

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

2022–23 BUDGET ESTIMATES



**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
THURSDAY, 23 JUNE 2022**

SESSION ONE

DEPARTMENT OF PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT

Members

**Hon Peter Collier (Chair)
Hon Samantha Rowe (Deputy Chair)
Hon Jackie Jarvis
Hon Nick Goiran
Hon Dr Brad Pettitt**

Hearing commenced at 10.00 am

Hon ALANNAH MacTIERNAN

Minister for Regional Development, examined:

Mr TERRY HILL

Acting Director General, examined:

Mr LIAM O'CONNELL

Deputy Director General, examined:

Ms HEATHER BRAYFORD

Deputy Director General, Sustainability and Biosecurity, examined:

Mr ROHAN PRINCE

Director Horticulture, examined:

Ms MIRIAM SAULEY

Acting Managing Director, Corporate Services, examined:

Dr MIA CARBON

Executive Director, Biosecurity, examined:

Mr PAUL GREGSON

Manager, Funds Management, examined:

Ms MANDY TAYLOR

Chief Financial Officer, examined:

Mr BRUNO MEZZATESTA

Executive Director, examined:

Mrs KERRINE BLENKINSOP

Lead, Climate Resilience Taskforce, examined:

Mr ROBERT COSSART

Chief Executive Officer, Wheatbelt Development Commission, examined:

Mr EAMONN McCABE

Executive Director, Regional Business Development, examined:

Mr COLE THURLEY

Chief of Staff, Minister for Regional Development, examined:

The CHAIR: Members, we will get this show on the road. Welcome to today's estimates hearing. The committee acknowledges and honours the traditional owners of the ancestral lands on which we meet today, the Whadjuk Noongar people, and pays its respect to their elders, both past and

present. Can I just ask the director general, perhaps, if you could give your full name and the capacity in which you appear before the committee, and then, if you could go around and introduce the witnesses—it is just for the benefit of Hansard. Thank you.

Now, can I just indicate—if everyone could take note of this one—if you have read, understood and signed the document titled “Information for Witnesses”? I will take a collective nodding of the head.

That is good; thank you. Your testimony before the committee must be complete and truthful to the best of your knowledge. This hearing is being recorded by *Hansard* and broadcast live on the Parliament’s website. The committee will place the uncorrected transcript of your evidence on the internet a few days after the hearing. When the transcript is finalised, the uncorrected version will be replaced by the finalised version. This is a public hearing but the committee can elect to hear evidence in private. If, for some reason, you wish to make a confidential statement you should request that the evidence be taken in closed session before answering the question.

Members, before asking your question, I ask that you provide the relevant page and paragraph numbers wherever possible. Minister, would you like to make a brief opening statement of around two minutes?

Hon ALANNAH MacTIERNAN: Yes. Look, we continue on our endeavours in the agricultural portfolio to rebuild research and development and I think we are making really substantial progress. One of the great initiatives in this budget, of course, is the Western Australian research collaboration that has been given funding, in its first three years, of \$25 million. This has been incredibly well received by the universities, who are going to be partners in it, and Commonwealth Scientific and Industrial Research Organisation, but also, importantly, the industry good bodies—in particular, Grains Research and Development Corporation. It obviously goes beyond that to Horticultural Innovation Australia and Meat and Livestock Australia. I think that is perhaps one of the key developments in this particular budget and it has been very much part of a painstaking five years of work of rebuilding the R&D capability. Obviously, in regional development, we are continuing with our development commissions. We think we have now got those commissions and the department working very well together to maximise the benefit of those commissions, and the regional economic development grants continue to be rolled out and really are making some incredible changes in businesses and communities up and down the state, from the large regional centres into some of the smallest towns.

Hon SAMANTHA ROWE: Minister, my question is from budget paper No 2, page 232, under carbon farming and land restoration. I know that for some time you have been very passionate around climate change and making sure that as a government we respect what we are doing around climate change and climate action. With carbon farming and the land restoration program, how do you see that as supporting what our government is trying to do around climate action?

Hon ALANNAH MacTIERNAN: I thank the member for the question; it is a good question. It is important to understand we are trying to get two styles of carbon farming—three actually, if you talk about human-induced regeneration in pastoral lands. In the south west land division or, basically, the agricultural zone the focus is on both development of soil carbon and a strategic biodiversity planting of trees. We have got those three streams that we are working on. In particular, in the biodiversity strategic corridor plantings, plus the soil carbon—obviously, that is part of our endeavour to sequester carbon. To enable us to move to net zero emissions you have got to be able to sequester carbon. There was a Paris climate initiative which said, in soil carbon, if 0.4 per cent—if we had an increase in agricultural soils of 0.4 per cent per annum, we could actually sequester 25 per cent of the world’s human-induced emissions. The other interesting point is, particularly in the south west land division, that we think there is a real prospect that the intensification of

vegetation will actually see some restoration of the small water cycle because there are two factors at play in the south west land division. One is the big systemic changes to climate caused by carbon pollution, and there is another smaller, but important play, which is the diminution of the small water cycle that has been caused by land clearing. If we start intensifying the vegetation, there is a prospect that we could start reversing that.

Hon JACKIE JARVIS: Minister, through the chair, I have a question regarding bio security. On budget paper No 2, page 219, there are a number of items under biosecurity—there are some negative items under the Biosecurity and Agriculture Management Act 2007—Declared Pest Control Activities but further up the page, on ongoing initiatives, there are a number of line items which actually detail the particular program or the pests. I am just trying to get an overall understanding of funding of biosecurity programs within the agency—or activities.

Hon ALANNAH MacTIERNAN: Thank you. That is a huge topic. Obviously, the risks are increasing every year, and if you look at the incidence of serious incursions, where we maybe had one a year or one every two years, we are now seeing two or three a year and we have got the big ones now loitering around Java and Sumatra, in lumpy skin disease and foot-and-mouth. It is a massive problem.

[10.10 am]

We have put an extra \$15.1 million in last year's budget, obviously continuing that going forward. That is funding an extra 22 FTEs and that is really aimed at strengthening and having a standing body that can respond very quickly; so rather than having to take people out of their tasks, there is a ready army of people to go and improve the surveillance and do that first responding. That means that we have been able to respond more quickly and kickstart the national response team. I think that has been important and since we have introduced that as I said, there is no letting up on the number of incursions so that response team is pretty fully engaged.

Hon JACKIE JARVIS: One more question this round, if I may. Also on page 219 fourth item down “Western Australian Agricultural Collaboration”, it looks like there is—is it \$25 million over three years? If you could just provide an overview of what the item is, the “Western Australian Agricultural Collaboration”.

Hon ALANNAH MacTIERNAN: That was the development that I spoke about in my opening remarks. We are bringing \$25 million and as I said the intention is—and Treasury understands—that after two years we will go back for extensions of funds. We do not see this as a one-off boost, we are seeing this long term. That is the first three years of funding that we have locked in. We have brought the universities together, we have set up a group that assesses the projects and we have identified the six key missions that we will be working on. So when we go, for example, and make a submission to GRDC you have got to have two partners to access money— there has to be at least two partners in the collaboration. There will be this sense of team WA, that we are not all competing with each other. Would I love all the departments at the universities to be amalgamated into one? I would. That has not happened yet, but this is actually getting them working much more closely together. We have got money on the table, they will put money on the table and together we can then leverage that. We are expecting up to a 50 per cent uplift of our joint funds from the industry good bodies.

The CHAIR: Minister, did you say to get the universities to work together?

Hon ALANNAH MacTIERNAN: Seriously—like when I was a federal member and I was on the Northern Australia Committee, I tried to get them to work together. It was not possible. When we

first came into government, it was not possible. We tried really hard, but we have actually made a bit of a breakthrough on this one. It is miraculous, but it is actually happening.

The CHAIR: Five universities in Western Australia and somehow—anyway. For clarification minister I know what pain you are going through.

Hon ALANNAH MacTIERNAN: We might be on a unity ticket on that one.

Hon Dr BRAD PETTITT: I want to start by referring to budget paper No 2 volume 1 page 218 “Kimberley Youth and Community Justice Response”. Why is the Kimberley Development Commission responsible for these initiatives rather than the Departments of Communities, Justice or Education?

Hon ALANNAH MacTIERNAN: Obviously there are many agencies across many portfolios that are responsible and have a role to play; it is housing, education, health and it is communities. I guess one of the roles of a regional development portfolio—if you have an activist portfolio—is you try to bring together the critical agencies to solve the problem. There is no doubt that the issues of offending juvenile behaviour are a cause of great concern in the community, and it is a concern to Aboriginal people and non-Aboriginal people equally. We brought together, with the approval of the Premier, a ministerial task force that I convened. All of the processes that Justice have been working on are doing co-design; they are going to be continuing to do this. But this is a new project we are coordinating. In the Kimberley, the justice teams are absolutely working with the development commission on this. I think there are probably eight people from Justice in the Kimberley that are on the sort of steering committee that were at the workshop the other day to try and pin it down. Sometimes the role of the commission is useful in being able to bring agencies together. This is going to be a facility that will be Aboriginal-led—it will be the Marlamanu group facility that we are looking at developing. It is quite a unique thing, and we are looking at setting up an independent board that will have representatives of KRED and all of those groups and of government and some independent people to oversee the operation.

Hon Dr BRAD PETTITT: Further to that, I agree it is a good initiative. Part of the feedback that we have had on this is community demand for having two separate facilities for people from different country; from western and east Kimberley. Are there any future plans for multiple facilities in this regard?

Hon ALANNAH MacTIERNAN: I just say to that fundamental issue—go on TikTok and look at the language of these kids. They speak a black American English from Chicago, basically. Quite frankly, I have yet to meet an Aboriginal person in the Kimberley that does not have ancestry from right across the Kimberley. I do not know whether it is so much about language groups. Clearly, one facility is not going to answer all the needs so one of the big initiatives that has been announced as part of this package is that we are having—in a whole variety of towns—the Target 120 program. The program, the Marlamanu, is basically looking for kids 14 to 17 entering the criminal justice system and diverting them away. We are working with MG—we will be providing some funding to MG because they want to build a facility in Kununurra. It is a different sort of facility—it is possibly even for younger kids—it is not necessarily for kids who have been charged with an offence, so they are looking at doing that. There is a similar group—and I always forget the name of the group from Derby, whether the honourable Peter Foster can help me with the group in Derby—and they are looking at wanting to do a similar thing. This is the only one that we are looking at as a diversion from the criminal justice system but absolutely, facilities in Kununurra and in Derby. One of the things we have been doing is talking to Madeleine King, who is now the new Minister for Northern Australia. The feds have \$80 million in their budget for justice initiatives in the north and we are hoping to get our paws on a reasonable amount of that to take some of those projects forward.

Hon Dr BRAD PETTITT: I just note though that there is no funding for the residential facility in the out years. Is that because it will fall to the Department of Justice instead of DPIRD going forward?

Hon ALANNAH MacTIERNAN: We do not see in the long run that this would be continued to be under the development commission. It was being set up as a three-year pilot. These things have come and gone in the past, and most of them have not ended all that well.

[10.20 am]

I think we have a new level of maturity. We have been very clear. We have gone through and analysed what have been the failings in the past, and I think this one, coming from a very mature and sophisticated Aboriginal group, really has got more chance of success.

The CHAIR: Hon Dr Brad Pettitt, one more.

Hon Dr BRAD PETTITT: One more on a different topic. I would not mind moving to, again, page 218, "Spending Changes", this one is under "Climate Action", "Katanning Research Station". I am just interested in terms of that demonstration project, and where that has got to and what kind of progress has been made?

Hon ALANNAH MacTIERNAN: Okay. This is quite an amazing facility. Are you a vegan?

Hon Dr BRAD PETTITT: No, I am not a vegan, no. I am a reduced meat eater, is my approach.

