyond that provided to the member during debate on the Treasurer's advance authorisation. At the time, the additional amount was calculated on growth of seven per cent, which of course by its nature across the diverse health system is an aggregate amount representing a total package across the sector. Unlike the other example, it appears that it is not as straightforward an equation, and I regret that therefore I do not have that information.

Hon KEN TRAVERS: The next area I want to touch on is non-voter processing that comes under the Electoral Commission. Does the minister know exactly what that is about?

Hon SIMON O'BRIEN: I understand that these costs were for non-voter processing for the state general election and the daylight saving referendum.

Hon Ken Travers: What is non-voter processing?

Hon SIMON O'BRIEN: As I understand, it is the assessment of the cost of following up non-voters—what the member and I would colloquially call sending out a “please explain” and all the associated administration.

Hon ADELE FARINA: I want to go back to the health budget—I apologise for that—for one quick question. Looking at activity and cost growth, can the minister advise whether any portion of that included an increase in the number of child health nurses provided to the South West Region?

Hon SIMON O'BRIEN: I am not aware of that information, I am sorry. I think I heard the member comment that there had been no increase in that category over the past 10 years, so I suspect the answer must therefore be no. As I indicated in the previous answer, it was an amount of extra funding provided as a percentage, which was meant to represent the growth in the total health expenditure. The actual apportionment is a matter of detail that is not available to me.

Hon ADELE FARINA: I am not sure whether this has already been asked of the minister: is it possible to get a detailed breakdown? The minister may need to take that on notice. I find it extraordinary that the sum of money

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being appropriated under this bill for activity and cost growth does not come with any explanation to this chamber at all. I do not think it is unreasonable —

Hon Simon O'Brien: I think the member might have been on urgent business when we discussed this a little while ago. I responded with reference to another member's detailed question during the Treasurer's advance authorisation debate that canvassed this \$210 million. I indicated then that it was identified not as a shopping list of items, but as a seven per cent growth item in the total that Health needed to spend.

Hon ADELE FARINA: Surely that needs to account for growth in some particular areas. The minister should be able to access that information and provide it to this chamber.

Hon SIMON O'BRIEN: It was dealt with as part of the Treasurer's advance debate. When we looked at allocating these funds, it was expressed as a percentage of growth and money was provided accordingly. The health department of course spends its money on a massively wide range of items. I do not think in that sense it is possible to earmark any particular dollar from this \$210 million and say it was specifically spent on X, Y or Z.

Hon ADELE FARINA: I will rephrase the question and see if this helps: will the minister take on notice a question, and come back to me with the answer, about whether any of that activity and cost growth was directed towards providing additional child healthcare nurses to the South West Region or additional staff resources for the South West Child and Adolescent Mental Health Service?

Hon SIMON O'BRIEN: I will attempt to source that information.

Hon Adele Farina: Thank you.

Hon KEN TRAVERS: I am going to move on now to Education, unless anyone has anything before that that they want to touch upon. I think most of the other items that were similar to those in the Treasurer's Advance Authorisation Bill have been picked up, although I must say that some variations in the amounts have occurred—some positive, some negative. Now we get to the education department's three per cent efficiency dividend shortfall. Have we actually reached the point at which we have given up on ever hoping to get the education department to meet its three per cent efficiency dividend?

Hon Sue Ellery: The answer to that is yes.

Hon SIMON O'BRIEN: Obviously matters such as this are under consideration in the budget processes, which I cannot comment on. But in relation to the bill before the chamber, this is the amount that was not realised, and we have certainly given up on that, and that is why it has been appropriated. This reflects the amount that was not realised in the 2009–10 year. So, flippancy aside, that is the actual amount that we are dealing with.

Hon Ken Travers: Can you assure us that we will not have to appropriate a three per cent efficiency dividend shortfall in any future supplementary budgets? Is that another way of putting it?

Hon SIMON O'BRIEN: No. I cannot give any guarantees of anything outside of the bill that is currently under my control.

Hon KEN TRAVERS: I think the minister has answered the question, and I think Hon Sue Ellery by interjection actually answered it, and the answer is yes. But I just wanted to hear it again from the government.

We now get to procurement savings. I have left this for the Department of Education, because it is one of the larger ones in terms of procurement savings. That is a figure that was arbitrarily allocated. I appreciate the information that the minister gave us earlier. However, were those savings obtained within the education department, or is this one of those figures, like the three per cent, where it is taken off the department's budget, and whether it gets it from procurement, or by some other mechanism, it is expected to meet its budget within that? Do we know that the education department actually got procurement savings of \$14.763 million?

