



***ECONOMICS AND INDUSTRY
STANDING COMMITTEE***

ANNUAL REPORT 2006-2007

**Report No. 7
in the 37th Parliament**

2007

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Economics and Industry Standing Committee

Annual Report 2006-2007

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STANDING COMMITTEE***

ANNUAL REPORT 2006-2007

Report No. 7

Presented by:
Hon. R.C. Kucera, MLA
Laid on the Table of the Legislative Assembly
on 30 August 2007

COMMITTEE MEMBERS

Chair	Hon. R.C. Kucera, MLA Member for Yokine
Deputy Chair	Mr G.A. Woodhams, MLA Member for Greenough
Members	Hon. Dr J.M. Edwards, MLA Member for Maylands
	Mr M.P. Murray, MLA Member for Collie-Wellington
	Mr A.J. Simpson, MLA Member for Serpentine-Jarrahdale

COMMITTEE STAFF

Principal Research Officer	Dr Loraine Abernethie, PhD
Research Officer	Mr Peter Frantom, BA

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COMMITTEE'S FUNCTIONS AND POWERS

The functions of the Committee are to review and report to the Assembly on: -

- (a) the outcomes and administration of the departments within the Committee's portfolio responsibilities;
- (b) annual reports of government departments laid on the Table of the House;
- (c) the adequacy of legislation and regulations within its jurisdiction; and
- (d) any matters referred to it by the assembly including a bill, motion, petition, vote or expenditure, other financial matter, report or paper.

At the commencement of each Parliament and as often thereafter as the Speaker considers necessary, the Speaker will determine and table a schedule showing the portfolio responsibilities for each committee. Annual report of government departments and authorities tabled in the Assembly will stand referred to the relevant committee for any inquiry the committee may make.

Whenever a committee receives or determines for itself fresh or amended terms of reference, the committee will forward them to each standing and select committee of the Assembly and Joint Committee of the Assembly and Council. The Speaker will announce them to the Assembly at the next opportunity and arrange for them to be placed on the notice boards of the Assembly.

CHAIR'S FOREWORD

This report, the third annual report of the Economics and Industry Standing Committee of the thirty-seventh Parliament of Western Australia, provides a brief overview of the Committee's activities for the period 1 July 2006 - 30 June 2007. This is also my first report as Chair of the Committee, having been appointed to the Committee by the Legislative Assembly on 21 June 2007 and subsequently elected as Chair, a position I am proud to hold.

I would like to acknowledge the very significant role played by Ms Jaye Radisich, MLA, during her membership of the Committee. Ms Radisich held the position of Chair from the Committee's establishment by the thirty-seventh Parliament until her resignation from the Committee in June 2007. The Committee thanks Ms Radisich for her energy, enthusiasm and commitment to the Committee's work.

On 14 June 2007 the Committee tabled its major report on the state government's role in developing and promoting the information communications technology (ICT) industry in Western Australia. This report represents the culmination of an inquiry the Committee commenced in June 2006. As part of its investigations the Committee held 8 hearings, gathering evidence from 21 witnesses. The Committee also held 25 formal deliberative and adoption meetings during the reporting period. The ICT inquiry report reached 67 findings and made 34 recommendations to government. The Committee has requested that the Minister for Energy; Resources; Industry and Enterprise report to the Assembly any actions proposed by the government with respect to the report's recommendations. The government is required to formally respond within 90 days. The Committee has also invited the Premier in his capacity as Minister for Science; Innovation to respond to the ICT report and its recommendations.

At the time of writing, the Committee is considering a number of potential areas for inquiry ranging from adventure tourism, the safety of mine site accommodation, the adoption of clean coal technology, waste oil recovery and recycling, anti-trust and competition policy issues and suburban waste recovery. Discussions regarding the Committee's next inquiry have raised another important issue, namely the extensive range of portfolios allocated to the Committee. Pursuant to Standing Order 287(3), the Economics and Industry Standing Committee has 16 portfolio responsibilities with such diverse areas as heritage, science, regional development, racing and gaming, planning and infrastructure, and consumer and employment protection, to list but a few. With regards to these portfolio responsibilities, the Committee is charged with reviewing and reporting to the Assembly on the outcomes and administration of relevant departments, departmental annual reports tabled in the Assembly, and the adequacy of portfolio-relevant legislation and regulations. The Committee is also required to investigate and report on any matters referred to it by the Assembly. It should be noted that the Committee is comprised of 5 members and is supported by a secretariat of 2. Given this, it is not possible for the Committee to adequately fulfil its allocated review and report functions without a significant increase in resources.