Hon ALANNAH MacTIERNAN: I was going to offer you—I did not want to offend your sensibility, but to go down and really look at what they are doing. The idea is to really get an understanding in a very detailed basis of the sheep emissions and the relationship of the sheep emissions to the sheep food and the genetic variation that occurs from sheep to sheep, so, moving on a couple of axes, looking at the food that has been fed to the animal and the impact that that has on the emission. Where you have the same food being fed in the same ratios to the same animals but having that variation, you start developing an understanding of where are the better genetics in relation to this. One of the problems with a lot of studies in the past is the animals have all been separated out, and there are stress factors associated with that, so you are not necessarily getting a normal response. These animals are kept in flocks of 15, so they can do all the things that sheep like to do socially, and through the use of very clever technology, electronic tagging, we can nevertheless work out how much each sheep has eaten and what they have eaten. So we have been able to keep them in that community setting, but get the individual results from these animals. We have also set it up; we have a really sophisticated system so farmers can bring their animals in and have them come through a facility and have them separately assessed for their emission. So it is really giving us a much better understanding of the emissions of individual sheep and the relationship between feed and emissions.

Hon NICK GOIRAN: Minister, in supplementary information provided to this committee after last year's estimates, we were informed that as at 3 November last year, 10 departmental officers were authorised as law enforcement officers under the Criminal Investigations (Covert Powers) Act 2012. What is the current number?

Hon ALANNAH MacTIERNAN: I might give that to Bruno to answer.

The CHAIR: Mr Mezzatesta.

Mr MEZZATESTA: Thank you, minister. The number of officers in that group currently are nine permanent officers, and these are officers who have the authority to exercise powers under that

particular legislation. We have three additional officers who are trained but do not belong permanently to that group and are brought in as they are required.¹

Hon NICK GOIRAN: Minister, through you to the witness, last year the number was 10. Do you have information as to whether they were, as you described them, 10 permanent officers? I note that now there are nine permanent and three trained.

Hon ALANNAH MacTIERNAN: I will hand to Mr Mezzatesta to answer that.

Mr MEZZATESTA: Certainly, we are one less than that this year, minister, because we took one of the resources and we have made them—to hold a position in our digital and forensics area, because we are finding that a lot of our work is examining information on digital devices.

Hon ALANNAH MacTIERNAN: Can you just say that again, sorry?

Mr MEZZATESTA: What we do is within our existing resource envelope, we determine the best position for people to be in, and we created a position of a digital forensics specialist, so they can actually undertake digital forensic examination of laptop computers, mobile phones et cetera.

Hon NICK GOIRAN: I appreciate that. Those nine permanent officers and the three that are trained, are they all in the serious offences unit?

Mr MEZZATESTA: Yes, they are.

Hon NICK GOIRAN: All right. And that one person that has been redeployed, if I can use that phrase, to look at—I think you were talking about the forensics unit. Is that person also still in the serious offences unit or is that person employed elsewhere?

Mr MEZZATESTA: They belong within that structure, certainly.

Hon NICK GOIRAN: Right. They belong in that structure but they are no longer an authorised officer with respect to the criminal investigation's covert powers. That is fine.

Mr MEZZATESTA: I am just trying to confirm with my notes, minister, before I confirm that.

Hon ALANNAH MacTIERNAN: Yes, can we just get a confirmation on that?

Hon NICK GOIRAN: All right.

Mr MEZZATESTA: Minister, I cannot find my notes at the moment. We might have to take that question on notice.

Hon NICK GOIRAN: Perhaps that can just be taken on notice.

Hon ALANNAH MacTIERNAN: We will take on notice whether or not the officer that has been assigned the role of digital investigation still is an authorised officer.

[*Supplementary Information No A1.*]

Hon NICK GOIRAN: Thank you, minister. How many controlled operations have the serious offences unit undertaken this financial year?

Hon ALANNAH MacTIERNAN: Mr Mezzatesta.

Mr MEZZATESTA: Minister, that is in the same notes that I am having difficulty finding.

The CHAIR: Okay, we can add that to A1, if you like.

Hon NICK GOIRAN: All right.

Hon ALANNAH MacTIERNAN: Yes. Thank you; sorry about this. Can perhaps someone else help? Heather, would you want to take this on?

¹ A letter of clarification about this part of the transcript can be accessed on the committee webpage.

The CHAIR: You might have it? That is okay; take your time.

Mr MEZZATESTA: Okay, so which year are we looking at?

Hon NICK GOIRAN: The current financial year, how many controlled operations have been undertaken by that unit?

Mr MEZZATESTA: So, 2021–22, we have three.

Hon NICK GOIRAN: Okay. Minister, the director general is required to provide a report to the CCC every six months regarding these authorised operations. Have two reports been provided this financial year?

Hon ALANNAH MacTIERNAN: Perhaps, Heather, do you know?

Mr MEZZATESTA: I have that.

Ms BRAYFORD: Yes, I anticipate those reports will be provided on a six-monthly basis to the minister, as a requirement under the act.

Hon ALANNAH MacTIERNAN: Yes, sorry, and Mr Mezzatesta.

The CHAIR: We have two people answering. Who is going to respond?

Mr MEZZATESTA: I will answer.

The CHAIR: Okay, thank you. Mr Mezzatesta.

Mr MEZZATESTA: Yes, we would have provided a report for the period ended 31 December, and we will be providing a second report at the end of this month. They are six-monthly reports, so it will be December and June.

Hon ALANNAH MacTIERNAN: We will confirm. I am prepared to, as a matter of supplementary information, provide the dates at which reports have been provided in the last 12 months.

The CHAIR: Thank you, minister.

[Supplementary Information No A2.]

Hon NICK GOIRAN: Thank you, minister. In supplementary information provided last year, we were also told that, I quote, “a decision in respect of criminal charges in relation to two completed controlled operations is pending”. Might you be in a position, or one of the witnesses here, to provide a status update in respect to those two matters?

Hon ALANNAH MacTIERNAN: Yes, I think some have. Yes, Bruno.

Mr MEZZATESTA: Thank you, minister. One of the operations has had a prosecution brief completed, and that prosecution brief has been referred to the State Solicitor’s Office. They will consider the information in the brief and then we will be making a determination on charges. With respect to the second reported controlled operation, the prosecution brief is being finalised.

Hon NICK GOIRAN: This is quite interesting. I thank the witness for the candid response. In the answers to supplementary information last year with regard to these two same operations, we were told, “A brief of evidence for one of the matters is with the State Solicitor’s Office and a brief is being prepared for the other matter with the department”. Now, it does not sound like there has been much progress made, given the response that has just been provided.

Hon ALANNAH MacTIERNAN: I take your point. I will just say I am not quite sure how this matches the budget, but these are interesting issues. I do note that most of these preparations of matters seem to take one year and 364 days, bizarrely. But Mr Mezzatesta, can you perhaps shed some light. Are you talking about exactly the same matters that you spoke about under the inquisition last budget hearing? Are they the same matters or are these different matters?

Hon NICK GOIRAN: I believe they are the same matters.

Mr MEZZATESTA: Minister, they are the same matters. The member asked about those two particular matters, but if we remember, estimates committee happened in November last year, so we are saying that there has not been a lot of progress in four or five months. The thing that these investigations will always involve is very complex matters, and it is why we need the powers that we have under the Criminal Investigations (Covert Powers) Act. They are not simple, straightforward, prepare a simple prosecution briefing and you are away; they are very complex.

Hon NICK GOIRAN: Might it be able to be provided to the committee either now or on notice the date that the brief was provided to the State Solicitor's Office?

Hon ALANNAH MacTIERNAN: For one matter, yes, we will provide that, although I do say that we are straying quite a bit from the budget, but I am prepared to provide that.

[Supplementary Information No A3.]

Hon NICK GOIRAN: I do not want to take up the debate with regard to whether we think it is about the budget or not, because I think you and I have a different view with respect to that matter, but I thank you for the cooperation this morning. So one matter is with the State Solicitor's Office and we will find out the date in due course. The second matter, just to clarify, that is still on its way to the State Solicitor's Office, it is not yet there—a brief is still being prepared?

Hon ALANNAH MacTIERNAN: My understanding is that the brief is still being prepared and that has yet to be submitted to the State Solicitor's Office.

Hon NICK GOIRAN: Okay. So we do not need to ask anything further in respect of that. Last question, then, minister, in respect to this theme. I understand that three controlled operations have been undertaken in this financial year. That was the response earlier. Have any charges been laid as a result of those three controlled operations?

Mr MEZZATESTA: The answer is no. In one of those cases we are working on the prosecution briefs. Sorry, in two of the cases we are working on the prosecution briefs and in one other we are still completing investigations.

The CHAIR: Okay, thank you. Can I assume that everyone who is here has got questions? Right, Hon Dr Sally Talbot. The actual shadow has COVID issues, not himself at this stage, I hope, mate. I know that the wife and daughter do. But Hon Colin de Grussa will attend via Zoom. What I will do, as with all hearings, I will share the love, make sure everyone gets a fair amount, but the shadow will get an extended period. So we will go through. Then after I have been through one, I will come to you in a moment Hon Colin de Grussa. We will just progress now with members.

Hon Dr STEVE THOMAS: Minister, I refer you to budget paper No 3, page 225, which is really simply the opening of the royalties for regions expenditure, which I am very interested in and might spend some time there. I want to get into some detail in this, so I might take a couple of couple of runs at it. I am going to reference you particularly to the Collie Futures fund and the industry interaction fund. Can I just start, though, beforehand? I note the government announced another \$200 million fund last week as part of its energy transition package, and it is a wholly industrial transition fund. Can you tell me, is that being funded from royalties for regions at all?

Hon ALANNAH MacTIERNAN: The answer is no.

Hon Dr STEVE THOMAS: Okay, that is good. I asked you where it was coming from; that is outside your department, excellent. Minister, let us go through them one by one. The Collie Futures fund, I understand, is still a \$20 million fund. The industry and attraction fund is an \$80 million fund. I note

that the government said it has already spent \$115 million in Collie diversifying the economy. Are you in any position to tell us where the other \$15 million came from?

Hon ALANNAH MacTIERNAN: The figure that we have been using in terms of the commitments made to date from the Collie Futures fund and the Collie industry attraction and development fund I think is in the order of \$59 million in total. I think I put the amount, if we have a look. When we went down to Collie last Friday; I think, we had. But it is basically in the order between \$57 million and \$59 million that has to date been allocated. We also have probably around \$40 million worth of projects that are in the system that are being assessed—that are currently going through the process of assessment.

Hon Dr STEVE THOMAS: Okay. So the answers you gave me to questions last week suggest that of the \$80.1 million budgeted for the industry attraction industry attraction development funds, \$40.9 million has been committed, and of the \$20 million in the futures fund it is \$15.4 million, so that would seem to indicate \$56 million.

Hon ALANNAH MacTIERNAN: Just around \$57 million.

Hon Dr STEVE THOMAS: Around about that, okay. Are you in a position now to tell us exactly how many jobs, permanent full time jobs, have been created thus far for that expenditure that has been committed to date?

Hon ALANNAH MacTIERNAN: I have provided you already with a list of anticipated direct jobs from those projects. And obviously, as you would understand, a number of these projects are still under way, such as, you know, incredible developments like International Graphite. They are building their facility. I think Quantum Filtration are probably expanding their facility. The Cannaponics facility is under construction. So we have given you the anticipated growth. But I do say this to you, member: I was down in Collie on Friday so that was after the Tuesday announcement that we had already started our process of just transition, and I had announced some years ago the first two power stations that were closed down. We then went forward to announce the full deal. I have to say that this work—you were down there with me in the first couple of years—was challenging and people were angry and they did not know what was going to happen. I think now, the work that we have done, that we have been doing over the last five years, is really paying off. People are seeing new investment in the town. They are seeing the development of Collie as a tourism centre. They are seeing these new businesses like WesTrac actually there delivering, bringing in hundreds of people into the town, doing training, creating not only jobs at that centre, but having this multiplier effect throughout the town. We have to do this. I point out your government's effort in Collie. The last time your mob was in government, they spent \$300 million trying to renovate a closed coal-fired power station, and they did not get anywhere. You spent \$300 million on a failed exercise to take Collie back to the twentieth century, and we have proudly spent something in the order of coming on \$60 million to create a twenty-first century future for the town.

