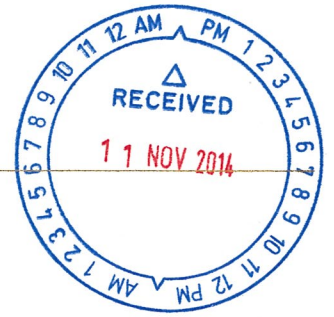




PUBLIC

17/11/14



Premier of Western Australia

Our ref: 24-498035

Hon Ken Travers MLC
Chair
Standing Committee on Estimates and Financial Operations
GPO Box A11
PERTH WA 6837

Dear Mr ^{Ken,} Travers

Questions Prior to Hearing – 2013/14 Agency Annual Report Hearings

In response to your letter of 9 October 2014 relating to Questions prior to Hearing submitted by Members of the Legislative Council to the Department of the Premier and Cabinet, please find the attached responses.

Yours sincerely

Colin Barnett MLA
PREMIER

Encl. 3 NOV 2014

ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE
QUESTIONS ON NOTICE SUPPLEMENTARY INFORMATION

Friday, 15 August 2014

Question No 1. Hon Sue Ellery MLC

I refer to page 114 of the Annual Report, in the section “Remuneration of Senior Officers”, and ask –

- (a) In 2013, there was one officer in the 500,001-510,000 band, presumably the Director-General, with the next highest officer in the \$350,001-360,000 category. In 2014 there are 3 officers on \$450,000 or more. Are these new positions, pay rises or another anomaly?

Answer: After correcting an audited, typographical error the number of senior officers with remuneration in the band \$450,000 to \$520,000 should be 2, an increase of one on the previous year. This increase is a result of normal remuneration increments during the year.

- (b) There are three more senior officers in this financial year than last, yet base remuneration has fallen, what is the reason for this discrepancy?

Answer: There are 2 additional officers reported in 2013-14 when compared to the previous year, however this is not an increase in positions rather a reported increase in the number of officers undertaking senior roles. Whilst the remuneration is allocated proportionately to a bandwidth the number is not proportioned in the same manner.

- (c) What is defined as “Other benefits” and why has it nearly quadrupled?

Answer: During 2013-14 a number of employees, including senior officers elected to restructure their entitlements where some contributed significant portions of their salary to superannuation funds. This does not change the overall cost to the agency, however for the purposes of this note the remuneration is classified as “Other Benefits” rather than the “Base Salary”. The effect when comparing the current financial year to the previous year has been a reduction in the “Base Salary” total expense with an increase in the “Other Benefits” expense.

Question No 2. Hon Sue Ellery MLC

I refer to Gifts of public property provided by the Department on page 115 of the Annual Report, and ask, what were the seven gifts provided by the Department?

Answer: It is possible in this instance that the member may have misread the detail on page 115 of the Annual Report relating to ‘Gifts of public property’. The figure of 7 relates to \$7,000 worth of gifts of public property provided by the Department in 2014, rather than 7 gifts.

Question No 3. Hon Sue Ellery MLC

I refer to page 23 of the Annual Report and ask –

- (a) Why was the decision taken to remove the KPI “Percentage change in number of outstanding Native Title claims awaiting resolution”?

Answer: In 2012 the Office of the Auditor General (OAG) conducted an audit of the Department’s Key Performance Indicators (KPIs) and presented the April 2012 Report *Beyond Compliance: Reporting and managing KPIs in the public sector*. This report made a number of recommendations to the Department with regards to the relevance of a number of indicators. The OAG specifically made comment in their indicative findings report to the Department on the KPI “Percentage change in number of outstanding Native Title claims awaiting resolution”, stating the indicator was not an adequate measure of policy advice provided by the Department as there would be a number of other variables impacting on the number of unresolved Native Title claims. The OAG also noted that this KPI was inherited from the Department of the Attorney General when the Native Title function was transferred into the Department. Based on the indicative findings the Department consulted with Native Title staff, and a representative from the OAG, to develop a more meaningful and relevant KPI to measure the policy advice provided by the Department on Native Title issues. This resulted in a proposal to the Department of Treasury in March 2014 to remove the above KPI and replace it with a qualitative indicator in the form of a question included in the Department’s *Annual Expectations Survey*, measuring client satisfaction with regards to strategic advice on land, State & Commonwealth approvals and Indigenous issues. The proposal was supported by the OAG and approved by the Deputy Under Treasurer on 31 March 2014.

The Department will continue to ensure its Outcome Based Management Structure provides meaningful measures of its performance so that it can continue to deliver its activities in an accountable and transparent manner.

Question No 4. Hon Sue Ellery MLC

I refer to page 24 of the Annual Report and DPC's role in approvals, namely 'reducing excessive regulation', and ask -

- (a) Can the agency please list every instance of regulatory burden it achieved over the 2013-14 financial year?
- (b) For each instance listed in 1), by what means was the regulatory change achieved?

Answer: DPC's role in deregulation is to provide the key regulatory agencies with leadership support and coordination to achieve the Government's reform priorities. DPC's achievements in reducing the regulatory burden in approvals are therefore shared with the relevant regulatory agencies.

The Ministerial Taskforce on Approvals, Development and Sustainability is a Cabinet sub-committee chaired by the Premier, with secretariat support provided by DPC. The Taskforce has overseen considerable improvements to approvals administration, resulting in reduced backlogs and faster processing (see Table 1 below).

