



PUBLIC ACCOUNTS COMMITTEE

Chair: Dr Tony Buti, MLA

MEDIA RELEASE

21 March 2019

Committee Report: *Ord-East Kimberley – Where to from here?*

Questions remain as to what ongoing benefits the State will gain from its \$334 million investment to develop farmland and infrastructure in the East Kimberley, according to a report tabled in Parliament today.

The report, *Where to from here?: The status of the Ord-East Kimberley Development Plan*, follows a 2018 inquiry by Parliament's Public Accounts Committee.

The report scrutinises the Department of Primary Industries and Regional Development's responses to a 2016 Auditor General report that had criticised the 2009 Plan for lengthy delays and cost blowouts, including a \$114 million increase in State money.

The report found the Department has not fully addressed most of the Auditor General's recommendations, which had a December 2016 deadline, despite the then Minister advising that the recommendations would be implemented.

The Committee was particularly troubled by the Department's failure to fully review the State's objectives for the future development of the Ord, or to clarify future governance arrangements. It has recommended the Department address these matters urgently.

Though the Committee praised the original intent of the plan, which aimed to provide key regional infrastructure while doubling the amount of farmland, it says the Department has offered little detail on any returns for the \$334 million of state funding, and almost \$200 million in federal funding, invested to date.

'The Auditor General in 2016 saw a pressing need for a plan to monitor what taxpayers were getting for their money. And we are still waiting on this plan', said Committee Chair, Dr Tony Buti.

'The vision for the scheme, which commenced in 2009, was a worthy one, but tangible outcomes have unfortunately fallen well short of this vision. Not only have socio-economic benefits not been realised, we have seen no clear strategy for how they will be', Dr Buti said.

The Ord-East Kimberley Development Plan began as a \$415 million stimulus package co-funded by the State and the Commonwealth governments. The WA Government provided \$220 million for a project to double the amount of farmable land in the Ord Irrigation Area.

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The Commonwealth committed a further \$195 million for 27 social infrastructure projects in the East Kimberley region. But delays of several years, and added costs have seen an overall rise to \$529 million.

The committee's report contains 10 findings and makes 6 recommendations for improving the governance of this and future state infrastructure projects. In particular, it recommends the Department provide objectives relating to future development of the Ord in the next six months, and include a reporting regime to monitor all matters relating to the development plan.

Copies of the report are available at the [Committee's Website](#).

Chronology of key events

2009: The Ord-East Kimberley Development Plan announced, promising 'numerous integrated projects that, combined, will deliver sustainable economic growth and generate employment opportunities in the East Kimberley Region.'

7 September 2016: Auditor General's report released, making four recommendations to the (then) Department of Regional Development to implement by December 2016. One recommendation calls on the Department to 'review of the State's objectives and role for the future development of the Ord, and make recommendations to Government including future governance arrangements'.

7 September 2016: During a debate in Parliament after the audit report is tabled the (then) Minister for Regional Development says '... we will put those four recommendations in place. There is no doubt that we will respond to this; it is very important that we do'.

21 March 2019: Public Accounts Committee finds the Department has only fully addressed one of the audit report's four recommendations and is yet to articulate objectives for future development of the Ord region.