Standing Committee portfolio workloads and staffing levels have been raised previously by the Committee in its March 2006 submission to the Legislative Assembly's Procedure and Privileges

Committee's *Review of the Legislative Assembly's Committee System and Other Matters*. It is disappointing to note that to date the Procedure and Privileges Committee has yet to report its findings.

The Committee's 2005-2006 annual report noted that at the time of its writing the government response to the *Inquiry into the Production and Marketing of Foodstuffs* report had not been forthcoming. The response to this inquiry has now been received and I am pleased to report that all of the 11 recommendations made have received government support. As a result of this Inquiry, in September 2006, the Minister for Agriculture and Food, the Hon. Kim Chance, MLC, announced funding for a voluntary 'Buy WA Food First' certification and marketing scheme and for the annual pesticide testing of fruit and vegetables. Since then, the Committee has met with the minister to discuss the agency timelines and programs that are required to give effect to the government response to the Committee's Inquiry.

I am pleased to advise that the Economics and Industry Standing Committee will host a university student as a parliamentary intern who will undertake a research project during second semester 2007. While the parliamentary internship programme has been running for some time, this is the first intern attached to the Legislative Assembly Committee Office, and I look forward to our involvement with this initial placement.

I would also like to take this opportunity to formally thank the members of the Committee for their dedication and commitment to the work of the Committee. This has been signal in the Committee's achievements, particularly with regard to the ICT inquiry which was the main focus of the Committee's activities over the past year. Thanks must also go to the Committee's former Principal Research Officer, Ms Jessica Shaw, and particularly to former Research Officer, Ms Jovita Hogan who also 'held the fort' as Acting Principal Research Officer for a period. Ms Hogan's efforts on behalf of the Committee are sincerely appreciated. Finally, I would like to thank the Committee's current secretariat, Dr Loraine Abernethie (Principal Research Officer) and Mr Peter Frantom (Research Officer) for their assistance afforded to the Committee.

HON. R.C. KUCERA, MLA
CHAIR

CHAPTER 1 COMMITTEE ACTIVITIES

1.1 Introduction

During the course of this reporting period, and as per Table 1.1, the Committee:

- Met with the Minister for Agriculture and Food to discuss the agency timelines and programs that are required to give effect to the government response to the Committee's *Inquiry into the Production and Marketing of Foodstuffs*;
- Conducted 1 Inquiry;
- Held 25 deliberative meetings;
- Took evidence from/or was briefed by 47 persons;
- Undertook investigative travel to Melbourne, Canberra and Nevada; and
- Attended 3 conferences.

At the ICT Enabling Growth conference in Perth, October 2006, the Chair participated in the panel session, presenting an overview of the Committee's ICT inquiry.

Table 1.1

Summary of activities of the Economics and Industry Standing Committee, 1 July 2006 - 30 June 2007

Description	Activity
Briefings	12
Deliberative meetings	25
Formal evidence hearings	8
Witnesses appearing	21
Reports tabled	1
Report findings tabled	67
Report recommendations tabled	34

1.2 Public Hearings

Pursuant to Legislative Assembly Standing Order 264, the Committee has power to send for persons, papers and records. During the period 1 July 2006 - 30 June 2007, the Committee conducted 8 public hearings, taking evidence from 21 witnesses to assist with its investigations (Table 1.2).

