

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS  
ADDITIONAL QUESTIONS FOR 2009/2010 ONGOING ESTIMATES HEARING  
KIMBERLEY DEVELOPMENT COMMISSION

Wednesday, 2 December 2009

**PUBLIC**

HON LJILJANNA RAVLICH MLC ASKED –

- 1 I refer to Page 290, Significant Issues Impacting the Agency, and the absence of any mention of the Browse Basin project or the James Price Point proposal, and ask –
  - 1.1 Does the absence of a reference to these projects indicate that the Minister does not think they are significant issues, or that they do not impact the agency, or both?

The Commission has identified the significant issues and trends affecting the region that will impact the agency. It has taken that approach rather than specifically identifying the major projects within which the agency is involved. The Browse Basin project and the James Price Point proposal, along with a wide range of other projects at a range of scales, will impact both the agency and the region, however the Commission's view is that ensuring maximum return to the region from all significant industry developments, (including but not limited to Browse) provides a more accurate reflection of the role the Commission undertakes in the region.

- 1.2 If the Commission has been involved in these projects in any way, can the Minister detail the Commission's involvement?

The Commission is not the lead State agency in the development of the Browse Basin project. The Commission is linked into the whole of Government processes that are responding to the needs of the project, including the Social Impact Assessment work, the Tourism Impact assessment work and the Strategic Environmental Review.

The Commission remains in close contact with the Department of State Development as the lead agency for the project. The Commission also remains in close contact with the Office of Native Title, the Department of Transport, Landcorp, Regional Development and Lands, the Department of Environment and Conservation and Tourism WA, in respect to sub-components of the project and provides a regional perspective to the senior decision makers in those agencies.

2. I refer to Page 293 and the items Net Cost of Services, Total Income from State Government and Surplus /(Deficiency) for the period and ask –
  - 2.1 Is it the correct interpretation to say that your costs exceed your income and you have a shortfall of \$296,000 for the 2009-10 year?

Yes.

It must however be noted that the Commission's Service Appropriation for operational costs have been fairly constant if not reduced over the last three years (\$1.626m in 2007/08, \$1.575m in 2008/09 and \$1.595m in 2009/10).

The shortfall further reflects increases in overheads outside the Commission's control such as GROH accommodation, office rental and others. The projected shortfall highlights the higher cost of doing business in remote regional areas.

2.2 If this a correct interpretation, how is that shortfall covered?

The shortfall is being met from the Commission's internal operating funds and balances. A review of the Commission's expenses is currently being undertaken.

3. I refer to Page 289 under Major Policy Decisions the line item for Regional Grants Scheme 2008-2009 of \$4.44m and the list of successful Regional Grants Scheme Projects approved 2008-2009, from the Royalties for Regions website, and ask:

3.1 Can the Minister explain why the allocation for the Regional Grants Scheme is listed as \$4.44m on Page 289, but \$4.329m on Page 293 under the line item Royalties for Regions fund (Details of Controlled Grants and Subsidies)?

Page 289 shows the total allocation for the Regional Grants Scheme which is \$4.44m. 2.5 per cent of the available funding has been allocated to cover for administration expenses associated with the Regional Grants Scheme. Page 293 shows that 97.5 per cent that will be paid out in grants totalling \$4.329m.

3.2 The approved projects listed on the website totals \$4,098,125. Can the Minister explain the difference between the total of approved grants and the \$4.44m?

The difference amounts to \$346,875, out of which \$111,000 has been allocated for administration expenses and \$235,875 has been retained by the Board to fund strategic projects. The Board is currently working with potential applicants regarding the allocation of its available strategic funds.

3.3 Have other funding grants been approved to take up the difference and if so what are the details and amounts of the extra grants and why are they not listed on the website?

Two additional grants have been approved for strategic projects that were the subject of applications made after 30 June 2009.

- a) \$20,000 has been allocated to the Shire of Broome to undertake a feasibility study and design of a finger jetty to improve safety at Entrance Point Boat Ramps Broome; and,
- b) \$2,500 was provided as a grant to the Broome Chamber of Commerce as a contribution towards the 2009 Kimberley Economic Forum.

Additional projects approved from the strategic reserve are progressively added to the website. The two projects mentioned now appear on the website.

3.4 Can the Minister indicate where in the Budget papers the difference between these two amounts might be located?

The detail of the difference between the two amounts identified in question 3.2 above, is not available until it is allocated and is thus not detailed in the Budget Papers currently under scrutiny.

4. Has the Commission done any work on population projects for the next 10 years and if so can they be tabled?

The primary work that the Commission has done on population projections in both the East and West Kimberley has been done through projects conducted by Dr John Taylor at the Australian National University. Those works are available online at the following web addresses:

- c) East Kimberley Ord population and socioeconomic issues  
<http://www.anu.edu.au/caepr/Publications/WP/2008WP49.php>
- d) West Kimberley Labour market and population issues Part 1  
<http://www.anu.edu.au/caepr/Publications/WP/2006WP35.php>
- e) West Kimberley Labour market and population issues Part 2  
<http://www.anu.edu.au/caepr/Publications/WP/2008WP39.php>
- f) East Kimberley ADM population implications  
<http://www.anu.edu.au/caepr/Publications/mono/2004RM23.php>

For all specific population projections, the Commission relies upon data produced and publicly distributed by the Department of Planning and the WA Planning Commission.

