

**Division 58: Housing Authority, \$272 652 000 —**

Mr P.B. Watson, Chairman.

Mr T.R. Buswell, Minister for Housing.

Mr G.J. Searle, Director General.

Mr P. Whyte, General Manager, Commercial and Business Operations.

Mr S. Parry, General Manager, Service Delivery.

Ms L.M. Brooks, Executive Director, Business Operations.

Dr J. Butterworth, Acting Executive Director, Aboriginal Housing.

[Witnesses introduced.]

**The CHAIRMAN:** I will give the call to the member for Rockingham.

**Mr M. McGOWAN:** I have a large number of questions, so I will try to be efficient and hopefully I will receive efficient responses. My first question refers to page 701. Just so we work out the ballpark figures of what we are dealing with here, the overall total appropriation has declined by \$120 million or so from last year's budget. Can the minister detail what that decline comprises? Is it predominantly commonwealth money? What else is mixed in with the decline in appropriation for the Housing Authority?

**Mr T.R. BUSWELL:** Pretty much the most substantive impact sitting beyond that reduction in appropriation has been the expiry of the commonwealth stimulus money, which flowed through the 2009–10 financial year and the 2010–11 financial year.

**Mr M. McGOWAN:** Can the minister provide detail of what the decline comprises overall? I refer to the decline in the budget of last year, which I know is identical to the estimated actual, of \$120 million. Can the minister give a complete list of what it is? I do not mind if it is by way of supplementary information.

**Mr T.R. BUSWELL:** I will get Mr Whyte to work through some of the details of that reduction specifically in commonwealth appropriations.

**Mr P. Whyte:** I will go through the original budget, the reduction in appropriation, item by item. The first item is remote area Aboriginal housing, which reduced from \$9.754 million to \$3.754 million.

**Mr M. McGOWAN:** So that is state government contribution, through the minister.

**Mr T.R. BUSWELL:** It is, although there is an offset to that, with an additional \$20 million of state funding this year. I will ask Mr Whyte if he could perhaps focus particularly on the major one, the commonwealth stimulus package capital funding. By my reading of note 2, the capital appropriation has gone from \$241 million in 2010–11 down to \$20 million in 2011–12. Is that correct?

**Mr P. Whyte:** That is correct.

**Mr T.R. BUSWELL:** Can you outline what that particular commonwealth stimulus package capital funding is for?

**Mr P. Whyte:** The capital funding from the commonwealth stimulus package is for projects that are to be delivered by June 2012. There is still \$20 million worth of projects to be delivered by the due date of June 2012.

**Mr M. McGOWAN:** Stimulus money was always meant to be stimulus money and for a set period and so forth. I am still unclear about the breakdown of the \$120 million decline in appropriations for the Department of Housing. The minister is saying that the commonwealth has cut its effort by \$200 million or so—that is obviously not in that, because that is more than a \$120 million decline. What is the decline listed on page 701 in total appropriations?

**Mr T.R. BUSWELL:** To provide some clarity around that issue, I might ask the director general to make some comments.

**Mr G.J. Searle:** The \$220 million is a reduction in the commonwealth stimulus money. There is also a reduction from \$35 million to \$5 million in commonwealth money for the East Kimberley development program. However, there are a range of increases and new funding that offset it, which is why it is greater than the \$120 million reduction. There is \$43.5 million for Disability Services Commission housing. There is \$46.5 million for Mental Health Commission housing. There is \$12.8 million for intermediate care units at Joondalup and Rockingham for the Mental Health Commission. There is \$8.5 million for the Drug and Alcohol Office, and there is \$33 million for staff accommodation at Derby for the Department of Corrective Services for the new prison. They are the balancing items that bring it back to that difference.

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr Mike Nahan

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**Mr M. McGOWAN:** They are funded via the state; mental health facilities and so forth are funded under the housing budget and not under their own.

