

DevelopmentWA —

Mr S.J. Price, Chair.

Mr J.N. Carey, Minister for Lands.

Mr D. Mudford, Acting Chief Executive Officer.

Ms F. Barclay, Chief Financial Officer.

Ms C. Comrie, Chief of Staff, Minister for Lands.

[Witnesses introduced.]

The CHAIR: The estimates committees will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 31 May 2024. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

I give the call to the member for Roe.

Mr P.J. RUNDLE: I refer to works in progress in the table on page 758. Can the minister enlighten us on the East Perth power station situation? There does not seem to be a lot of funding in the out years. What is happening there?

Mr J.N. CAREY: As the member would be aware, there was a lot of media attention regarding the withdrawal from the East Perth power station redevelopment by the previous successful applicants. I want to put this on the record—I think the member knows this: do not underestimate the level of contamination and infrastructure challenges we have had on that site. We have invested over \$120 million, which was previously noted on the public record. I will ask Mr Mudford to go into further detail, but over the past two years we have worked with Western Power, Main Roads, ATCO Gas and other government agencies to relocate gas and power infrastructure, demolish contaminated underground coal-handling infrastructure—of course, that makes sense, but people would not have thought it was still there—and remove asbestos from heritage buildings. All of that has been required, which is significant remediation of the site. We are still committed to the overall vision, whether it is high-density residential—I think the member would agree that there could be opportunities there—or commercial or tourism uses. There is the final remediation and removal of the Western Power switchyard, which will be completed by early 2025. It is already on the record that we are working on a new master plan for the precinct. I will ask the acting chief executive to make any further comment regarding the significant process to remediate the site.

Mr D. Mudford: Thank you, minister. Most of the remediation works and relocation of infrastructure has largely been completed. We are well advanced on some thinking around a new master plan for the western part of the site, which is in front of the power station building. We will look at what opportunities there are to independently develop that vacant land, separate from the power station building. The power station is a significant heritage building and it takes a lot of capital to redevelop that. There is an opportunity to at least advance the development of the vacant land that sits on the western side. We will finalise that thinking and that business plan for further development over the coming months and will present that for consideration.

Mr P.J. RUNDLE: If the minister were a betting man, what would he perceive —

Mr J.N. CAREY: You cannot ask me that question! Respectfully! Come on, member for Roe!

Mr P.J. RUNDLE: What does the member perceive will be the final result? Will it be residential? It has just been pointed out that there is some vacant land there. Will it be commercial? What does the minister feel will be the final result and, in honesty, the final achievable timeframe?

[8.50 pm]

Mr J.N. CAREY: I really appreciate the member for Roe's genuine interest in this. I am passionate about a renewal of this precinct. As I and previous ministers have said on the record, there are difficult constraints, but we are looking at that side that will perhaps provide more opportunity in the closer term. As the Minister for Housing, I would clearly like to see that masterplan include residential housing. It makes sense. It is close to the city and public transport. Ultimately, it is a decision for cabinet and I will not pre-empt cabinet, but I think it is realistic to expect that.

The other part, which is the heritage building itself, is still very complex. It still has significant contamination. It has largely been decontaminated, but there is still some to go. As we have heard from the CEO, I think there are real residential opportunities.

Mr P.J. RUNDLE: Has the minister discarded the prospect of any joint partners coming in or does it look like it is going to be a government project?

Mr J.N. CAREY: Again, I am not going to pre-empt cabinet's decision on that. I think we have to be realistic about the times and the current financial constraints that we face in the market. I am very cognisant of that. I do not want to pre-empt, but as the Minister for Housing, my priority is to get some residential housing as part of that land because it is so close to the city.

Ms L. METTAM: I refer to page 760 and the income statement of revenue from government regional infrastructure and headworks. I refer to the regional infrastructure and headworks funding, which includes \$8.7 million in 2024–25, with nothing in the out years. What projects are to be delivered in 2024–25? As part of that, how many serviced residential and industrial lots will be delivered as part of this funding?

Mr J.N. CAREY: Is it right that the member is referring to \$8.7 million?

Ms L. METTAM: Yes, I am.