The basis of population projection work is usually information collected by the Australian Bureau of Statistics. In the case of the Kimberley, ABS data from the 2006 Census has some significant limitations in respect of the Kimberley Indigenous population. ABS acknowledge those limitations. As a result, population projections for towns and communities are of limited value. The Commission is working with ABS on enhancements to their collection and verification methodology in order that the planned 2011 Census provides more reliable Kimberley data.

5. Has the Commission done any work on likely resources (infrastructure, staffing, funding etc) needed to meet those population projections in –

5.1 Health?

The Commission has worked to identify and promote the key strategic population issues of the region, as per Q4 above, and then to advocate for specific project initiatives on an adhoc basis with particular proponents. The Commission has not developed region-wide resource requirements in relation to health as that is the responsibility of public and private providers of health services and the Health Portfolio.

5.2 Education?

The Commission has worked to identify and promote the key strategic population issues of the region, as per Q4 above, and then to advocate for specific project initiatives on an adhoc basis with particular proponents. The Commission has not developed region-wide resource requirements in relation to education as that is the responsibility of public and private providers of education services and the Education Portfolio.

5.3 Police and Emergency Services?

The Commission has worked to identify and promote the key strategic population issues of the region, as per Q4 above, and then to advocate for specific project initiatives on an adhoc basis with particular proponents. The Commission has not developed region-wide resource requirements in relation to Police and Emergency Services as that is the responsibility of Police and Emergency Services Portfolio.

5.4 Housing?

The Commission has worked to identify and promote the key strategic population issues of the region, as per Q4 above, and then to advocate for specific project initiatives on an adhoc basis with particular proponents. The Commission has not developed region-wide resource requirements in relation to housing as that is the responsibility of public and private providers of housing and the Housing Portfolio.

6. Can the Commission table its –

6.1 Strategic Plans?

The Kimberley Development Commission Strategic Plan 2009 and 2010 was provided to the Committee on the day of the hearing. The plan is available at the following web address [http://www.kdc.wa.gov.au/commission/tc\\_strategic.asp](http://www.kdc.wa.gov.au/commission/tc_strategic.asp).

6.2 Operational Plans?

The Kimberley Development Commission does not produce a formal operational plan.

6.3 Any documents on Infrastructure needs for the region and any associated costings or estimates?

The Kimberley Development Commission does not produce a document that outlines and costs the general infrastructure needs of the region. There are a wide range of infrastructure projects that are relevant to the Kimberley in differing phases of development. The Commission is involved with the whole of government planning phases of many infrastructure projects, including the Ord East Kimberley Expansion Project and the West Kimberley gas precinct project, and on a broader scale with the Kimberley Interagency Working Group and the new Kimberley Regional Planning Committee. In all cases the planning and development of infrastructure projects is lead on behalf of the State, by other agencies. Costings or estimates in relation to specific infrastructure projects should best be sought from the agency with lead responsibility. Details and copies of the costings in relation to the social investment package of the Ord East Kimberley Expansion Project were provided to the Committee on 2<sup>nd</sup> December 2009.

7. Has the Commission done any work on determining priorities for the region in terms of what their local communities want to see, and –

The Kimberley Development Commission does not have a formal role ‘determining’ regional priorities. The Commission works extensively with its regional stakeholders in considering, developing and planning regional priorities with a wide range of agencies of Local, State and Commonwealth Government, industry and community groups. Key examples include but are not limited to:

- a) whole of Government planning for the Ord East Kimberley Expansion, West Kimberley Gas processing precinct;

- b) the Kimberley Zone of the WA Local Government Association, the Kimberley InterAgency Working Group,
- c) industry groups such as Australia's North West Tourism, Ord Industry Development Group and Argyle Diamond Mines,
- d) community groups such as the Community arts groups, regional Chambers of Commerce, North West Expo; and,
- e) Indigenous Groups such as the Mirriuwung Gajjerong Corporation, Thalngarr Ngarriny Aboriginal Corporation and Yawuru Corporation.

7.1 What the priorities are?

The priorities for the Kimberley vary throughout stakeholder groups. The nature and extent of the broader regional priorities that the Kimberley Development Commission works on with its stakeholders mean that they are not consolidated into a concise document, but rather take the form of the extensive plans that impact upon the region. The Department of Planning and the WA Planning Commission intend to develop a regional plan through the new Kimberley Regional Planning Committee, with representation from the KDC. The Commission has developed its own priorities within its Strategic Plan 2009-2010 and uses that extensively to guide its work. Examples of that work include but are not limited to the Ord East Kimberley Expansion Plans, the strategic plans of the Local Authorities of the region, the industry plans of the tourism or agricultural industries, or the development plans that are emerging from indigenous groups.

7.2 Funding required to meet each of those priorities?

The Kimberley Development Commission does not produce a document that outlines and costs the general needs of the region.

7.3 Estimates of what will be received in appropriations in the forward estimates from Government?

The Kimberley Development Commission has not produced an estimate for the region, of what will be received in the forward estimates from Government.

7.4 Any likely shortfall over those years – itemised according to the listed priorities?

The Kimberley Development Commission is not able to identify or quantify a shortfall.