Hon SIMON O'BRIEN: The money under that item was taken from Education, and it was provided with assistance from the government procurement area to work within the new allocation, whatever that was. I do not think that could be characterised as just a paper transfer. It was a genuine reduction. But, then again, there might have been some other offset in the other figures.

Hon Ken Travers: Do we know whether the department actually saved \$14.763 million in procurements?

Hon SIMON O'BRIEN: It was our assessment that savings of that scale were achievable. Whether that was the final figure, I do not know.

Hon Ken Travers: But the savings that were realised were of that magnitude?

Hon SIMON O'BRIEN: We believe that savings of that magnitude would have been achieved across the sector.

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Hon KEN TRAVERS: Do we know how we achieved those savings? Prior to that, I think there had been \$450 million in procurement savings. What were the things that the Department of Treasury and Finance was assisting the agency with to make these savings? I would have thought that common-user contracts had already been pretty much extensively applied across the public sector. So what mechanisms were used to get these procurement savings?

Hon SIMON O'BRIEN: This has to be seen in the context of a total procurement across government of about \$4 billion in agency-direct spending, so that puts it in some sort of scale. The government looked at it at a whole-of-government level and did analysis of the total spending by agencies so that there were a wide range of opportunities to achieve costs savings and make efficiency improvements by using smarter buying initiatives. With the support of the Department of Treasury and Finance, as I have already indicated, agencies were encouraged to improve their management of demand for goods and services to ensure that procurement met their needs rather than being excessive. Training was provided to agency staff on improving contract management, particularly of services, and similar initiatives were implemented. Those were the sorts of measures applied across government that were also applied within education in pursuit of this scale of procurement savings.

Hon KEN TRAVERS: I am still not sure that I am any the wiser about what actually occurred to achieve these savings, but I suspect that I am not going to get much further on that tonight.

I have a question about the reclassification of expense capital; I am just trying to work out whether this is a saving. Are these items that were previously classified as recurrent expenditure and have now become capital, or are they items that were previously capital and are now recurrent? I assume it is recurrent expenditure that has now been reclassified as capital; is that correct?

Hon SIMON O'BRIEN: We have been asked for a description under Education of the reclassification of expense capital of \$11.05 million. Under this offset it is a case of the utilisation of capital rather than recurrent appropriation to meet asset purchases to that amount.

Hon KEN TRAVERS: Does that mean when we get on to the capital bill, we will find part of the appropriation for capital is an increase or were they able to do it by offsetting other projects to fund that capital?

Hon SIMON O'BRIEN: No; we will not see an increase in the capital appropriation. That is because there is none.

Hon Ken Travers: They rejigged their capital works program.

Hon SIMON O'BRIEN: In other areas, yes. It would appear there if the converse had happened.

Hon KEN TRAVERS: If they had not been able to change their capital works program to free up \$11 million, we would have needed to appropriate an additional amount somewhere else. Effectively, they got further savings in their capital works program to underwrite their inability to get savings in their recurrent expenditure.

Hon Simon O'Brien: In effect, yes.

Hon KEN TRAVERS: Do we have any idea of the capital works they then deferred or reclassified to create those savings? If we do not have them tonight, can the minister take the question on notice?

Hon Simon O'Brien: I will take that on notice.

Hon KEN TRAVERS: I will move to Transport unless anyone else wants to cover anything. Is the \$3.424 million for motor vehicle and motor drivers' licences increased expenditure or a shortfall in revenue?

Hon SIMON O'BRIEN: This supplementary appropriation was approved for costs associated with issuing motor vehicle licences. There was a mismatch between rising costs for the administration of motor vehicle licences and funding made available to meet them. In other words, there was a cost escalation in motor vehicle licences.

Hon KEN TRAVERS: My recollection is that this is an area in which there is a recording fee. I assume the cost of processing is picked up in the recording fees for the licences. Certainly, for motor vehicle licences there is a recording fee. Have we adjusted the fee so we do not get a repeat of this in future years?

Hon SIMON O'BRIEN: The basis for the recording fee is to achieve full cost recovery and, generally, that is achieved. I think this year we are looking at an anomaly in that sense. I understand the recording fee is calculated year by year to achieve recovery. Whether the fee has gone up to cover this, or the expectation is to be met through an increased number of transactions somehow coming into the mix, I could not say offhand. But yes, the recording fee is intended to achieve cost recovery.