[10.40 am]

We are doing exactly what needs to be done for that town. We are providing new opportunities. Now, they do not happen overnight, but it is the right direction and we know that when we go to Collie, people get it and there is an optimism. And I think the fact that house price increases in Collie in the last 12 months are second only to those in Port Hedland and Karratha and the number of new builds in Collie—when we came into the government, houses were being boarded up, people were leaving the town. Your endeavour of trying to renovate a dilapidated coal-fired power station had produced nothing. You could not get the Perdaman project up down there.

Hon Dr STEVE THOMAS: I would be careful about raising that if I were you.

Hon ALANNAH MacTIERNAN: The town was in a tailspin and we were very proud in turning that around.

The CHAIR: We have a lot of people to get through, so if we can keep our responses and questions a little more succinct, that would be appreciated. One more, please.

Hon Dr STEVE THOMAS: If we can keep the ministerial statements to a minimum. The question, minister, is not whether you should be doing this; it is whether you are actually doing it to any great effect or whether you are delivering this well. So you will be pleased to know that when we had the estimates for the Department of the Premier and Cabinet, they did provide us with a few job numbers, which is extremely useful. I am pleased to see that you mentioned the WesTrac project, which I said at the time was good, which for \$2 million delivered five full-time jobs.

Hon ALANNAH MacTIERNAN: Look, can I just explain —

Hon Dr STEVE THOMAS: No, because you just gave a very long speech and I have a very limited time. I am more interested in the DFES multipurpose facility, which for \$13.4 million, we were told delivered 13 jobs at a fraction over \$1 million a job. Two things: is \$1 million a job an adequate price to pay for job creation? And the second part of that is question then is: You put massive numbers of projected jobs around tourism and, hopefully, that will arise, but are you measuring it? For the money that you have invested, how are you measuring the results? How many jobs have actually been created for what is nearly \$60 million worth of investment so that we can judge how well it is going to go going forward?

The CHAIR: We need to move on.

Hon ALANNAH MacTIERNAN: One of the things that we are wanting to measure, also, is the level of economic activity in the town and the number of people that are wanting to move to the town because that gives you the snapshot. If you take, for example, the WesTrac example, so they employ five people, but they have hundreds of people coming in and staying five to 10 days—each, five to 10 days, resident in Collie doing their training. That drives visitation to the Collie Ridge Motel. It drives visiting visitations to the Premier Hotel. It drives visitations to the cafes. So, you have already got to understand the multiplier effects of these projects.

Hon Dr STEVE THOMAS: How do you measure them?

Hon ALANNAH MacTIERNAN: We are very confident when we look at the metrics of house prices, new housing construction, pay tap, for example—Collie is now in the top 10 of new signups for payWave that is a well-known indicator of an increase in economic activity, the number of new businesses signing up to payWave in Collie. So, we are very happy. Now we are not being complacent. We are putting a lot of work in, but you go down and you see those economic fundamentals. This is no longer a town in decline.

Hon PETER FOSTER: I refer to budget paper no 2, page 232 and the total solar eclipse, which, as we know, is occurring in the north west next year, in April 2023. I ask you to outline what activities the government will fund to maximise the tourism opportunities for regional WA.

Hon ALANNAH MacTIERNAN: Well, member, I know that you are particularly interested in the solar eclipse, and I am sure that will be a very exciting day for you on 20 April. So, look, in relation to that, this is going to be one of the best locations in the world, and they are looking at 20 000 additional visitors to the region. So, DPIRD is providing \$5.4 million of funding to tourism to temporarily boost the Exmouth telecommunications network. So, we are doing some work to enhance the network and to upgrade the range and capacity of telecommunications infrastructure, and there is a range of other projects that are going on, including work that is being done with Aboriginal groups in the Gascoyne to give them the opportunity to not only do the eclipse but really to get into the whole

astro-tourism endeavour. So, we are working in detail with a small group of people that are interested in setting up tourism businesses and we see that the eclipse is a focus for that, but it will offer something beyond that.

Hon PETER FOSTER: Just one final question and it is about recreational fishing in the herring stock recovery, which is of particular importance to a lot of our recreational fishers in regional WA. Referring to budget paper no 2, page 229, can you advise whether Australian herring stocks have recovered following the implementation of some management changes?

Hon ALANNAH MacTIERNAN: Perhaps I will get the deputy director general of biosecurity, Heather, to answer that.

Ms BRAYFORD: You will be pleased to hear the herring stock has recovered due to management arrangements that have been put in place in recent years, so that is a really good outcome for the recreational sector in terms of their amenity, and also for the commercial sector, as we have some additional projects there for the commercial sector. Overall it demonstrates good management, good science, but also the cooperation with the industry sectors who have contributed to that recovery.

Hon SANDRA CARR: Minister, my question is around regional digital connectivity. I refer to budget paper no 2, page 219, and the Western Australian regional digital connectivity program. And my question is: can you outline how the government will leverage both commonwealth and private sector investment into digital connectivity across Western Australia?

Hon ALANNAH MacTIERNAN: Look, I thank the member for the question and, obviously, in the area where you operate, you would see the benefit of a lot of the work that we have been doing, particularly in the digital farms project; the communities around Geraldton and the midwest have been certainly some of the most vigorous takers-up of that. I think everyone is now familiar with that success. We have importantly in this budget in addition to all the money that we have spent over the last five years, continuing the work done on the previous government in the mobile black spots, we will probably have more emphasis on NBN, but this budget does include a \$48.5 million extension of our telecommunications fund.

The announcements that have been made by the new federal government are incredible, and we will be seeing real success. We know one of the biggest problems occurred when there was a change of government in 2013, and you actually had a Prime Minister who did not actually believe in the NBN and it was dumbed down and reduced the amount of fibre going into premises and shoved more things onto Sky Muster. So this program, honestly, what the federal government are committing is 660 000 premises in regional Australia will now get fibre.

[10.50 am]

The satellite data allowance is going to be increased to 90 gigabytes a month. Sky Muster usage will be unmetered between 4.00 pm and midnight. There is \$480 million to provide all 755 000 fixed-wireless users with access to speeds of 100 to 250 megabytes, and it goes on. We have certainly got our money in the budget to attract funding, but I think if this package is committed to regional Australia and, obviously, to regional Western Australia, it is going to be an amazing boost in reducing the digital divide in this country.

Hon SANDRA CARR: I refer to budget paper No 2, page 233, on the shark deterrent rebate scheme. How many devices are currently included in the shark deterrent rebate scheme?

Hon ALANNAH MacTIERNAN: Is that something, Heather, that you would be comfortable answering?

Ms BRAYFORD: We have a number of surf devices and dive devices. Most recently, we have been able to add an additional surf device to that scheme. The latest figure is that we have had over 7 000 rebates claimed through the rebate scheme.

The CHAIR: Minister and members, I will take your attention to Hon Colin de Grussa, who is with us via Zoom. Can you hear us, mate? I think you have your mute on. We cannot hear you, but we can see you. You do not look very well. I hope you are feeling all right.

Hon COLIN de GRUSSA: I feel fine. Can you hear me now?

The CHAIR: I can, mate. Go for it.

Hon COLIN de GRUSSA: Thanks, chair. I will try and get through as many as I can while I am on. Minister, I am looking at budget paper No 2, volume 1, page 219 and, specifically, recognised biosecurity groups. It is towards the bottom of the table on that page. As you are obviously very well aware, there was a shortfall suffered by a number of recognised biosecurity security groups during 2021–22 as a result of changes to valuations of pastoral land. Obviously, those issues were raised directly with you and, in turn, I think you committed to raise those with the Treasurer to secure some top-up funding so that those groups could continue to operate. Can you provide some detail on the level of funding that is being provided to those groups in an ongoing way, exclusive of the declared pest rate, and what other steps you might be taking in order to ensure that those groups are sustainable financially into the future, given the work that they do?

Hon ALANNAH MacTIERNAN: We had a valuation of pastoral lands. An individual pastoralist challenged that valuation—they wanted to pay less—and they were successful. Because the declared pest rate was based on the value of those leases, the recognised biosecurity groups in the rangelands actually received less money than they normally would, because the pastoralist had taken action to reduce the level of their contribution by way of lease payments. Under the legislative framework, that would then reduce the amount that government could contribute under the recognised biosecurity group legislation, where we match the declared pest rate—we give matching funding. Notwithstanding the fact that all the pastoralists had benefited from the reduction in value of their pastoral property, we nevertheless said that for the purposes of that year—it might have been a year or two years—we got approval from Treasury to continue to pay the amount we would otherwise have paid had they not got the benefit of that windfall. So, we kept our contribution. We were contributing more than legislatively we were entitled to. We gave it as an additional payment to meet that. Having gone forward, we are now in the process of declaring a new pest rate. We have been working through with the rangelands biosecurity groups about a mechanism that would separate them from those fluctuations. The declarations we have made have all been workshopped through with those RBGs, and I think we did a good job and probably went beyond what was required. There was no problem, of course, for any of those pastoralists to continue to contribute at the rate they were going to before they got a big discount on their lease payment.

Hon COLIN de GRUSSA: Thanks, minister. Is there ongoing funding in the budget for these activities, then? You alluded to a contingency, I guess, to try to manage this into the future. Is that going to require legislative change to the BAM act?

Hon ALANNAH MacTIERNAN: We are reviewing the BAM act. To be honest, the rangelands biosecurity groups have performed well. They have been probably the big success story. We now have a formula. I recently declared the pest rates and we have increased them; the rangelands ones went up significantly. Our matching allocations are there. This was a temporary problem caused by pastoralists contesting the valuation. We had actually made a pest control declaration based on the valuations back in 2020, say, or 2019. Then the pastoralist sought to get a reduction in their lease payments. That normally would mean that as they were contributing less, the government would

contribute less, but through generosity of spirit, we had a specific payment made to say, “Even though you paid less, we will still pay the same.” But it is not a problem going forward because we have new declarations being made.

Hon COLIN de GRUSSA: Just on the same theme, on the same page in the budget papers, the minister is obviously aware that in 2020, a number of recognised biosecurity groups—all of them—were informed by the Department of Biodiversity, Conservation and Attractions that as a result of the function of baiting being directly undertaken by those groups, the restricted chemical product permits that are required to use 1080 poisons should be held by those RBGs rather than by DBCA, which effectively means that it has transferred its legal liability and statutory responsibilities arising from the use of 1080 poison on unallocated crown land over to these volunteer groups. I know that DPIRD has been very constructive in trying to find a resolution to this issue, but there does not seem to have been a lot of progress. We are approaching the time when the permits that DBCA currently holds for those groups will expire, and we could reach a point where baiting and preventive measures no longer happen. I assume you are well aware of this issue. What action is being taken to resolve that impasse?

[11.00 am]

Hon ALANNAH MacTIERNAN: I will ask Mia Carbon to respond to that.

Dr CARBON: The Department of Primary Industries and Regional Development is working closely with the Department of Biodiversity, Conservation and Attractions, but also with the Department of Health, which manages the poisons legislation and the code of conduct around the use of these chemicals to develop options for the ongoing issuing of permits for the use of these chemicals by recognised biosecurity groups on state-managed land. It is a very complex space from a legislative perspective, but I can confirm that there will not be any immediate impact on the ongoing issue of permits for the RBGs where those are coming up for renewal in the next six months. It is absolutely recognised that the groups need to be able to continue to undertake this very important control of a pest. DBCA is working very hard to ensure that they can continue to do that work while we develop the longer term solutions for that permitting.

Hon COLIN de GRUSSA: To clarify that, the current permits will not expire, or effectively will be rolled over for a period until agreement, if you want to call it that, has been reached?

Hon ALANNAH MacTIERNAN: My understanding is that for at least the next six months while they try to work through more permanent arrangements their permitting will continue.

Hon COLIN de GRUSSA: Staying on page 219, I refer to the program at the top of the page, Reconnect WA—paid escape for international working holidaymakers. Was a detailed assessment undertaken of the effectiveness of that program to date as part of the budget submission process?