**Mr T.R. BUSWELL:** That is correct. That is a state appropriation. Government took the decision that a significant investment in new dwellings this year would be tagged specifically for the Disability Services Commission, which is a total package of around 169 dwellings; and for the Mental Health Commission, around 100 dwellings. There is some additional money for the Mental Health Commission for the intermediate care units at Joondalup and Rockingham; the Drug and Alcohol Office; and additional money that is effectively for government officer housing, but it is still part of the capital appropriation, to accommodate the workforce that will be employed at Derby prison. What the director general has outlined are some of the ups and downs, if I can put it that way, of the capital budget. There are also some ups and downs in the other component, which is the appropriations, non-capital items, including additional remote area essential services program funding, which was discussed. I am looking down the list here to try to identify the major ones. There was some town reserve regularisation program funding, some additional recurrent funds for stock growth funds and the like.

In the first line that the member is referring to, “Net Amount Appropriated to Deliver Services”, it went from 16 to 103. That is picked up by a number of items that I have just outlined, which are pretty much all money from the state. The town reserve regularisation is included in that.

[2.10 pm]

**Mr M. McGOWAN:** My next question relates to page 703—I refer to the bottom of the page—and the waiting times for people eligible for Homeswest accommodation. The budget target is 108 weeks. The minister was suggesting that the actual time frame was 98 weeks for housing people who were on the Homeswest waiting list. I presume that is what it is. I asked a range of questions of the minister about those, and the minister gave me roughly similar answers. In reply to the question I asked on 15 March, the minister indicated that the median time was 78 weeks, which is a bit different from what the budget says. My question is this: in light of what the budget says about the wait time to be housed, why are people advised that the wait time is six or seven years? The minister says in the budget that the wait time for the last financial year was 96 weeks, a bit less than two years, while people in the metropolitan area are almost always advised that it takes five, six, seven years to get access to public housing. How do those two figures reconcile?

**Mr T.R. BUSWELL:** The two figures reconcile because the figure reported here is the average and the average includes people on the priority waiting list, who are housed as quickly as possible, depending on level of priority —

**Mr W.J. JOHNSTON:** That cannot be right.

**Mr T.R. BUSWELL:** Sorry?

**Mr W.J. JOHNSTON:** I did not mean to interrupt the minister. We are advised that the expected wait in the Cannington region for priority housing is 78 weeks.

**Mr T.R. BUSWELL:** People on the priority 1 list are housed as quickly as possible based on that priority. That is how it has always been. The advice I am given is that the wait time reported in the budget is the average wait time. I would imagine that the methodologies for calculating that average have remained unchanged for some time. I imagine that that average figure has increased a little in recent years to reflect the step up in the waiting list that occurred.

Simply because someone is on the waiting list, it does not necessarily flow on that that person is in extreme housing stress. I mean a lot of people on the list are in extreme housing stress, but a lot of people are not. Going into social housing is an attractive option for some people, because the rents are relatively cheap compared with what someone would pay in the market. There will always be people who hop on to the waiting list not because they are in extreme housing stress, but because, ultimately, it is a reasonable option for them to pursue. Those people are entitled to pursue that option and go on the waiting list if they meet the criteria; there is not a problem with that. Simply because someone is on the waiting list, it does not always follow that that person is in extreme housing stress.

The number of applicants on the waiting list, which by extension relates to the average wait time, peaked late last year at about 24 735. That number has now declined by about 1 000. The number of applicants on the waiting list at the end of April was 23 761. I am hopeful that the investment that we made in large part with the commonwealth will help address some of those waiting list pressures.

**Mr M. McGOWAN:** With all due respect, I find it hard to believe that that is the wait time even when we roll in the priority list. I will tell the minister why. There are two reasons. Priority list applicants are generally about a fifth or a quarter of the number of people on the wait list. If we roll priority list applicants in with the total

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr  
Mike Nahan

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amount, even if someone on the priority list is housed within a week or two weeks, the total number of people on the wait list is large. The number of people outside the priority list is much larger than the number of people inside the priority list. People who come to see me in my electorate office in Rockingham bring me letters such as this one from housing services in the Department of Housing. This letter is dated 2010. The Department of Housing advised that —

The Department of Housing in Kwinana is currently housing applicants that applied in March 2004.