The Fraser Institute's Survey of Mining Companies shows a consistent improvement in companies' views on the Western Australian Government's: administration, interpretation and enforcement of existing regulations; environmental regulation; and duplication and overlap of approvals and regulation (over the period 2008 to 2013). The State has improved markedly in each of the survey areas concerning approvals and regulation and now ranks highest nationally as well as extremely highly internationally.

Another important DPC role in deregulation is coordinating and promoting the Government's annual Repeal Week, to streamline government processes and reduce the stock of unnecessary and out of date legislation and regulation. The first Repeal Week was held in the Parliamentary sitting week 19-21 November 2013, and the Statutes (Repeal Bill) 2013 removes 43 acts of obsolete legislation. The Bill was second read in the Assembly on 20 November 2013, and is currently sitting with the Legislative Council.

Table 1: Key achievements in reducing regulatory burden for 2013-14 and the means of change

(a) Achievements in reducing regulatory burden for 2013-14	(b) Means of change
<u>Mining and Approvals</u>	
<ul style="list-style-type: none"> • The Department of Mines & Petroleum (DMP) – online lodgement and approvals tracking for key mining and petroleum titles, safety and environmental regulatory processes. In addition, a Mining Rehabilitation Fund has been implemented which reduces the upfront cost to industry by removing the requirement for a bond. • Environmental Protection Authority (EPA) – introduction of a risk-based assessment process which focuses on significant projects and reduced overlap with other processes. • Department of Environment Regulation (DER) – reforms to native vegetation clearing regulation. • The Department of Parks & Wildlife (DPAW) – improved processes, databases and systems. • The Department of Aboriginal Affairs (DAA) – introduction of standardised formats for heritage site information and improved accuracy and relevance of the register of sites. 	<p>Administrative change. Since the introduction of approval reforms, the DMP have cut the backlog of outstanding mineral title applications from more than 18,000 in 2007 to just over 4,000 - the lowest level in two decades.</p> <p>Administrative change. This has reduced the projects needing to be assessed by the EPA by around 50%.</p> <p>Administrative change. Have streamlined assessment processes and increased flexibility. In addition, establishment of an Environmental Offsets Register has increased transparency.</p> <p>Administrative change. Information more readily available to industry to assist them in approvals processes.</p> <p>Administrative change. Have reduced industry compliance costs by 50%.</p>
<p>Government has undertaken significant reforms of approvals to achieve best practice processes. The State is currently finalising bilateral agreements for assessment and approvals to achieve a “one stop shop” on environmental approvals at State and Commonwealth levels.</p>	

(a) Achievements in reducing regulatory burden for 2013-14	(b) Means of change
<p><u>Planning</u></p> <p>Completed Reforms</p>	
<ul style="list-style-type: none"> Updated <i>Residential Design Codes</i> (August 2013) and introduced Multi-Unit Housing Code. 	<p>Regulatory change.</p> <p>Encouraged greater housing choice, created flexibility through changes to ancillary housing provisions (granny flats), and reduced planning approval requirements for single houses.</p>
<ul style="list-style-type: none"> Integration of planning and environmental approvals (Strategic Environmental Assessment). Introduced a consolidated endorsed strategic land use plan for metropolitan Perth and Peel (sub-regional structure plans). 	<p>Regulatory change.</p> <p>Minimising delays in the approval process through better integration of the Commonwealth Government's environmental approval requirements.</p> <p>Administrative change.</p> <p>Providing certainty, clarity and cross-government agreement about the State Government's intentions for growth of the metropolitan region.</p>
<ul style="list-style-type: none"> Expanded use of electronic application and tracking systems. 	<p>Administrative change.</p> <p>Quicker processing of applications, reducing land holding costs, greater transparency for applicants, and improving performance monitoring and compliance by decision-making authorities.</p>
<p><u>Agriculture</u></p> <ul style="list-style-type: none"> The Department of Agriculture and Food (DAFWA) has been working with relevant departments and forming partnerships with industry to reduce the regulatory burden related to transport and land clearing experienced by agriculture and food businesses. The DAFWA undertakes other deregulatory work including agricultural extension services (support for agribusiness start-up, access to land, interpretation and application of standards and developing single development application and single compliance framework case studies). 	<p>Administrative change.</p> <p>The DAFWA works with proponents to:</p> <ol style="list-style-type: none"> provide advice on regulatory pathways, assist with development applications, and chaperone applications through regulatory systems. <p>Administrative change.</p>
<p><u>National Greenhouse and Energy Reporting</u></p> <ul style="list-style-type: none"> In June 2014 the DPC coordinated the negotiations and legal considerations which led to the State signing a Memorandum of Understanding with the Commonwealth relating to the <i>National Greenhouse and Energy Reporting Act 2007</i> (NGER Act). 	<p>Administrative change.</p> <p>The State has gained access to the National Greenhouse and Energy Reporting data, and has streamlined industry reporting requirements.</p>

Question No 5. Hon Sue Ellery MLC

I refer to page 26 of the Annual Report, and ask -

(a) Is the Office of Science located at Dumas House?

Answer: Yes

(b) If not to a) what is the address or location of the Office of Science?

Answer: see above.