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Hon KEN TRAVERS: With the advertising revenue I am assuming this is a requirement as a result of the economic audit for the agency to generate \$2.5 million in advertising revenue in 2009–10 and that was then going to increase to \$5 million in the 2010–11 financial year and thereafter to \$10 million. Am I correct in that regard? I was always critical; I did not think it was ever achievable in the first instance. Are we ever likely to achieve \$2.5 million, let alone \$10 million, in advertising revenue, or have we given up on achieving that? What processes are occurring to ensure that we do not have to appropriate a similar amount in future budgets?

Hon SIMON O'BRIEN: I will address the amount that is in this budget. That \$2.5 million was approved to replace advertising revenue that was not earned; it was prevented from being earned due to delays experienced in meeting the State Trading Concerns Act 1916. Those amendments were to permit DOT to offer advertising opportunities. It just was not proceeded with and, therefore, the revenue had to be made up.

Hon Ken Travers: Are you able to tell us whether we're ever going to get those sorts of figures, such as \$2.5 million, from advertising revenue now or are we never going to achieve them?

Hon SIMON O'BRIEN: The government is still aiming to achieve those figures. If the member wanted some more up-to-date information, he could direct a question to the Minister for Transport. The fact is that on this occasion we have to provide a supplementary appropriation for this portion.

Hon ADELE FARINA: I refer to the WA Police budget and to the fifth item down: supplementary funding approved in 2008–09. I am just a bit curious. If it was approved in 2008–09, why did it not appear in the 2009–10 budget? Did they just forget to put it in?

Hon SIMON O'BRIEN: WA Police met \$5.1 million of its supplementary funding request for 2008–09 through a reduction in its cash balances, with that amount to be recouped over the next two financial years, so this first instalment of \$2.5 million was approved in 2009–10.

Hon SUE ELLERY: Can I jump back—sorry, I was distracted—to the Disability Services Commission on the tabled paper? I refer to the first two items. First, the five out-of-home respite facilities were an election commitment of the government. I am not sure how that constitutes the definition of an unplanned expenditure. I would welcome an explanation of that. Second, the non-government human services sector indexation was again an election commitment, but it has been paid to the sector for years. It is not planned; the formula is agreed. The formula will adjust every year because the components of the formula will go up and down. Knowing that that has to be paid, I am not sure how it fits into an unplanned or excess expenditure.

Hon SIMON O'BRIEN: In relation to the latter, I understand the practice is to review at the midyear review stage to ensure that we have the most current data on which to base that indexation figure. That is why we have an outcome that is shown in the supplementary appropriation rather than in the budget. In relation to the five out-of-home respite facilities, \$11.8 million was previously approved in 2008–09 for the purchase of respite houses and for supporting operational costs as part of the government's election commitments. In 2008–09, funding of \$4.6 million was not spent and DSC was given approval to reallocate those funds over 2009–10—that is, the \$2 million that we are talking about here. From my own memory of this, I think the expenditure was in train for the program but the actual expenditure did not occur before 30 June so it was carried over. The money was not lost; it was just carried over.

Hon KEN TRAVERS: Can the minister tell us why Western Australia Police was not required to make any procurement savings?

Hon SIMON O'BRIEN: Western Australia Police and also, I understand, the Department of the Attorney General were exempted from the procurement savings due to the fact that they had previously nominated procurement savings to meet their three per cent efficiency dividend. They were exempted.

Hon KEN TRAVERS: So it was not that they threatened Treasury officials with a Taser!

Hon Simon O'Brien: Certainly not!

Hon KEN TRAVERS: That is good to hear. My next question is about the Department of Corrective Services, but I think Hon Adele Farina wanted to ask a question about the Department of the Attorney General.

Hon ADELE FARINA: Under the Department of the Attorney General, the second-last item just above the heading "Offset By" is for the court security and custodial services contract. I would like an explanation of what that appropriation is for, noting that there is also an appropriation under the Department of Corrective Services for court security and custodial services. I am curious about why two departments are paying for the same thing and what the difference might be.

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Hon SIMON O'BRIEN: I think the real point that will satisfy the member's inquiry is that although both items refer to court security and custodial services—there is an item for each of those two agencies—the amount for the Department of the Attorney General is probably more aligned to court security, not surprisingly, and the amount for the Department of Corrective Services is more to custodial services. Does the member want to know what the amounts were for?