Hon ALANNAH MacTIERNAN: At the risk of getting Hon Dr Steve Thomas into a complete lather, the expansion of the original Wander out Yonder—I do not want to press too many buttons—which got thousands of Western Australians out into the regions. Just to understand this project, this assistance package will give people \$40 a night accommodation subsidy, plus an attractive travel allowance to go to the regions. That has now been expanded so that it covers backpackers who are coming back into the market to get them out of the city, and is also now for not only agriculture, but also tourism and hospitality workers. I will give the figures for the past three months. The number of approved applicants were: wheatbelt, 60; south west, 100; goldfields, 38; great southern, 28; midwest, 19; Gascoyne, 19; Kimberley, 113; Peel, 13; and Pilbara, four. Just in the past three months, 394 people have moved out into regional Western Australia from Perth to take up those opportunities.

Hon COLIN de GRUSSA: The question I asked was: was an assessment undertaken of the effectiveness of the program as part of the budget submission?

Hon ALANNAH MacTIERNAN: What we were looking at was the utilisation of the scheme and the number of people who took it up. These are things that need to be done quickly and get underway, not to be bogged down in endless reviews. These people need to show that they are moving from Perth into the regions, or moving at least 100 kilometres, I think it is, to take up work. We are satisfied that it is making a contribution to the regions; it is getting people out there. We are seeing interesting age profiles. Certainly 20 to 29 is the most common age group, but it is spread right across age groups, with even some people nearing retirement progressing into this and taking up the opportunity.

Hon COLIN de GRUSSA: I turn to page 239 of budget paper No 2, volume 1 and the fisheries adjustment schemes special purpose account. I have a series of questions, but I might just ask the first and come back if we get time. I note that no appropriation is set out in the budget for compensation to fishers who will be affected by the South Coast Marine Park under the Fishing and Related Industries Compensation (Marine Reserves) Act 1997. During estimates hearings in the other place, the minister advised that this was due to the marine park process not yet being completed and that, therefore, the quantum of affected fishers is not known at this point. I am sure the minister is well aware that a significant degree of mistrust and concern has been expressed by fishers on the south coast in light of what has happened at Ngari Capes and Buccaneer Archipelago. Can the minister outline the current status of the process for compensating fishers impacted by Ngari Capes Marine Park?

Hon ALANNAH MacTIERNAN: I will ask the deputy director general, Heather Brayford, to answer that.

Ms BRAYFORD: The member is right; it is under the Fishing and Related Industries Compensation (Marine Reserves) Act. The south coast, which I think you mentioned, is the one that is still underway; Ngari Capes is in process. A number of compensation claims have been settled through that compensation process. A number of others continue to be with the state appeals tribunal.

Hon STEVE MARTIN: I refer to the digital farm grants scheme on page 233. Of the grants allocated in round 1, how much of the funding allocated has been acquitted?

Hon ALANNAH MacTIERNAN: I am pretty much all of them; they have been very successful.

Hon STEVE MARTIN: I am happy to take that on notice if it is not readily available.

Hon ALANNAH MacTIERNAN: I will take that on notice, because we do not have that information. *[Supplementary Information No A4.]*

Hon STEVE MARTIN: I move to the outcomes and key effectiveness indicators on page 222. About halfway down the list, the estimated actual for the percentage of exotic terrestrial weed, pest and disease threats resolved appropriately is 40 per cent for 2021–22. Can you give us some background to that and some of the impact that that quite low number, just on the face of it, might mean?

Hon ALANNAH MacTIERNAN: The invasive aquatic pests—is that what you are looking at?

Hon STEVE MARTIN: It seems like a low number; 40 per cent have been resolved effectively.

Hon ALANNAH MacTIERNAN: It is the terrestrial pests? I have been handed the —

Hon STEVE MARTIN: What is the impact of that low number, and why is it so low?

Hon ALANNAH MacTIERNAN: I am advised that this KPI helps stakeholders understand our rural effectiveness in ensuring the appropriate management of biosecurity threats. The KPI provides a

key indicator of the extent to which DPIRD ensures Western Australia complies with its local, national and international responsibilities in biosecurity. For pests and diseases that are not considered to be present in Australia and are considered to be an emergency pest, “resolved” means according to national agreement. This may include pests and diseases in other jurisdictions that WA is required to respond to. For pests and diseases that are present in Australia but not in WA, “resolved” means according to state policies.

I do not know whether you are able to comment, Heather, on the budget target.

Ms BRAYFORD: Yes, thank you, and I am sure Dr Carbon can add anything if she needs to.

In essence, the budget target is set at 60 per cent because not all threats are able to be resolved within one year. It reflects the fact that a number of the incursions need to be addressed over a period of time, not within one financial year, and they may require ongoing surveillance before resolution, hence the numbers.

The CHAIR: Dr Carbon, did you want to add to that?

Dr CARBON: Thank you. That is correct. The measure here is whether they are resolved within the financial year that the reporting period is for. For example, if an incident starts late in the financial year, then invariably it will go over into the next financial year. Additionally, some of these biosecurity responses are ongoing for two or three years, particularly once you take into account ongoing surveillance for proof of freedom. It is also important to note that this is an estimated actual and some of those incidents will have been formally closed off in our incident management database prior to the end of financial year, and that will change that percentage that gets reported.

Hon STEVE MARTIN: Minister, I will take you to page 229, and new works, COVID-19 response. It refers to a north west Aboriginal housing initiative, and there are a number of sums in the out years. On page 519 of budget paper No 2, the Department of Communities refers to a north west Aboriginal housing fund. Is there a link between the two? Are they the same thing or is this a different initiative?

Hon ALANNAH MacTIERNAN: You are looking at page 229?

Hon STEVE MARTIN: On page 229, under new works, COVID-19 response, about two-thirds of the way down the page is a north west Aboriginal housing initiative. As I said, in the Department of Communities section of the budget, there is a north west Aboriginal housing fund. I am clarifying whether they are the same thing.

Hon ALANNAH MacTIERNAN: I wonder whether any of our finance people have any insight into that.

This is a fund that has been ongoing for a number of years—\$100 million was funded from RforR, which is why it appears there; \$75 million was from the Department of Communities; and \$25 million came from the commonwealth government. It is part of that program that is being funded from those three different sources.

Hon STEVE MARTIN: Are we able to get an indication of how many people it intends to house?

Hon ALANNAH MacTIERNAN: It was a project approved in 2016. Because it is being administered by housing, I do not have that information. I would suggest you raise that in the estimates hearing with housing because I cannot undertake to provide something from the housing portfolio.

Wait a minute; hold on. It is expected that initiatives supported through the fund will support at least 300 Aboriginal families, but I do think it is something perhaps you should raise with the housing portfolio.

The CHAIR: Who is responsible for the funding?

Hon ALANNAH MacTIERNAN: We provide the funding. We make an allocation that goes into Communities, and they also contribute. They operate the program. It is a broad program. It is not just providing housing; it is increasing housing choices and support services as a means of improving education, employment outcomes and transitional housing as well.

The CHAIR: Thank you. We are going to need to move on.

Hon STEVE MARTIN: That is fine.

The CHAIR: Hon James Hayward has urgent parliamentary business, so I am just going to slip to him and then I will come back to you, Hon Neil Thomson.

Hon JAMES HAYWARD: Thank you very much, chair, for your consideration. I refer to budget paper No 3, page 226, and the “Southern Forests Irrigation Scheme”. Can the minister give a succinct update on where we are in terms of modelling water take that would be available potentially from the Donnelly River?

Hon ALANNAH MacTIERNAN: Yes. I think we went down a couple of months ago and provided information both to the cooperative and to other farmers who were not supportive of the scheme. We provided that data around the take, and we predicted that the water availability would be between 1.8 gegalitres and eight gegalitres in any one year, dependent on climate. That was a considerable downgrading from the previous. Initially, the scheme had planned target supply of 9.3 gegalitres. According to the new modelling, that now could be achieved in only eight per cent of years, and even a reduced supply of 7.6 gegalitres would be available in only 12 per cent of years. It really was a major reduction in our understanding of how much water would be available. A big part of that, as I understand it, was the fact that there had been an underestimation of the amount of water retained by the forest as the forest regrew and an underestimation of the expected decline in rainfall.

Hon JAMES HAYWARD: I note that in the out year 2024–25, there is still a significant amount of money—I think about \$11.9 million—that is presumably the state’s money. I guess I have two parts to the question. One, what do you expect that will be spent on; and, two, the feds committed nearly \$40 million, maybe \$39 million, initially—have we lost that money or have you still been able to wrangle it to be available?

Hon ALANNAH MacTIERNAN: Our money is still in there. There are two different schemes, but the federal money is still there. It is allocated more generally. I do not think it is necessarily allocated towards this specific program. Sorry, that is the Collie one. We still have the federal money.

What we are now working on is looking at a bunch of alternatives. Some of those would potentially be policy changes that would enable, for example, larger dams to be built so that carryover water could be retained. The credibility of a scheme like that would depend very much on a high level of integrity of monitoring, because not everyone is entirely ethical when it comes to the use of water. There are a number of possibilities, some of which revolve around changing policy so you can have carryover. To make carryover work properly, you need to be able to have larger dams, but then you need to really have complex technology and complex monitoring to ensure that that system is not being abused. Those options are now being worked through.

[11.20 am]

Hon JAMES HAYWARD: Just finally, minister, obviously it is quite complex, with all those balls in the air at once. Is the minister confident that with the money you have available and the difficulties you

are facing that there will be a solution found that will help drought-proof that region; and, if so, when do you expect that that might happen?

Hon ALANNAH MacTIERNAN: I understand the frustration. We have been fortunate that we have had good years, but they were not always last. One of the things that we do say that comes out of this modelling is it is not telling us that you do not need to do anything because this scheme probably will not pass muster, but something does have to happen to improve water security. I think one of the themes coming through is that this was initially driven off the back of a desire to massively expand avocado production. I think there is certainly a sensibility amongst quite a few people in the region that that is not a terribly sensible aspiration, and that is seen by many of the farmers in West Manjimup who have paid for land. The water is going to be shipped from West Manjimup to East Manjimup where people bought cheaper land, with less available water, to expand avocados. I think the thing that we need to do is to be really focused not so much on expansion, but on the security of being able to maintain the region as it is now with enough water in those bad years, which will inevitably become. We are looking at a whole range of water efficiency methods; although, a lot of the farmers down there are quite water efficient. We are looking at the use of netting, for example, as actually something that can help improve water use.

Hon NEIL THOMSON: I refer to page 223 and the flagship program there, under the key efficiency indicators, “Regional Industry and Community Development Investment Facilitation”. I note the \$182 million that is spent on that program. The keywords say it all —

... economic growth, diversification ... strong communities, with a focus on attracting the investment needed to grow regional Western Australia.

I note that the efficiency indicators are now up to \$400 per hour. The key thing is: does your department, minister, do any assessment of population in regional Western Australia?

Hon ALANNAH MacTIERNAN: Well, I am just trying to understand. The service facilitates a high-impact regional development primary industry. I just think we need to —

Hon NEIL THOMSON: Just focus on the last line: “grow regional Western Australia,” minister.

Hon ALANNAH MacTIERNAN: The member obviously understands that this is the department’s activities, sort of, notionally broken into different endeavours. So your question is: are we tracking population?

Hon NEIL THOMSON: Yes.

Hon ALANNAH MacTIERNAN: Look, one of the issues that I have really asked the development commissions to do is to attempt to, at least every six months, have some data. One of the problems with population is it is actually hard, outside of the five-year cycle of the census, to get the data, to really know where the population is. So, we are also using surrogates like vacancy rates, house sales, new housing approvals—those sorts of things—to get a sense of the direction because it is not always clear how we can get that data. Medicare might be one source, but we have to have very good data-sharing arrangements with the commonwealth to get that. Did you have anything, director general, to add to that?

Mr HILL: Yes, minister. Thanks, member; I appreciate the question. The nine commissions and DPIRD recognised a year or two ago the criticality of having really good data to help in decision-making and to track what is happening in regions. Previously, the commissions, as independent statutory authorities, would do their data collection. Some would spend more resources on it; some would spend less. You might be aware that the Pilbara Development Commission, which I have had some small engagement with over the journey, produces a housing land snapshot; a commercial land

snapshot; an economic snapshot; and an economic outlook document, which looks at future projects.