Mr J.N. CAREY: I think there is a bit of confusion there. As the member would be aware, we have a regional land booster program, which is about releasing more land. We have made specific investments in the budget for that. That particular \$8.7 million relates to some funding allocation for stage 3 of transforming Bunbury's waterfront, phase 1 of the Nambeelup Transform Peel project, the Peel Business Park and East Keralup economic activation infrastructure. The most substantial amount is already on the public record and is towards the Nyamba Buru Yawuru health and wellbeing campus—excuse my pronunciation.

Ms E.L. HAMILTON: I refer to page 755 of budget paper No 2 under the line item “Regional Development Assistance Program”. Following the success of the regional land booster campaign, how is DevelopmentWA ensuring continued support for regional land supply?

Mr J.N. CAREY: I thank the member for Joondalup. I respectfully suspect the member for Vasse was reading the wrong section. She asked about residential lots. I want to put this on the public record. Since 2020, our regional land booster program has seen 697 lots contracted across 98 projects in 82 regional towns, generating over 2 178 construction jobs and private sector investment of more than \$703 million.

Mr S.A. MILLMAN: Well done.

Mr J.N. CAREY: I thank the member for Mount Lawley. I always love his encouragement.

This is important because I got a question from the member for Vasse in the last session, which I indicated was towards the wrong agency. Over 670 lots remain available across regional Western Australia as part of the land booster initiative for residential, mixed-use, industrial, commercial and tourism use. That is incredible. On top of that —

Mr S.A. MILLMAN: It is insane.

Ms L. METTAM: Insane?

Mr S.A. MILLMAN: It is incredible.

Ms L. METTAM: Get out in the regions!

Mr J.N. CAREY: Wait a minute, member for Vasse! Do not mock me!

I have been very respectful to her the whole time. She asked me a question. In her last statement, she said that there were no regional lots available, and I am letting her know that there are! It is my obligation to the house and for the public record to do that.

Of course, through DevelopmentWA, we have also announced some additional funding for regional land projects. That includes \$16.8 million to provide 32 residential lots in stage 5 of GreenView, which is obviously in Kalgoorlie. A further \$13 million has been allocated for 51 lots at Karratha's Madigan at Baynton West estate, with seven lots for social housing and additional lots for Government Regional Officers' Housing. Additionally, 23 new larger-sized lots will be delivered in early 2025 to support an increase in the resident workforce. A sum of \$5 million has been committed to unlock 26 development-ready lots in stage 13 of Broome North's Waranyjarri Estate, including three multi-residential social housing lots, two single residential social housing lots and three lots for key workers. There is also the extension of Tanami Drive, a critical road connection between Broome North and Cable Beach.

Of course, we are also supporting local governments and communities through the state government's regional development assistance program. This helps to free up land supply in areas where privately developed land is limited, thereby making such projects commercially viable and boosting supply in the regions. It is a \$7 million investment. Land is available to 42 regional towns. For the member for Roe, some of the towns have RDAP-funded approval to proceed to construction, including five industrial lots in Kondinin. Jurien Bay, for example, has 11 light industrial lots. Dalwallinu has nine residential lots to support the town's agriculture by offering further housing options and eight light industrial lots. Right there is significant subsidisation to get regional land available.

Ms L. METTAM: I have a further question about the regional development assistance program. This has been adjusted down by \$21.8 million in 2024–25, and then it has gone up by \$1.89 million in the three out years.

Mr J.N. CAREY: Sorry, member. Apologies, what line item is it?

Ms L. METTAM: I just have a further question.

Mr J.N. CAREY: Yes, but I need a referral point. The member has indicated that there has been a reduction in funding. I need the referral line.

[9.00 pm]

Ms L. METTAM: I am going to have to find it.

Mr J.N. CAREY: For the record, we increased funding for the program from approximately \$5 million to \$7 million per annum. If the member gives me a line item, I can look at it.

The CHAIR: Is it page 755?

Ms L. METTAM: Yes, but this is a different question.

The CHAIR: Okay, so you are moving away from the recent development assistance program.

Ms L. METTAM: I refer to page 755 of the *Budget statements*. On page 755, it looks like there has been a \$21 million underspend.

Mr J.N. CAREY: Respectfully, member, I just need a line item. It is not just for me.

Ms L. METTAM: I am referring to “Key Adjustments” under “Financial Changes”.