**Mr T.R. BUSWELL:** Good.

**Mr M. McGOWAN:** Good? Okay.

**Mr T.R. BUSWELL:** I am glad that those people are being housed.

**Mr M. McGOWAN:** That essentially means that people in the south metropolitan area are waiting six years to be housed. If the minister is saying that the wait time is less than two years, why are these letters being sent to people?

**Mr T.R. BUSWELL:** I would imagine that that figure would vary from region to region. The advice I have is that the wait time for accommodation applicants housed, which appears on page 703 of the *Budget Statements*, is an average wait time consistent with an average wait time measure that has been used for some time. In addition, the director general just informed me that the target ratio between priority and non-priority is about 50–50. The department endeavours to spread the available housing across the waiting list.

**Mr M. McGOWAN:** What is the average wait time for people on the priority list?

**Mr T.R. BUSWELL:** The average wait time for people on the priority list as at 30 April 2011 was 51 weeks. The average wait time for all people was 103 weeks, which I think we are referring to here. The median wait time was 83 weeks. The average wait time varied from region to region. I will go through that with the member.

**Mr M. McGOWAN:** How many people are on the priority list?

**Mr T.R. BUSWELL:** There were 3 331 applicants on the priority waiting list. The wait times by regions vary. As at April 2011, some of those variances are as follows, bearing in mind that this is on an average of, I am assuming, 103 weeks: north metropolitan, 106 weeks; south metropolitan, 111 weeks; south east metropolitan, 118 weeks; Great Southern, 75 weeks; Goldfields 83 weeks; Pilbara, 97 weeks; Wheatbelt, 69.7 weeks; and so on. It is also fair to say that those average wait times have increased over the past year. That would be picked up in the budget paper by the average wait time increase from 93 weeks to 103 weeks.

**Mr M. McGOWAN:** To finalise this particular point, once again I do not think the minister's maths adds up. The minister said that the priority list is roughly half the number of people on the wait list. The minister said that the total number of applicants on the wait list is 23 700 —

**Mr T.R. BUSWELL:** I did not say the wait list was half. I said that half the houses are going to people on the priority list and half the houses are going to people not on the priority list.

**Mr M. McGOWAN:** There are 3 000 priority applicants, who are getting housed within 51 weeks. The minister is then saying the average is —

**Mr T.R. BUSWELL:** Fifty-seven weeks.

**Mr M. McGOWAN:** I wrote down what the minister said. Okay, 57 weeks. The minister then said that the average is 103 weeks overall. Why are these people getting these letters saying that they must wait six years?

**Mr T.R. BUSWELL:** I do not have the letter. I ask Mr Parry whether he wants to add anything.

**Mrs M.H. ROBERTS:** People in Midland get the same letters.

**Mr S. Parry:** There are different geographical zones and different dwelling and property types. Therefore, it depends where someone wants to go and what type of house they want. If someone is after a four, five or six-bedroom property, which we have fewer of, in a high demand area, it takes a lot longer for that person to be housed. Our base housing is three-bedroom houses. Therefore, if someone is after a three-bedroom house in an area where we have a lot of stock, the turnover is really quick.

[2.20 pm]

**Mr T.R. BUSWELL:** Thanks, Mr Parry, for clarifying that. That may well explain, depending on individual circumstances, why the letter would be different for applicants in the same area who are seeking a different type of property. That perhaps brings some clarity as to why the letter may say seven years.

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr  
Mike Nahan

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**Mr M. McGOWAN:** Six years.