Table 1.2

Public hearings of the Economics and Industry Standing Committee, 1 July 2006 - 30 June 2007

Date	Witness	Position	Organisation
23/08/2006	Stephen Grocott	Director, Innovative Industry	Department of Industry and Resources
	Paul Gale	Senior Project Manager	Department of Industry and Resources
	Sheryl Siekierka	General Manager	Department of Industry and Resources
13/09/2006	Andrew Winterburn	Managing Director	BroadbandNet Pty Ltd
20/09/2006	Geoffrey Harben	Branch Executive Committee Member	Australian Information Industry Association
	Cheryl Robertson	Strategy Consultant	Australian Information Industry Association
	Louis Martini	WA Chair	Australian Information Industry Association
	James McAdam	General Manager	Australian Information Industry Association
25/10/2006	Sharon Brown	Chair	Information and Communications Technology Industry Collaboration Centre of WA
	Jamie Lyford	Legal Adviser	Information and Communications Technology Industry Collaboration Centre of WA

Date	Witness	Position	Organisation
25/10/2006	Valerie Maxville	Research Associate	Information and Communications Technology Industry Collaboration Centre of WA
	Greg Boalch	Director	Information and Communications Technology Industry Collaboration Centre of WA
28/2/2007	John Tondut	Acting Executive Director	Office of Government Procurement, Department of Treasury and Finance
	Alex Taylor	Director, Strategic Sourcing Reform	Office of Government Procurement, Department of Treasury and Finance
28/2/2007	Jo Bryson	Executive Director	Office of e-Government, Department of the Premier and Cabinet
	Sven Bluemmel	Director, Strategy and Policy	Office of e-Government, Department of the Premier and Cabinet
21/3/2007	Dr Walter Green	Director	ATUG-WA
16/5/2007	Terry Burnage	General Manager	Department of Industry and Resources
	Stephen Grocott	Director/General Manager	Department of Industry and Resources
	Daniela Mattheys	Manager, ICT and Nanotechnology	Department of Industry and Resources
	Julie De Jong	Acting Director, Innovative Industries	Department of Industry and Resources

1.3 Briefings

In addition to gathering evidence during formal hearings, the Committee received a number of briefings. These were used to gain information in relation to the Committee's inquiries as well as other matters (Table 1.3). The Committee's briefing with Professor Kevin Fynn took place during a Committee visit to the Western Australian Telecommunications Research Institute. The Committee was also pleased to be able to take advantage of the visit to Perth by Dr Alex Zelinsky, Director of the CSIRO ICT Centre, and meet with him to discuss issues relating to the ICT Inquiry.

Table 1.3

Briefings provided to the Economics and Industry Standing Committee, 1 July 2006 - 30 June 2007

Date	Name	Position	Organisation
28/08/2006	Michael Coles	Chairman	Western Australian Information Technology and Telecommunications Awards
30/08/2006	Mark Jones	Manager	Technology Park, Bentley
	Arnold Stroobach	Chief Executive Officer	Zernike Australia
	Carmel Lyttleton	Project Officer Technology Parks	Department of Industry and Resources
27/09/2006	Prof. Kevin Fynn	Director	Western Australian Telecommunications Research Institute
17/10/2006	Kee Wong	Managing Director	e-Centric innovations
17/10/2006	Randall Straw	Executive Director	Multimedia Victoria
	Andrew Ferrington	Director - ICT Investment & Business Development	Multimedia Victoria
19/10/2006	Dr Chris Johnson	Head of Department of Computer Science	ANU College of Engineering & Computer Science

Date	Name	Position	Organisation
19/10/2006	Dr Alistair Rendell		Dept of Computer Science, Faculty of Engineering & Information Technology, ANU
9/10/2006	Dr Rod Badger	Deputy Secretary	Australian Government Dept of Communications, Information Technology & the Arts
19/10/2006	Dr Beverly Hart	Chief General Manager Strategic Development & Regional Division	Australian Government Dept of Communications, Information Technology & the Arts
	Lindsay Barton	General Manager ICT Development	Australian Government Dept of Communications, Information Technology & the Arts
	David Grattan	ICT Industry Development Branch	Australian Government Dept of Communications, Information Technology & the Arts
20/10/2006	Craig Pennifold	Head, Innovation Division	Australian Government Dept of Industry Tourism & Resources
	Ian Tranter	Manager Business R&D Policy, Innovation Division	Australian Government Dept of Industry Tourism & Resources
	Judith Zielke	General Manager Innovation & Collaboration Branch AusIndustry	Australian Government Dept of Industry Tourism & Resources
	Vicki Techeci	Manager, Program Policy Section Office of Small Business	Australian Government Dept of Industry Tourism & Resources