Mr J.N. CAREY: What page is that again?

Ms L. METTAM: It is on page 755.

Mr J.N. CAREY: The \$21.8 million is the allocation to address demand for housing land in the Kimberley and goldfields regions. If we break that down, \$5 million has been allocated to Broome north stage 13 to deliver 26 lots; and \$16.8 million has been allocated for the goldfields at Greenview Estate, Kalgoorlie, to deliver 32 residential lots.

Ms L. METTAM: Just to confirm, it is not an underspend but an allocation into other parts of the budget.

Mr J.N. CAREY: Yes.

Ms L. METTAM: I turn to the 697 lots that the minister referred to previously following the member for Joondalup’s question. Can the minister provide a breakdown in terms of residential and industrial lots and their locations? By way of supplementary information is fine, given the time.

Mr J.N. CAREY: I will go through it. I said there were over 670 lots. I am advised that there are 692. In the Kimberley, there are 78 residential lots, 17 light industrial commercial lots and seven general industrial lots; in the Pilbara, there are 113 residential, 11 light industrial commercial and 55 general industrial; in the Gascoyne, there are 24 residential and one light industrial commercial; in the midwest, there are 48 residential, 16 light industrial commercial and 32 general industrial; in goldfields–Esperance, there are 73 residential and 11 light industrial commercial; in the wheatbelt, there are 93 residential and 22 light industrial commercial; in the Peel, there are 14 residential and 20 light general industrial; in the south west, there are seven residential and 11 light industrial commercial; and in the great southern, there are 32 residential and seven light industrial commercial. That is 482 residential lots, 96 light industrial commercial lots and 114 general industrial lots equating to a contracted total of 692 lots.

Ms L. METTAM: Can the minister provide that breakdown for the previous year?

Mr J.N. CAREY: I just read out the whole lot.

Ms L. METTAM: Can it be by way of supplementary information, just as a comparison of the quantum?

Mr J.N. CAREY: I just read out all the details for the member. I do not have that information on me.

Ms L. METTAM: Can the minister provide it by way of supplementary information just for the previous year?

Mr J.N. CAREY: It is not part of this budget. The member can go through the normal question on notice process.

Ms L. METTAM: I refer to financial changes on page 755, the same page and similar section, and the funding associated with “Housing Diversity Pipeline—Brown Street”. The funding figures are in brackets. Can the minister explain? It appears that the funding for this line item has been removed. Can the minister please clarify what the financial changes in the key adjustments table mean?

Mr J.N. CAREY: Just to clarify, is the member suggesting that it is a deduction?

Ms L. METTAM: I am asking for clarification.

Extract from *Hansard*

[ASSEMBLY ESTIMATES COMMITTEE A — Thursday, 23 May 2024]

p400b-403a

Chair; Mr Peter Rundle; Mr John Carey; Ms Libby Mettam; Ms Emily Hamilton

Mr J.N. CAREY: Just to be very clear, as I think I mentioned in my last answer about the housing diversity pipeline, we are pursuing Court Place, Subiaco; Smith Street, Perth; Pier Street, Perth; East Parade, Mt Lawley; and Brown Street, Busselton. That is an additional allocation in the budget. As the member would be aware, the housing diversity pipeline seeks to secure for Western Australian taxpayers a return of social housing or affordable rentals, or it could be a mixed development, but we want social housing. We are still in the process with the proponent, and I will make further announcements. It is in the member for Vasse's electorate and it will be a social housing contribution to Western Australia.

Ms L. METTAM: When will the housing be completed for each of the 12 sites identified in the original housing diversity pipeline?

Mr J.N. CAREY: I have answered this question about the housing diversity pipeline repeatedly in the upper house. As I indicated, five are at very detailed stages under various processes. We were always very clear with the housing diversity pipeline that we were taking surplus land, going to the market and identifying proponents. We also recognise that not all of that land, given constraints, could be viable in the current market circumstances. I am very pleased, and I am sure the member for Vasse will embrace having Brown Street as a social housing contribution in her electorate. I have already been on the public record about the delivery numbers on Pier Street. There will be further announcements as we progress about the number of dwellings to be delivered on Smith Street, Court Place, Brown Street and East Parade.

The appropriation was recommended.

[9.10 pm]