**Mr T.R. BUSWELL:** I am not privy to the detail of what that person has asked for.

**Mr M. McGOWAN:** I can give the minister a copy of the letter if he likes. It is not secret, but it is common. I am telling the minister it is common. That is why I find the minister's answer difficult to believe.

**Mr T.R. BUSWELL:** Let me clarify —

**Mr M. McGOWAN:** I represent Rockingham, Kwinana and so forth, and I am the shadow Minister for Housing, so I get lots of these letters. I have to tell people they have to wait six years. If the minister tells me I can now tell people they have to wait two years, that is good news.

**Mr T.R. BUSWELL:** No. As Mr Parry just pointed out, the methodology for determining the waiting time, as I understand it, has been the methodology used for many, many years. There has been no change to that. It is a calculation of the average. The composition of that average is many and varied. As Mr Parry pointed out, in some circumstances people request to live in a certain area in a certain type of accommodation. It may well be that there is a shortage of that type of accommodation in that area. If that is the case, the Department of Housing, appropriately, points out the realistic wait time for that individual in those circumstances at that time in that area. Therein lies what I think is a very clear explanation as to why we have movements in and around the average, when the average has been built on the back of a long-term practice of determining average wait times.

**Mr W.J. JOHNSTON:** Is the minister saying that this is the actual average wait time, or is this the average of the average? If the Wheatbelt has a short wait time but there is comparatively small demand, whereas, say, the Cannington region has a very long wait time but there is a large demand, if we average the average, we would not get a real picture. If we average the actual wait times —

**Mr T.R. BUSWELL:** My understanding is that this is the average of the actual. It is not an average of the average. I will point out another little interesting statistic, which is an empirical observation: the median wait time is 83 weeks; the average wait time is 103 weeks. Glancing back historically, the median wait time has always been well under the average. Median is where most people are; average is higher than median. Therefore, the distribution must have a number of people at the extreme. The number of people at the extreme adjusts the average up from the median. If it was the other way around, it would be the other way; and if it was perfectly normal distribution, it would probably be the same. It is an interesting observation.

**Mr I.M. BRITZA:** Is this waiting list of six years a recent anomaly or is it something that goes back a few years?

**Mr T.R. BUSWELL:** Member, that probably was not a question we wrote for you! I am only joking; it is a good question.

The waitlist has gotten longer and, by extension, the waiting time has gotten higher in recent years. There is no getting away from that. I will perhaps highlight it by looking at the shift in the waitlist from 2007, when there were 15 400 applicants on the waiting list, to 2010, when 24 000 applicants were on the waiting list. That is a significant shift—9 000 people added to a waiting list of 15 000. That is about a 60 per cent increase in the size of the waitlist. At the same time, the average waiting time has also increased. The average waiting time has gone from, say, 83 weeks to 103 weeks, which is about a 25 per cent increase. Why did that happen? As we came out of the 2004 to 2006 property bubble, a whole lot of things happened that impacted on social housing demand—housing prices went up followed by an increase in rents. We had a historic underinvestment in social dwellings and a massive surge in demand. We are slowly starting to address that now through investment in social housing. Again, I acknowledge the role played by the commonwealth in that—I always do; I am happy to take the money —

**Mr W.J. JOHNSTON:** Except in question time!

**Mr T.R. BUSWELL:** I am very generous to the commonwealth. We have a very good relationship with the federal housing minister, Jenny Macklin, and, previously, Tanya Plibersek. I look forward to meeting the new housing ministers. I take some comfort in the fact the waiting list peaked last year and is now 1 000 lower. That means we found properties for 1 000 people. It is a long-term issue. It did not creep up on the government. One risk Western Australia has at the moment, from a broader housing perspective, is that we are not investing in enough dwellings. The state's population is still growing quite strongly, so inevitably there will be other pressure points in the property market. Those pressure points are generally house price inflation—that is, a price bubble, which happened in 2004 to 2006—and rents pushing up. There is a significant demand for rental properties —

**The CHAIRMAN:** I am sure the minister is going to get to the end of this question in a moment!

**Mr T.R. BUSWELL:** I am, Mr Chairman, but I want to make the point that housing is complicated.

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr Mike Nahan

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**The CHAIRMAN:** Yes, I know, member.