Date	Name	Position	Organisation
	Su-Lin Kwa	State Manager Western Australian State Office, AusIndustry	Australian Government Dept of Industry Tourism & Resources
	Bill Peel	Executive General Manager AusIndustry	Australian Government Dept of Industry Tourism & Resources
	Tricia Berman	General Manager Policy Branch	Australian Government Dept of Industry Tourism & Resources
21/11/2006	Sheryle Moon	CEO	Australian Information Industry Association, National
21/11/2006	James McAdam	General Manager, Government & Policy	Australian Information Industry Association, WA Branch
	Lou Martini	Chair	Australian Information Industry Association, WA Branch
	Cheryl Robertson	Government Strategist	Australian Information Industry Association, WA Branch
29/11/2006	Martin Dougiamas		Moodle Pty Ltd
6/3/2007	Dr Alex Zelinsky	Director	CSIRO ICT Centre

1.4 Investigative Travel

The Committee travelled to Melbourne and Canberra for a series of briefings from government agencies, industry groups and individuals in relation to its Inquiry. The Committee also gathered evidence at the International Consumer Electronics Show in Nevada, the ICT Outlook Forum in Melbourne and the ICT Enabling Growth conference in Perth. The people the Committee spoke with at the briefings are listed in Tables 1.2 and 1.3 above.

1.5 Conferences

The Committee attended 3 conferences in relation to the ICT Inquiry.

- ICT Outlook Forum, Melbourne, October 2006;
- ICT Enabling Growth, Perth, October 2006; and
- International Consumer Electronics Show (CES), Nevada, January 2007.

The Committee took the opportunity to combine attending the ICT Outlook Forum with the briefings held in Melbourne and Canberra, as listed in Table 1.3. While in Melbourne the Committee also attended the Australian Electrical and Electronic Manufacturer's Association (AEEMA) Excellence Awards.

1.6 Reports Tabled

The Committee tabled 2 reports during the period 1 July 2006 - 30 June 2007. These were:

- Report No.5 Annual Report 2005-2006; and
- Report No.6 The State Government's Role in Developing and Promoting Information Communications Technology (ICT) in Western Australia.

1.7 Work in Progress

(i) *Inquiry*

Having tabled its ICT inquiry report on 14 June 2007, the Committee has not yet decided upon its next inquiry. At present the Committee is developing its background knowledge on a range of topics for consideration. To this end, it is conducting a series of briefings to develop a better understanding of the issues before reaching a decision on which inquiry to pursue.

(ii) *Submission*

In May 2007 the Committee made a supplementary submission to the Legislative Assembly's Procedure and Privileges Committee's *Review of the Legislative Assembly's Committee System and Other Matters*.

The matter raised in this submission was the inclusion of Committee Member attendance at Committee meetings in the Committee report for each Inquiry and in its Annual Report.

The Committee is currently awaiting the outcome of Procedure and Privileges Committee's Review.

CHAPTER 2 FINANCIAL STATEMENT

The Economics and Industry Standing Committee does not have its own formal budget and is funded out of the budget of the Legislative Assembly. Approval for major expenditures is required on a case-by-case basis and is entirely at the discretion of the Speaker.

The Committee's expenditure for the financial year 1 July 2006 - 30 June 2007 (in accordance with Standing Order 276) is detailed below.

Table 2.1

Expenditure Items of the Economics and Industry Standing Committee, 1 July 2006 - 30 June 2007

Expenditure item	\$
Conference fees	4,800
Travel	36,000
Protocol	1,100
Printing	400
Advertising	5,400
TOTAL	\$ 47,700

Notes:

- Figures rounded off to the nearest \$100;
- Salaries of Committee staff are not included; and
- Costs of shared administrative expenses, including lease costs for Committee accommodation, are not included.