What we have decided, as a portfolio, is that we will put together a data team. So, we have a full-time position, based with the Pilbara Development Commission, to bring together to consistent data across the nine regions, which will link to the strategic plans that the commissions produce every three years. We will be able to use that to support not just what we do—but we are impacting with other government departments and looking at what point would you need a new school in Karratha, for example, or whatever. We are using that data more broadly, and we are building that base, which, I think you would agree, member, is a pretty important thing for us to do.

Hon ALANNAH MacTIERNAN: And I do think that we have to do it. I think this is great, and I have really encouraged us to reach that standard. But, with that, we do have a problem of getting data between censuses. We had some reports recently that were suggesting that the population in, I think, Kalgoorlie was dropping, but, you know, that just clearly was not accurate. So, we are looking at that surrogate data, but I do think we have to look at what the data-matching opportunities might be with the commonwealth so that we can get some more reliable indicators of where people actually are.

The CHAIR: They have written off Kalgoorlie for over 100 years, minister, and we always rise to the occasion—I can assure you!

Hon ALANNAH MacTIERNAN: But they were reporting a drop in population that clearly was not happening.

The CHAIR: Sorry. I know; I am not disputing it. As a Kalgoorlie boy, I have heard this so many times.

Hon NEIL THOMSON: This is a very important issue and I am pleased to see that the department is going to take a much greater interest in the issue. In regional towns, for example, I think if we looked at the average bed occupancy—the number of heads on pillows every night—we would have a much higher figure, wouldn't we, in terms of some of those regional towns? Towns like Broome and Karratha and Port Hedland probably have double the population than is being reported and used by agencies.

This is not in your portfolio, because I did search through the budget papers to see what was happening to regional Western Australia, but I saw on page 419—this is very important—the police did make a comment in relation to the cost of services per person for its efficiency indicators. It made the comment that the increase in “Total Cost of Services” was due to a decrease in projected population growth in regional Western Australia. This is one of the challenges we have, with agencies saying there is going to be a decrease. Is there a projected decrease in Western Australia?

Hon ALANNAH MacTIERNAN: That is not the scenario we are working to. If we look at our snapshots and we see the housing approvals and the very dramatic increase in housing approvals right throughout many areas, certainly from Albany through to south west towns, and even wheatbelt towns; we are seeing increasing numbers of houses being built. Houses are not going to be built if there are not people there to inhabit them.

Hon NEIL THOMSON: That can come back to this issue, minister, about the compounding effect of FIFO, which is a major factor driving those, including, may I say, public servants, who are increasingly FIFO-ed into these towns, because we see those effects in terms of affordability. The resident population is the problem we have got. I refer to page 222 —

Hon ALANNAH MacTIERNAN: Can I just clarify this? You are saying that if you are a person who lives in Busselton and you FIFO-ed to the Pilbara, you are not really a resident of Busselton? Is that your proposition?

Hon NEIL THOMSON: No. I am not referring to that scenario, minister.

The CHAIR: Could we just have the question, please?

Hon NEIL THOMSON: I am referring to the scenario of the challenges we are having with communities, where there is a huge number of FIFO workers into those communities, impacting on the regional social amenity, which is page 222, which talks about fishing, education, health and connectivity. Minister, the question I have is: what impact is the lack of amenity, in terms of lawlessness and rental affordability prices—the two crises happening in our regions—having on our resident populations, and what is the department doing about it?

The CHAIR: Okay, give it a go.

Hon ALANNAH MacTIERNAN: Certainly we recognise that a whole raft of things has changed over the last couple of years; the availability of housing, as we are surging out of the pandemic. There is a massive demand right across the state. As we do when we go through these booms, we have a shortage of people and a shortage of materials to build those houses. I think there is some assessment that we will have been over the hump of this massive period. There is no point, in a sense, in us coming in and funding more than we are, and we are putting a huge amount into various housing streams, but the market is overheated. When I travel around the regions, I am constantly getting contractors coming up to me and saying, “We’ve closed our books. We are not taking on any more jobs. We can’t manage the amount of work around.” This is very worrying, particularly for builders. I think it was builders I was talking to in Jarrahdale who were saying this is a most stressful because you have all this work on but the availability of materials and people is making it extremely difficult. Look, I think some of the things that we have to do in the regions, and I know the director general and I have been working on this and working with the housing minister, is to really do more in GROH housing, because we have to get back into provide GROH housing ourselves rather than just taking it into the market. We have certainly been looking at our own facilities, how we can add GROH housing, say, in Carnarvon. In Karratha, for example, we are doing take-or-pay, I believe, with the City of Karratha in building premises, and will provide long-term security on GROH. I think one of the things that we are trying to work on is GROH housing. We are working on worker accommodation facilities in Exmouth, and hopefully in the next month we will be able to make some announcements about that. We are doing the same in Kalbarri. But everyone is stretched to the max at the moment, and just putting more money in at this time is not necessarily the answer, because of where people are asking us to smooth out that demand.

Hon WILSON TUCKER: My question is in relation to the regional digital connectivity program on page 219, budget paper No 2, volume 1. I appreciate the minister’s previous comments about closing the digital divide in regional WA, which I think we can all agree is a worthy cause. There was a recent media statement from DPIRD that mentioned that since 2012, the WA government had improved mobile broadband across WA by 60 per cent. Minister, I am looking for the inverse of that number. If you factor in all the state government initiatives to improve telecommunications, does the department know what percentage of regional WA does not have access to fixed internet or mobile coverage?

Hon ALANNAH MacTIERNAN: We have continued on the black spot program, which is really mobile phones, and we introduced the broadband program, which was the digital farm that was providing an extension on fixed wires or a combination, with little bits of fibre and fixed wireless. That has been very significant in those areas. Is your question a broader one about what are the state figures in terms of connectivity and access to broadband?

Hon WILSON TUCKER: Correct. I know there are lots of different state initiatives. I am really looking for the intersection and what the delta is—the lack of overlap is, if you will. What percentage of regional WA does not have access to broadband or mobile connectivity?

Hon ALANNAH MacTIERNAN: Perhaps what I will undertake to do is to provide what data that we do have in relation to that. As I said, it is important to understand that because we want to get access to a big swathe of that federal money that is now going to be on offer in regional Australia. If I can undertake, member, perhaps to provide you with some data we have on our connectivity levels. Unfortunately, we do not have the actual specialist here, but I will get you what data I can that we have access to. Obviously, each year, in terms of the black spot program, we go and try and identify the biggest problem areas.

The CHAIR: Minister, we are going to have to keep moving.

[Supplementary Information No A5.]

Hon WILSON TUCKER: I appreciate that, minister. Just changing topics right now, I had a question about Port Hedland more broadly. I am sure the minister is aware there was a recent ABC article describing the lack of amenities and the general liveability of the town. I am sure the minister will be aware, if you do a comparison between Port Hedland and Karratha, there is a distinct lack of amenities between the two different towns, and a liveability and lifestyle shift. Minister, could you please just list the initiatives that are being allocated as part of the budget to improve the lifestyle and the liveability for the residents in Port Hedland?

Hon ALANNAH MacTIERNAN: One of the projects, and one which I am very proud of as having got off the ground, is obviously the \$112 million-plus boat harbour development, which has been an aspiration of the town of Port Hedland and the people of Port Hedland for over 25 years. That facility is underway. I am no longer directly responsible for it, so I am perhaps not as up-to-date on it, but it is absolutely underway. That will really provide enormous recreation opportunities and a real whole refocusing of that town. Obviously, we started doing work also at South Hedland, and there are more revitalisation works that are going on in South Hedland to improve it. Look, I do think that there are very significant steps that have been taken. Particularly since about 2004, there has been a constant investment and upgrade of those towns, and particularly I think Port Hedland absolutely needed this facility. Obviously, what we are doing in South Hedland is very important, the building of the hospital in South Hedland and the design work that went around that. Perhaps I will ask the director general —

The CHAIR: We are really going to have to keep moving, sorry, minister. We will move on. Everybody will get another go. I will just let you know, I will get through this round, I do intend to have a comfort break for five minutes and then come back, but we will need to keep moving. You will get another crack if you want it. Hon Dr Brian Walker.

Hon Dr BRIAN WALKER: Thank you, chair. Minister, I refer you to budget paper No 2, volume 1, page 218, a line item in the table at the bottom of that page, “Climate action”, and the WA carbon farming strategy. You will be well aware of my interest in sustainable environment and all things ecology, and also the hemp industry. I am well aware that the department is active in this area. I welcome the \$446 000 in this year’s budget and the rising allocations across the next two years, but how much if any of these allocations will be sent towards the hemp industry? Because, as you are well aware, the hemp industry shows a significant potential far and above that of trees for carbon capture.

Hon ALANNAH MacTIERNAN: Right. Okay. Well, we have got various incentives for farmers to embrace recognised methodologies for carbon farming. Where we have a methodology that is supported by the Clean Energy Regulator, then we will provide assistance, and it could be by way

of—recently, we gave 67 farmers vouchers of \$10 000 each to build their land strategies, so that they can see the capital investment from the land restoration fund. But I am not aware of any methodology that specifically is built around hemp, other than perhaps its contribution to soil carbon as part of a crop cycle. I do not know whether our newly inspired supporter of the hemp industry, Rohan Prince, has something to add here?

Mr PRINCE: I am not aware of the framework that allows hemp to be currently covered under the national or international convention, so I would have to take that on notice and find out if there is any change to that status.

The CHAIR: We will take that on notice as A6.

Hon ALANNAH MacTIERNAN: Perhaps, rather than take that on notice, because that is just a bit vague. Look, we are interested in having a look at how hemp might more generally have a role to play here, so we will have a look at whether—and I note Kerrine Blenkinsop is in charge of our regenerative farming efforts. We will have a look, not out of our land restoration fund, but probably out of our climate resilience fund, whether or not there is anything that could be done to look at how a methodology might be developed. We will do some further work on that.

The CHAIR: I think that we do need to get that confirmation.

Hon ALANNAH MacTIERNAN: Well, we do not actually have—but I just make an undertaking to the member that we will do some work through our regenerative unit to see if there is any special role that hemp can play in this carbon farming, and, in particular, probably as a rotation in a soil carbon project.

The CHAIR: Member, you might like to come up with a follow-up question with that one?

Hon Dr BRIAN WALKER: Thank you, yes. I have a second question.

The CHAIR: Yes.

Hon Dr BRIAN WALKER: Thank you. I do appreciate that, minister. My next question, I direct you to page 227 of the same volume, “Agricultural and Fisheries Natural Resource Management”. This is very non-specific. I could not find the line item that would refer to this directly, but I have an interest in the lobster industry and also the deep sea fishing and the white crab industry. Bearing in mind the difficulties, which is federally led, I am sure, with China, the imports and the loss to the industry, do we have any plans, resources or allocations to assist those rock lobster and white crab industries recovering and expanding?

Hon ALANNAH MacTIERNAN: To recover?

Hon Dr BRIAN WALKER: And expand their business with their exports into Asia.

Hon ALANNAH MacTIERNAN: Right, okay. As you will be aware, the rock lobster industry had gigantic export markets, and, in fact, it got to a point where it was very hard for people in Western Australia, and one would argue that we probably needed more of a lobster reservation policy, and I do recall then Minister Kelly trying to get a bit of a lobster reservation policy, because it had become insane that this had lost control. But, obviously, the China market has disappeared as part of a trade war. Hopefully, we might see some of that resuming. I do understand some of the product is getting back into China. But I know we continue to support the Geraldton Fishermen’s Co-Operative through our agricultural cooperative loan scheme, but also, directly after the collapse of the China market, we did provide an international competitiveness grant that was designed to help them enter into a different market. I think it is a salutary lesson that, you know, when you develop such an overwhelming reliance on one market, you are vulnerable, so we have been helping them do that. I am being reminded here that we have had inbound and outbound trade missions of which

lobster has been—and it has come back to a price where this is now becoming more attractive, a lot more lobster being used locally, and we, of course, fund ourselves, the Mid West Development Commission and Tourism WA have been funding the big Shore Leave lobster festival in Geraldton. But I can tell you, there are lots of happy Western Australians that we can now actually once again eat lobster.

