

PEEL HEALTH CAMPUS — REDEVELOPMENT

**330. Ms L. METTAM to the Treasurer:**

I refer to the Treasurer's announcement on 29 November 2002, exactly 900 days ago today, that the government would be redeveloping and expanding Peel Health Campus. In that time, the population in the region has increased significantly, and, with that, so has demand for access to quality on-demand and affordable health.

- (1) Is the cost of the Peel Health Campus project expected to blow out, as the member for Mandurah told the Peel state budget breakfast last Friday; and, if so, by how much?
- (2) When will the project be delivered?

Several members interjected.

**The SPEAKER:** Order, please! Order, member for Balcatta!

**Mr M. McGOWAN replied:**

- (1)–(2) The government has a massive rebuild program —

**Mr D.A. Templeman:** That you didn't do anything about.

**Mr P.J. Rundle:** Who is answering the question?

**Mr M. McGOWAN:** They are having an argument, Madam Speaker! I am just a bystander. Do you want me to continue?

Several members interjected.

**The SPEAKER:** I have two-thirds of the opposition interjecting.

**Mr M. McGOWAN:** That is right. That opposition is a very unruly group.

We have a major investment program in health initiatives around the state. Before I get to Peel, the other day I was able to open the new Newman Hospital with the member for Pilbara. It is a terrific hospital. It is just a beautiful hospital. We are redeveloping Bunbury Hospital; I think that is \$260 million or so. From memory, the cost of redeveloping Geraldton Health Campus is \$170 million or thereabouts, and that is proceeding ahead. We are also developing Tom Price Hospital, Laverton Hospital, Joondalup Health Campus, Osborne Park Hospital, and we will build a new women's and babies' hospital by 2029 at Fiona Stanley Hospital.

Peel Health Campus is one of the projects that we announced during the end of the last Parliament. A couple of things are happening at Peel. One component is the redevelopment, which is both public and private, and the other component is the transition of the services there from the private contractor to government. Both those things will take some time, obviously. Again from memory, the Peel Health Campus redevelopment will cost \$152 million to provide additional upgrades and services, which is a significant expansion of what was originally to be provided. It is a significant expansion in the budget. I am not the Minister for Health and do not have the exact details of where that is at, but it will happen.

This is a perennial set of questions. Things take time to build. We cannot just build a hospital on a slab somewhere and put it on the back of a truck and move it to the site. Building and rebuilding a hospital is a big exercise. It takes time in a very strong construction market. That is basically the reality of what we are dealing with in Western Australia because the construction market is incredibly strong. It is the strongest that anyone has seen. That includes major construction, public construction and residential construction, and in the mining industry. It takes time to build things. That is just a reality. I think 98 per cent of people understand that. That is one of the realities we are dealing with in Western Australia. I do not have the latest figures on the cost of the campus, but as we have outlined numerous times, the cost of construction goes up. It turns out that steel has gone up by 60 per cent, concrete by 250 per cent, and labour costs for non-technical labour has gone up 20 per cent and 50 per cent for technical labour. That is the reality of what everyone is dealing with both here and interstate. Some very interesting figures came out of Sydney the other day. The cost of two rail lines there has blown out by \$20 billion. The cost per kilometre of building a rail line in Sydney is somewhere between 15 and 20 times what it is here. Our construction market is great value for money compared with anywhere else in Australia.