Hon Adele Farina: Yes.

Hon SIMON O'BRIEN: Under the Department of Corrective Services, additional funding of \$8.3 million for the court security and custodial services contract was provided to address improved service levels and increased demand, and as a response to the outcomes of the Ward coronial inquest. The impacts associated with responding to the recommendations of the coronial inquest include a requirement for the department to use air and coach transport as a means of reducing reliance on, and minimising the risk associated with, long-haul road transport. Included in that additional funding was \$354 000 for additional staff to monitor the maintenance of the prisoner transport fleet to ensure that the contractor's staff complied with policies and procedures. Under the Department of the Attorney General, the additional funding of \$2 million for the court security and custodial services contract was provided to meet higher than budgeted court security costs that were charged by a private sector provider under contractual arrangements.

Hon ADELE FARINA: I have one further question on that. Is the same private company providing the services to both departments?

Hon Simon O'Brien: Yes, I believe it is.

Hon ADELE FARINA: So it has pocketed an additional \$10 million.

Hon Simon O'Brien: We purchased additional services, yes.

Hon SUE ELLERY: I want to ask two questions about amounts under the Attorney General's heading on the table that was provided to us. The first is the additional \$822 000 that was provided to the Coroner's Court to clear the backlog of files. I wonder whether the minister has information available, or perhaps he can take the question on notice, to tell the house what that \$822 000 actually purchased, as it is still the case that the coroner has a backlog of files. Was that amount allocated to address a certain number of files or to address a certain number of additional staff to help clear those files, as it is still an issue for the Coroner's Court? Perhaps I could give the minister two questions at once. The item immediately below that is additional Legal Aid funding of \$550 000 for child protection. I am wondering whether there was a particular spike. What was it that led to Legal Aid needing to provide services in child protection matters, given that Legal Aid would sometimes assist biological parents and sometimes children?

Hon SIMON O'BRIEN: In relation to the latter, the additional funding of \$550 000 was provided for the Legal Aid Commission of WA to meet anticipated growth in legal assistance related to child protection matters.

Hon Sue Ellery: Anticipated?

Hon SIMON O'BRIEN: Yes.

Hon Sue Ellery: It is funny that it appears in things that are unanticipated then.

Hon SIMON O'BRIEN: I think it was unanticipated at the time of the budget. Because of changes in policy and practice in relation to child protection matters, that then indicated it was likely that further Legal Aid assistance would be required and this top up was given accordingly.

The \$822 000 for the Coroner's Court backlog of files relates to expenses associated with an attempt to reduce the backlog pending the outcome of a review of the Coroners Act 1996 by the Law Reform Commission. I do not know what the \$822 000 was spent on but, presumably, it represented staff or labour costs to go through that process of reducing the backlog of files.

Hon SUE ELLERY: I will move on to child protection. I think I asked about high-end placements to assist a shortfall in the Treasurer's advance. There has never been a computer system that has not overrun, so I am assuming that is what that is about. I have asked about residential care. I wonder whether the minister can tell me about the additional \$300 000 for the hardship utility grant scheme. What was the driver behind that? HUGS has been in place for some time and I am wondering whether it is related to an increase in requests. What was the driver for that? The only other question I have is on the offset by a reduction in indexation payments as a result of previous overpayments. What the cause was of the overpayment?

Extract from *Hansard*

[COUNCIL — Wednesday, 13 April 2011]

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Hon Ken Travers; Hon Simon O'Brien; Hon Ljiljana Ravlich; Deputy Chairman; Hon Helen Morton; Hon Dr Sally Talbot; Hon Adele Farina; Hon Sue Ellery

Hon SIMON O'BRIEN: Cabinet approved an additional \$300 000 for the hardship utility grant scheme and associated financial counselling services to assist with rises in the cost of electricity. The offset of \$289 000 referred to a reduction in indexation payments as a result of previous overpayments.

Hon SUE ELLERY: I do not want to be picky here, but I can read that myself. It is a significant amount of money to overpay. Was the formula miscalculated? Was it overpaid to one organisation or was it overpaid to a lot? How did it happen?

Hon SIMON O'BRIEN: The overpayment was made to the agency. The agency was given more than it needed.

Hon Sue Ellery: From DTF to DCP?

Hon SIMON O'BRIEN: Yes.

Schedule put and passed.

Title put and passed.

Bill reported, without amendment.