[11.50 am]

Hon Dr BRIAN WALKER: Thank you. The snow crab as well. Could I include that as well?

Hon ALANNAH MacTIERNAN: I know nothing. I will ask, Liam, if you know anything about snow crabs.

Mr O'CONNELL: We would have to check specifically, but I am almost certain that, yes, we have also made sure that snow crab operators and exporters out of WA are being supported in finding alternative markets—both inbound and outbound missions and also other supports helping them with export.

Hon Dr SALLY TALBOT: I have two questions, but you did say we were going to get a second bite of the cherry.

The CHAIR: Potentially.

Hon Dr SALLY TALBOT: I might ask them both now.

The CHAIR: That is fine. You can ask them both now.

Hon Dr SALLY TALBOT: Minister, like you, I have the great fortune to represent Pemberton in the south west, and I wanted to ask you specifically about what the department is doing, and I can give you a specific reference, but I want to talk about freshwater fish stocks based in Pemberton and the work the department has done to protect those stocks. If you could particularly make some comments about what we have been able to do to boost the tourism that exists around that fresh freshwater fishing. The reference is to page 222.

Hon ALANNAH MacTIERNAN: We have been supporting the stocking of freshwater trout in rivers and dams. The trout fishing is estimated to contribute about \$20 million a year into the Peel, south west and great southern. We have committed over \$300 000 to undertake an economic analysis of the freshwater fishing recreational sector. Who is doing that? Which part of the department is doing that?

Ms BRAYFORD: That is joined up with the sustainability team and Liam's team.

Hon ALANNAH MacTIERNAN: Do you want to, Liam, talk a little bit more about what you are doing there, or I can? I will just go on here. The business case is going to look at developing plans for expanding the centre. That includes upgrades to facilities such as ponds and hatcheries. We really think there is a bigger future for the Pemberton Freshwater Research Centre, so that work is going on and we are looking at it both from a research and tourism experience. We think that the strong economic analysis that hopefully will come out of this will support private investment and community development in Pemberton.

Hon Dr SALLY TALBOT: Then forward to page 233. I wanted to ask you about the regional economic development grant scheme. I see there was an announcement, I think, earlier this week of the latest round, but halfway down that page there is quite a lot of information. With the regional grant scheme, I see that there was more expenditure in 2021–22. Maybe you could tell members about the potential benefits to regional businesses.

Hon ALANNAH MacTIERNAN: Just yesterday, I was down in your electorate, the electorate that you share with lower house member Jodie Hanns, in Capel announcing round 5 of those grants. I could not be happier with the way this was going. We used as the venue for the announcement yesterday the ARM Nursery in Capel, which is the viticulture nursery, the great nursery, really, for most of Western Australia. They had been able to invest as a result of round 3 grants in a process of automating the cutting of canes and the grafting of the grape vines. You cut the canes and then you are able to graft them with much greater—you get rid of a very repetitive and mind-numbing task and you enable this work of cutting canes and grafting them with root stock to be done in a much more precise and disease-free mechanism. It really supports the work, enabling this nursery to thrive, as it underpins the whole viticulture section of the of the south west—the constant growing of new varieties and having that rootstock available. They spoke incredibly highly of how this investment, this allocation that they got, this matching funding, had been pivotal to them being able to expand and take their business forward. The night before, we had been out at a function in Dwellingup where Jarrafall Bush Camp had also received a grant. Again the same story: people saying, “Look, this gave us the confidence and the capability to really do this massive extension”, in this case building a giant mess hall and upgrading three-decade old facilities to have this huge new centre for the community in Dwellingup, which now stages weddings and funerals, as well as a massive expansion in school camp activities. This grant scheme is really working. Then, can I just reference one of my favourite ones that we approved in round 4, which is based in Broome. It is a collaboration between the orthopaedic surgery unit at UWA and Willie Creek Pearls, where the nacre from the pearl shells left over from the cultured pearl business is utilised to create artificial bone to be used in orthopaedic surgery and dentistry. I mean, it is just a fabulous development, and that happened in Broome because we were able to provide assistance for that project.

The CHAIR: Okay, thanks, minister. Look, we have had a really good go. It is almost two hours. I know some people are disappointed with the times. Can I just let members know that I have given a fairly free rein here and other than those who finished in their own time, everyone has had a minimum of eight minutes, so they need to be mindful of that. We will come back. I intend to have a comfort break for five minutes now. We will come back. We will have just under an hour. Can I just recommend to members if you have questions that you can lodge after the hearing, I would recommend that you do that, because I would like to allow as many members as possible to have a second go. If there are questions that you can answer after the hearing, it would be very much appreciated if you do it that way, and then those who have questions that would really require a response from the advisors and the minister, that gives those members the opportunity. I would really appreciate that. Okay, I will ring the bells after three minutes and it will be two minutes, so you get a five-minute comfort break.

Hearing suspended from 11.58 am to 12.05 pm

The CHAIR: Can I get an indication of who else has questions, so that I can allocate time? Okay, that is great. What I will do is go directly to Hon Colin de Grussa. I will give him a bit of latitude, and then come back to the others who have indicated, and if any time remains, I will go back to you.

Hon COLIN de GRUSSA: Just following on from the question I was asking, related to budget paper 2, volume 1, page 239, in relation to the fisheries adjustment scheme, we are talking about the current status of the Ngari Capes compensation process there. As far as I can remember, you said that was in the process of being settled. I just wonder if we are satisfied with the length of time that has actually taken. That is a significant impact on those fishers over a very long period of time. Are we satisfied with how long these processes take?

Hon ALANNAH MacTIERNAN: Obviously, this is not my area of responsibility, but I do not know whether the deputy director general has any comment on why this has taken this long.

Ms BRAYFORD: We acknowledge that the time taken to address the compensation has been long and is not something that we would like. The act is very much about providing compensation to fishers, so we like to work to provide that compensation. It is a very complex piece of legislation, with a couple of what are called relevant events, when fishers can actually make application for compensation. One relates to the notices under the Conservation and Land Management Act, which actually seek to set up the park. That is one point which is done through the DBCA process. The second point is when the Fisheries Act notices are put in place to put into effect any fisheries closures. That is followed by the marine park plan and the zoning scheme. There is always a bit of a time lag there. That is part of the process. The other thing is that compensation is payable due to what is called a reduction in market value of the authorisation. It has proven very difficult over time to determine what is the reduction in market value, particularly when you have a thin market authorisation. We have been working closely with the industry and others to see how we can improve that into the future to see if there are other surrogates or measures that can be used to try to move the compensation process along a lot quicker. Ultimately, though, we do need to follow the prescriptions in the act; it is a very important industry and it is very important that we provide compensation through that process to affect the fishers. Also, if we are unable to reach agreement on the compensation payable on this reduction in market value in the other agreed process, it can end up with the State Administrative Tribunal, which is where we are now in some of these Ngari Cape ones, and then we are subject to the SAT process, including some mediation processes. It is a complex process, and we acknowledge the time and understand the importance of ensuring fishers are compensated appropriately under the legislation.

Hon COLIN de GRUSSA: The way that determination of market value is made, seems to be that it occurs after the fact, so after the park is established. Would it not be better that that market valuation was determined prior to the establishment of the park? It is a bit like building a railway in someone's front yard, and then valuing the house.

[12.10 pm]

Ms BRAYFORD: Thank you. We have looked at a whole range of mechanisms to try to improve the process, so I certainly acknowledge that. One of the difficulties is that it is very difficult to start to determine the compensation until you actually know what the zoning scheme is for the park, and it can take some time before we know what the zoning scheme is. When you know the zoning scheme, you can find out what the permitted or prohibited uses are, and then you can determine who the affected commercial fishers will be once that zone is in place. It does take some time. We look at trying to get as much data as we can through the process, but the planning process can take a number of years.

Hon COLIN de GRUSSA: Would the act allow you to take a valuation prior? You know that a marine park is coming—the south coast marine park, for example. Could you determine a date to take valuations across the fisheries, regardless of what is known as to who is going to be affected? You would then have some valuations as a baseline. Does the Fisheries Adjustment Schemes Act allow that to occur?

Ms BRAYFORD: To clarify, this is not under the Fisheries Adjustment Schemes Act; that is a different act. This is under the marine reserves compensation act, which does provide for a reduction in market value, so we do need to make sure that we are addressing the requirements of the act. Having said that, we have been working with industry around some alternative approaches to try to ensure that affected fishers receive appropriate compensation. There is often a thin market in the

fishing industry, so it is often very difficult to get hold of verifiable market data in terms of the valuation of licences.

Hon COLIN de GRUSSA: I am going to change tack now and go to budget paper No 2, volume 1, page 229. I am going to talk about the core systems upgrade on that page. There was \$9.8 million allocated for a financial management information system and \$9.021 million for a human resources information management system. That seems surprising, given that the establishment of the amalgamated department was over five years ago. Why are these systems only now being developed?

Hon ALANNAH MacTIERNAN: I might get the director general to talk about this and how far we have progressed. I will start off by saying that when we brought together these three government agencies, the systems of all of them were in a very depleted state. I just think it goes to the standard that was adopted under the previous government to investing in IT systems. All of the three agencies that were brought together had poor-quality systems. A number of systems were out of contract or due to expire, so they needed to be renegotiated. We had three systems that were already failing, and adequate work had not been done on them. It was not as if our task was to integrate three strong systems. Perhaps I can get the director general to talk about it. I think real progress has been made. We have bitten the bullet to take on administration to try to fix it. It has been more lengthy, but it is in contrast to under the previous government, where things went wrong.

The CHAIR: Thanks minister, we really have to move on. Mr Hill, please.

Mr HILL: I am the acting director general and have been in the chair since January. I came into the organisation and obviously looked at these things. The minister talked about the fact that we had three legacy systems. They did not talk to each other, they were not fit for purpose and they were going to cost a significant amount of money. That was a decision made by a previous corporate executive. After MOG, they worked through that process. It was about 18 months, as I look at the paperwork, and we really got into the situation where we were looking at how we would move forward. The organisation determined that the best approach was to introduce new systems, and systems that were efficient across the three organisations, that would deal with what are very complex organisations. We have a lot of different payment systems in the different organisations and different arrangements with our staff. It is not like we have our staffing on a single salary number; we have people on a lot of awards.

I would like to report the good news that we have launched our HR hub. That was launched just recently. It has been well received by staff. Inevitably, we have some challenges—it is a large, complex system—but the general feeling around the Department of Primary Industries and Regional Development about the new HR hub is very positive. We have launched our new records system. That is going, I must say, very well. I am an optimistic acting director general; I would say that we will land our finance system in the middle of next month. We will be there. We will have excellent systems. It has taken some time, but it does take some time when you are taking on a task of this scale. The previous corporate executive was dealt the hand, as Minister MacTiernan said, of three systems that basically all needed a lot of attention and investment. It is good news to report.

Hon COLIN de GRUSSA: Just following along on that, given that those new systems are coming online, what is the progress in addressing the issues raised by the Auditor General in her qualified audits over the past few years?

Hon ALANNAH MacTIERNAN: As I think I may have said last year, we take this issue seriously. We do feel that some progress has been made. We have been in dialogue with the Auditor General's office. I am wondering whether Mandy Taylor can comment further on it.

Ms TAYLOR: Thanks, minister, and thanks, member. There was a financial qualification around our cash reserves. We are working very closely with the Office of the Auditor General to do a full review of all those reconciliations and clarify that the cash balances are correct. There is no discrepancy between the overall cash balance within our financial statements with what is in the bank accounts—there are no issues there. The issue is just between the classification of what is restricted and non-restricted. We are working through those. For this end of financial year, we will have full and robust reconciliations. We have engaged a third party accounting firm to help us confirm those balances and that our approach has been correct, and also, I guess, to give the Office of the Auditor General some confidence and make sure that they are comfortable with the approach we have taken. We are hoping to resolve that qualification at the end of this financial year.

The other couple of qualifications sit around our controls. There are some IS controls—financial controls—which is the cash item, and also some controls around our payroll processing. Most of those controls will be rectified with the introduction of these new systems. It will allow us to improve our controls around our systems; I guess that is the best way to put that.

The CHAIR: Hon Colin de Grussa, I will give you one more question.

Hon COLIN de GRUSSA: Thanks, chair. Changing tack completely, but still on page 229, it is just in reference to the \$3.033 million allocation to the implementation of the wild dog action plan for 2022–23. That figure drops to \$1 million per annum in the out years. What is the reason for that?

Hon ALANNAH MacTIERNAN: Obviously, there were construction elements in the wild dog action plan. What we have secured into the out years at this stage is to ensure that we have the funding for the baiting program. Sorry; this is just the capital. I apologise; I got that wrong.

We are presuming that this capital work will be completed over that time and requiring only those levels of funding. I presume the Esperance fence is part of this. This is proving a little difficult. I need to get the department to look at alternative ways we might be able to deliver this fence. Ultimately, this is the capital expenditure on the cell fences and the Esperance extension, so I presume this is what is required to finalise those projects.

[12.20 pm]

Hon JACKIE JARVIS: I refer to paragraph 9 page 220 that refers to the extensive legislative reform program of the agency. I am particularly interested in paragraph 9.2. Can you provide an update on where we are at with the review of the Biosecurity and Agriculture Management Act 2007?

Hon ALANNAH MacTIERNAN: That independent panel has been appointed. It is being chaired by Kaylene Gulich. It started its deliberations and is due to release its final report in March. The panel has commenced consultation with all of the key stakeholder groups in biosecurity. The body is up and running. There is a pretty good cross-section of skills on the panel and we anticipate a final report by March 2023.

Hon JACKIE JARVIS: Could you provide an update of the drafting of the veterinary practice regulations, referred to in 9.4, from the new vet practice act?

Hon ALANNAH MacTIERNAN: For a range of reasons, it was desirable to get the new board appointed before the end of the financial year, and we have done that. We have put in regulations that, basically, other than the formation of the new board preserve the status quo in terms of actual vet practice, but that new board will have a role in the consultation on the new regulations. The work that had been done previously will be continued with the ability of the new board to participate. I think we expect that second tranche to be ready by quarter 4 this year.

Hon Dr STEVE THOMAS: I have been inspired by the minister's responses thus far. I am pleased to see she has referenced Hon Dave Kelly, the former Minister for Fisheries, who, having attempted to destroy the rock lobster industry is now attempting to do the same to the timber industry, but we will get to that a little later. I suspect his only rock lobster reservation process these days involves Kailis restaurant.

I took notes on the minister's answer to Hon Colin de Grussa on the paid escape following on from Wander Out Yonder, which the minister and I have discussed before. Wander Out Yonder was funded through the minister's department. From memory, it was a \$3 million investment. Was the entire \$3 million expended? If there was any remaining, was any of it rolled over to any other program, including this one?

Hon ALANNAH MacTIERNAN: Yes, my understanding is that it was rolled over. There was a small amount that remained. It had two components to it. One was the advertising campaign, and I understand that all of that was expended. In terms of the subsidy, most of that was expended. There was some left over, and that was rolled over into this new part, and an additional \$7.5 million was added.

Hon Dr STEVE THOMAS: Yes, and that is at the top of page 219 in budget paper No 2, volume 1. Can we find out—by supplementary information, if you do not have it—exactly how much was unspent and rolled over?

Hon ALANNAH MacTIERNAN: I am happy to do that.
[*Supplementary Information No A6.*]

Hon Dr STEVE THOMAS: I go back to the royalties for regions program in budget paper No 3. You can start wherever you like, from page 215 onwards. I note there have been some significant changes in policy in the last budget year. For the country water pricing subsidy, which in years gone by was \$250 million a year, the final payment to be made is \$54 million in the budget year 2022–23. Obviously, this part of subsidisation has been removed and is now being put into other areas. Well done on this, because the government has managed to reduce the substitution rate. Can the minister tell me what the rate of substitution is now? I have tried to copyright “tran-subsidy” but I am happy to call it “substitutions” because I understand that that is what the Premier's office is more interested in. What is the rate of substitution? It must have come down since you have removed a significant amount out of that one policy area.

Hon ALANNAH MacTIERNAN: Member, the concept of substitution—definitely an improvement on your previous “tran-substitution” label—is your construct.

Hon Dr STEVE THOMAS: I don't think so.

Hon ALANNAH MacTIERNAN: We have appointed, and it has ever been thus, even under the previous government, that from time to time certain items were moved into royalties for regions; for example, the entire administration of the Department of Primary Industries and Regional Development. Lists appear in the budget—I believe I will get the budget reference page—where all the items that are funded under RforR are listed, and you can make your own decisions, and use the construct you have in your mind, about which of those items you consider to be substitutions. But I am not buying into your classifications.

Hon Dr STEVE THOMAS: It is pages 225 to 232; we do not need the advisers to tell us that one.

I note that on page 215, despite the fact that you have reduced the water substitutions, they have to some degree been replaced by regional road substitutions. I note dot point 2 —

... new RfR spending of \$263 million in regional election commitments and other new initiatives.

I do not know whether those regional election commitments are available in a single table, for example. Can you provide a list specifically of regional election commitments now funded out of royalties for regions?

Hon ALANNAH MacTIERNAN: I will take that on notice. I find it really extraordinary that in regional developments, after RforR previously, road projects were not considered. We had, in one of the most critical regional development projects around, the Karratha–Tom Price road. We had millions to spend on plastic cows and singing toilets but we were not able to spend any money on one of the most critical regional development roads around the place—the Karratha–Tom Price road. I am pleased to say that we are correcting that. I do not have any problem with the fact that we unashamedly consider investment in road projects regional investment.

The CHAIR: Was there a supplementary?

Hon Dr STEVE THOMAS: A supplementary on the election commitments as part of royalties for regions.

[Supplementary Information No A7.]

Hon Dr STEVE THOMAS: Minister, I understand you have just said that you were amazed that road funding was not a royalties for regions expenditure.

Hon ALANNAH MacTIERNAN: You would rather not build critical roads. I just find it one of the most extraordinary things, which possibly accounted for why you ended up losing the Pilbara seat because of the massive need up there for that road and the transformative function of that road could not be covered. You could plant as many petunias as you wanted in as many wheatbelt towns but you could not fund a road. The fact is that you did not then go and fund it out of any other source; you just left it unattended. We built two stages of that during the seven and a half years we were previously in government. In the eight and a half years you were in government, you contributed nothing to this critical project. You did not fund it. You said, “No, we’re not going to do roads out of RforR. We’re not going to do these important roads.” We are doing them. We are doing the Bunbury bypass. We are doing that road.

Hon Dr STEVE THOMAS: Minister, you basically just confirmed that the latest version of substitution, or trans-subsidisation, is road funding. I see there is \$737 million of substitution happening, presumably to the end of the forward estimates, because there is an additional \$361 million beyond 2025–26. Therefore, we can assume, based on your answer, that we have \$1 billion worth of substitution or trans-subsidisation. Can you give us a time frame for the additional \$361 million? How many years is that spread over?

Hon ALANNAH MacTIERNAN: I am not engaging in this category that you have developed because, as I have pointed out, that is your construct. I was pointing out that I do think that road projects are part of regional development. I noticed under your government that you started adding in not only departmental administration but you started adding in school projects. In fact, if I remember rightly, the Leader of the Liberal Party at the time said there would be another \$800 million worth of projects that would be moved into RforR. I just think a really important insight to give is that we have more regional projects being funded out of the consolidated account than we now have out of RforR. That is the level of spending that we are engaging in around the state.

Hon Dr STEVE THOMAS: Minister, I am not even sure I am convinced that you believe what you just said, to be honest. I suspect if you had a role to play in the Expenditure Review Committee, it might look different.

Hon ALANNAH MacTIERNAN: I am not sure you are actually not crying crocodile tears either.

The CHAIR: Can we just get to the question please, Hon Dr Steve Thomas.

Hon Dr STEVE THOMAS: I take your guidance, chair, absolutely.

Minister, page 220 of budget paper No 2, volume 1, point 7 says —

The Department continues to invest in a robust biosecurity system.

This is a department under the Biosecurity and Agriculture Management Act that is responsible for enforcement of biosecurity. In particular, I am interested in the control of feral animal and weed species. Has the department initiated any formal legal action against any, first off, private landowner in whatever years you want to go to, to enforce biosecurity measures?

Hon ALANNAH MacTIERNAN: Is this the Gestapo you want to set up to police the growing of marijuana?

Hon Dr STEVE THOMAS: The legislation already gives you the power. I am just asking if you are using it.

Hon ALANNAH MacTIERNAN: I will ask if Mia Carbon can address this.

Dr CARBON: I assume you are referring to the control of widespread and established pests and their control by landholders and landowners?

Hon Dr STEVE THOMAS: Yes.

Dr CARBON: For the majority of those pests, they are what we would call a C3 pest. That is the categorisation under the legislation. For those pests, we largely take an approach of community consultation, education, working with stakeholders, to help them understand why and how they should control those pests. Then obviously we work with communities, recognised biosecurity groups and other pest control groups where we need to undertake either directed or enforced compliance action. Obviously, there are a very significant number of those sorts of pests and they are of differing significance. If you want absolute numbers, I would need to look across a number of different programs and we would probably have to provide that to you afterwards. We have obviously worked through our recognised biosecurity groups, worked with local governments around pests of significance to them and worked with groups that concentrate on things like wild dogs, feral pigs and rabbits.

Hon ALANNAH MacTIERNAN: We know the member is very interested in the arum lily. Putting that to one side, in terms of other biosecurity pests, we are not talking about those category Cs and category A and B. Are there people out there being prosecuted in the non-fisheries area?

Dr CARBON: That is correct. When we talk about C1 and C2 species, these are the species that we either do not have established in Western Australia or we do have and they are under official control. We do work across the entire compliance spectrum of educating and assisting through to directing and enforcing for those biosecurity threats. Included in that is the work we do across traceability because obviously that is critical to all of our biosecurity risks.

Hon ALANNAH MacTIERNAN: Member, are you interested in knowing, in relation to those ones, whether we have issued any infringement?

Hon Dr STEVE THOMAS: Including C3, so I want to know all three. I think we have an acknowledgement. This is not a new issue that you have suddenly inherited that you are responsible for. This is a historical one that I have been going on about for 15 years. C1, 2 and 3, I think we are acknowledging that the Biosecurity and Agricultural Management Act gives the department, through the chief executive, the power to enforce action. There are significant fines involved. I want

to know how many enforcements in each of those categories, up to and including legal action. I just do not think the department has done it, particularly in C3s.

[12.40 pm]

Hon ALANNAH MacTIERNAN: I am more than happy to provide that information, but I will say this: we are not setting out squads of people to police arum lily—seriously—and it is a question of priorities. Now, we are doing some good work through NRM. And, particularly around your region, we have had some very good work done by NRM groups that we have funded very specifically to that. I would say, member, that, seeing how successful some of them are in the south west, I have actually tried to get some of our NRM groups to be putting in to do similar work, because it has been very encouraging in the great southern, but it does not capture the hearts and minds in the same way it does there. We will get you that list, but I am going to be unapologetic that, in category C, we have not been going around and putting people in jail for not pulling out their arum lilies.

[*Supplementary Information No A8.*]

Hon Dr STEVE THOMAS: All right. I probably should give other people a go. But I do acknowledge that your office did invite me to an arum lily function that you were doing down in the south west, so thank you for that. It is not as if we have completely dissimilar interests. But I want to know if there has been any enforcement activity beyond —

Hon ALANNAH MacTIERNAN: In any categories—yes.

Hon Dr STEVE THOMAS: In each of those. Because I know that in C1, which is exotics, there is lots of activity—not necessarily legal actions—but C3 tends to get missed.

Hon ALANNAH MacTIERNAN: And I might suggest, member, that in this regard, given your particular interest, you might care to make some submissions to the review of the BAM Act.

Hon Dr STEVE THOMAS: Yes, the review of the BAM Act.

Hon ALANNAH MacTIERNAN: Yes, and I think it would be a totally appropriate for you to make submissions.

Hon Dr STEVE THOMAS: I am just a bit busy trying to hold the government to account to get it written at the moment, but we will see how we go.

Hon ALANNAH MacTIERNAN: Perhaps if your party operated in a more rational way, you might have a few more members to help you out.

The CHAIR: Okey-doke! Is there another?

Hon Dr STEVE THOMAS: Give us time; we will get there!

My final question, then, I guess —

Hon ALANNAH MacTIERNAN: Not in my lifetime.

Hon Dr STEVE THOMAS: — is related to this.

Well, I will not comment on how long that might be, chair; that might get me into trouble. That has thrown me now!

In relation, therefore, to what is, in my view, the effective transfer of biosecurity from departmental activity to NRM groups or recognised biosecurity groups in particular, some of which are NRM groups and some of which are otherwise, is the government—and I notice in the south west you have had issues around the upper Blackwood region where people have got very angry that they are expected to pay a charge when their view is that government departments are not conducting adequate government-engaged biosecurity on government-controlled lands.

What overview and measure of the level of biosecurity has this department done on the departments that own and manage land, particularly the Department of Biodiversity, Conservation and Attractions which covers most of the state. In the BAM Act—and I remember it well, because you and I were downstairs when I negotiated this through on behalf of the opposition—there is a role for this department to overview what other departments do. Is that happening? At what level is it happening? And what references have been made, because it got watered down to “government” departments that do not do the right thing will be mentioned in the annual report of the department of primary industries.” Has that happened? Is it going to happen? And what level of interaction is there?

Hon ALANNAH MacTIERNAN: In terms of the actions of DPIRD in relation to DBCA or Water Corp land, I think we will take that on notice.

[Supplementary Information No A9.]

Hon ALANNAH MacTIERNAN: It is really important to understand the scheme, and you would know the scheme. The scheme with the BAM Act was that landowners have the responsibility on their own land. We have the declared pest rate—to collect that from them—and then we match that because we recognise that we also have land. So, we are actually putting in 50 per cent. So that is the context.

Hon Dr STEVE THOMAS: Which is what—\$3 million a year? Is that about \$3 million a year?

Hon ALANNAH MacTIERNAN: I think —

Hon Dr STEVE THOMAS: Yes, it is \$3 million a year. That is barely enough to control a single species in a single shire.

The CHAIR: Okay. It may get another dip in a moment.

Hon Dr STEVE THOMAS: I have had a very good run. I am very happy, chair.

The CHAIR: Thank you, Steve.

Hon NEIL THOMSON: I refer to page 225, regional social amenity development, and the great contraction that is going on in population amenity and liveability in the regions, and also the great contraction that is going on in terms of the delivery of the budget versus estimated actual. Can the minister explain this? There are a number of vital projects—\$17.5 million about this very important regional social amenity development. Why were those projects delayed; and, two, I assume that \$17.5 million is now put into the budget target for 2022–23?

Hon ALANNAH MacTIERNAN: Sorry; which page are talking about?

Hon NEIL THOMSON: Page 225, point five, regional social amenity and the great contraction in regional and social amenity. I am referring, minister, to the Australian Underwater Discovery Centre, Albany Trails and Yalgorup National Park.

Hon ALANNAH MacTIERNAN: Look, I am a bit confused. I cannot see this reference to the great contraction. Where is that?

Hon NEIL THOMSON: No. I am just saying that there is a great contraction in the difference between the budget and the estimated actual; in fact, it is \$17.5 million. Would you not agree that is a great contraction in relation to the delivery of outcomes in the budget?

Hon ALANNAH MacTIERNAN: A number of these are basically just delays in the delivery. Some of them are delays in third party entities, like the Australian Underwater Discovery Centre—is that the thing in Busselton?

Hon NEIL THOMSON: Yes. So, why, minister?

Hon ALANNAH MacTIERNAN: That is delayed because—I do not know whether they can get federal funding or perhaps it was they decided that they could not deliver as designed. I know Hon Jackie Jarvis has been interacting with them on my behalf, and we have negotiated another pathway, so that was a third party. The Albany Trails is being delivered, I believe, by the City of Albany. In terms of that, there are problems in varying attitudes; different members of the community have a different view of the environmental benefit of bike trails through their bushlands. The Yalgorup National Park—I am not sure if anyone is aware of that—but, presumably, that is DBCA. These are not all problems of our making. Sometimes things are delayed because of third parties, and they have just been re-cashflowed.

Hon NEIL THOMSON: Minister, that then means that if you take out the delays—if you do not count those in the budget—there is only \$46 million being expended. If you look at 2022–23, the budget is \$63.776 million; you have just topped that up with some delays. It all looks very good on the number in the budget, but we know that is actually \$46 million. Would you not say that that is also a further contraction in the spend in this program, particularly given the importance of regional amenity?

Hon ALANNAH MacTIERNAN: I am sorry; I am not sure I follow what the member is saying there.

[12.50 pm]

Hon NEIL THOMSON: Look, you know, I think it is pretty clear. There has been a cash flow change, so if you could take out those delayed projects, there is only \$46 million actually being put in there. But I will move to another area, because I think it is relevant to the liveability of resident populations.

I am referring to page 223, corporate and business development services, the department and regional support, and you have the nine regional development commissions. Minister, of those nine regional development commissions, and I am referring here to the FTE count, how many of the CEOs actually have as their primary residence the communities which they actually represent as part of those development commissions?

Hon ALANNAH MacTIERNAN: I am only aware of one CEO that does not have their primary—well, in fact, he might even argue that that is his primary residence, because that is where he lives most of the time. As I say, outside the Gascoyne, my understanding is that they all are resident in their regions.

Hon NEIL THOMSON: I would hope so.

Hon Dr STEVE THOMAS: While we are having fun—I did not think I would get this far! Minister, if I could take you to budget paper No 3, page 225, luckily it is in alphabetical order so we can get to it fairly easily, the Myalup–Wellington water for growth project. I think we are due for an update. As we are well aware, this project fell over in its regional incarnation, which you and I have debated in the house and said, “Probably not a bad thing, really.”

Hon ALANNAH MacTIERNAN: Sorry, what was that last point?

Hon Dr STEVE THOMAS: Sorry, in its original incarnation, it fell over, which you and I have debated in the house and both agree it is probably a good thing. The important part, particularly given that there is federal funding involved, as well, is how we are going forward. I think you and I both agree that the below-the-dam-wall stuff is deliverable, but I would like an update on where we are with this project, and, most particularly, like the answer to whoever asked about the southern forests scheme, whether the funding for this project is likely to be reinvested in some other water project in some other part of the state.

Hon ALANNAH MacTIERNAN: Look, at the moment, in terms of the federal allocation, that is there. That commitment remains in the commonwealth. It has retained its \$140 million for future water infrastructure projects in Western Australia.

Hon Dr STEVE THOMAS: Has the new government confirmed that, as well, are you aware? Because that was done under the previous government.

Hon ALANNAH MacTIERNAN: I would be extremely surprised—extremely surprised. Given how minuscule the proportion of the National Water Grid Authority's money that came to WA, it certainly would not be our expectation. We have heard nothing to suggest that it would, and I think the current federal government realises that it needs to look after Western Australia, so we are optimistic. We have nothing, to my knowledge, and we have heard nothing that would suggest otherwise.

Now, in terms of the further down the system proposals, there is a market-led proposal that has been submitted by Harvey Water, which you would be aware of, and we are working through that proposal. It has progressed to the next stage, so it is stage 2. My understanding is that the National Water Grid Authority has allowed \$800 000 of that expenditure to go towards developing that market-led proposal. My understanding is that we should have a decision on that market-led proposal by the end of the year, so we are working closely with Harvey Water to give this project every chance of advancement.

Hon Dr STEVE THOMAS: Through you, chair, I think we are agreed on the potential benefits of this, given our previous debates on the issue. Can I just check: I would assume therefore that the renewed proposal would be a lower overall competence, because you drop off the probably—we agree—undeliverable components of the original proposal. If there are savings out of this project, I mean, is it likely that they would go back to the commonwealth and back to the state and the consolidated fund, or is it likely —

Hon ALANNAH MacTIERNAN: Well, we have got plenty of other things we would like the commonwealth to fund in terms of water, so we do not anticipate that happening. There is talk of a desalination scheme associated with that. Is that underway? Do you have anything, Eamonn, that you want to add here?

Mr McCABE: Just to say that the proposal is looking at three different aspects: supply of water for irrigation in Myalup, supply of more reliable water and pressurised water for the Collie River irrigation district, and the possibility for Harvey Water to be supplying water to other industries in the area who might be in need of water. All three will be evaluated and the businesses cases put together. Some of those aspects include options for and feasibilities around small desal plants, but it is all to be evaluated and put in a business case by the end of the year.

Hon Dr STEVE THOMAS: That is really useful. In a previous incarnation, I was a member of—I forget how many Wellington Dam committees there have been over the years, but I was on one of them. Terry Hill, I think, has been on at least one of them, as well. Sorry, the acting director; that was a bit cheeky.

I understand that Wellington Dam is currently 1 300-plus parts per million-ish. Desalination has always been problematic, but I am particularly pleased because when I was on that committee, I demanded that they insert industry as well as agriculture, which might make use of those TDS higher levels—the salt levels. I think that is good. I commend the department on the work that you are doing on this, and you, minister, for your support of it. Hopefully, you will be able to retain the funding.

The question came up about the southern forests irrigation scheme a little bit earlier. I have a similar question. Hopefully, we are working towards a local replacement project for Myalup–Wellington. I think that desalination is immensely problematic in large scale, but I agree that—you might even find, as is happening in other places—small-scale solar and solar powered is a reasonable prospect in some areas, so that is worth looking at.

Hon ALANNAH MacTIERNAN: We have got some interesting projects up on that. I think we had one—was it funded through RED, the mystery ridge project and then we have another one at Muresk that is a collaboration with Murdoch. It is basically a container which you open up, you have the solar panels on it, it drives the pump, so it is totally self-contained.

Hon Dr STEVE THOMAS: Can I finish with this, because I think I am out of time, and I know I have pushed my luck a fair bit today.

The CHAIR: Yes, it is the last one.

Hon Dr STEVE THOMAS: In terms of southern forests, then, is the expectation that the funding both state and federal that was apportioned to that project, is that going to stay in sort of the Manjimup area, you can say the Shire of Manjimup, or is it likely to be used—if that project does not go ahead and you retain the funding, could that end up at Binningup stage 3 or somewhere else?

Hon ALANNAH MacTIERNAN: At this stage, the commonwealth funding for that project—it is a bit different from the Myalup one—the commonwealth funding is still denoted for that specific project, whereas the other one is more general.

Hon Dr STEVE THOMAS: Sorry, which one is more general?

Hon ALANNAH MacTIERNAN: The Myalup one.

Hon Dr STEVE THOMAS: The Myalup one, yes.

Hon ALANNAH MacTIERNAN: You know, Collie, Wellington, Myalup, whatever, but the southern forests irrigation scheme is still designated specifically for that project. Our intention is the money that we have will be spent—you know, we are not going to just build some toilets or something around there for no reason, but provided that we can get something that actually requires public investment and gives us a good return on the dollar, that will be spent locally.

Hon Dr STEVE THOMAS: In the Shire of Manjimup, for example?

Hon ALANNAH MacTIERNAN: Well, in that Manjimup–Pemberton precinct.

The CHAIR: Thank you, minister. That brings us to the end of a very long session. Can I thank each of you for your attendance today, particularly the witnesses. As I said, it has been a very long session.

Members, you may submit your remaining questions through the electronic lodgement system, which will close at 5.00 pm on 1 July 2022. Witnesses, the committee will forward the uncorrected transcript of evidence with questions taken on notice highlighted as soon as possible after this hearing. Responses to questions on notice are due by 5.00 pm on 20 July 2022. Should you be unable to meet the due date, please advise the committee in writing as soon as possible before the due date. The advice is to include specific reasons why the due date cannot be met.

Once again, I thank you most sincerely for your attendance today. Thank you.

Hearing concluded at 12.59 pm