**Mr T.R. BUSWELL:** The statistics are important but it is also a part of the broader narrative.

**The CHAIRMAN:** The member for Morley had better ask a written question this time!

**Mr I.M. BRITZA:** Under the heading “Asset Investment Program” on page 707 of the *Budget Statements*, \$12 million has been allocated for Indigenous visitor hostels. What exactly is the purpose of these hostels?

**Mr T.R. BUSWELL:** Was that page 706, member?

**Mr I.M. BRITZA:** It is halfway down page 707. It is for the years 2011–12 and 2012–13.

**Mr T.R. BUSWELL:** My apologies. These are an important development. The amount of \$12 million is to assist us in the construction of Indigenous visitor hostels in Kalgoorlie and Broome. I will explain what they are. The South Australian government has two of these—one in Ceduna and one in Port Augusta. They are very, very good. Kalgoorlie is a classic case in point. Groups of people living on the traditional lands come into town. In Kalgoorlie, people either come in from the lands up around Warburton—which is pretty much catered for—or from the desert, effectively along the railway line heading to the border. These are commonly referred to as the Spinifex people. The Spinifex people who currently come into Kalgoorlie stay in the most woeful of conditions. The place where they stay is effectively a park—it is not even a park; it is a bit of bush near the Super Pit. There are a couple of old dunnies there and some old bits of pipe. Big tyres full of sand have been put around the joint to stop the local yahoos driving through at high speed trying to give people a fright at night. It was a bit of sport for a while; it is really bad. The member for Kalgoorlie and I visited that area; it is terrible. We are keen to embrace the model used in Ceduna, which also accommodates people who live on traditional lands who need to come into town for a range of services. The accommodation is tents and some more substantive park home-type accommodation. There is a range to suit different people. Also at Ceduna is a block for seniors who come into town for dialysis and other things. These places require communal facilities, including a dining room, and also an opportunity for service providers to cater for Aboriginal people who come to stay. It is a really good model. There is no grog; it is all fenced off. It works really well. It basically stops people camping in an itinerant way around town.

In Kalgoorlie, we located a site across the road from the prison in Boulder. Despite the mayor’s excitement for the project when we first met him—when the public found out, the mayor became less excited!—we have moved. That was a good process. We have now purchased the old Boulder golf course from the City of Kalgoorlie–Boulder.

**Mr W.J. JOHNSTON:** Oh!

**Mr T.R. BUSWELL:** I am sorry, member, but this is an important project.

**Mr W.J. JOHNSTON:** I am sure it is. A ministerial statement would be much easier than doing it here.

**Mr T.R. BUSWELL:** I was asked a question about it.

**Mr W.J. JOHNSTON:** I know, because the minister arranged it!

**The CHAIRMAN:** Come on, members, please!

[2.30 pm]

**Mr T.R. BUSWELL:** I do not have any notes about it, so I do not know if I did arrange it; but it is a very good question, whoever arranged it.

The process has been a bit slow, because of the community consultation, and because we needed to be responsive. But we are now moving forward with the plans at the old Boulder golf course, and that will be great.

To wrap up, in Broome it is far more problematic, unfortunately, to try to find a footprint that is suitable to stakeholders—that is probably the most polite way of putting it—but I will be going to Broome next week to try to bring this forward. This sort of innovation, and the things we are doing around employment-based accommodation in Halls Creek and through the Kimberley, are really exciting innovations, and they are heavily supported, if not financially at least in spirit, by the commonwealth, in particular Jenny Macklin.

**Mr M. McGOWAN:** I refer to page 702 of the *Budget Statements*, the second last dot point under “Significant Issues Impacting the Agency”, the state affordable housing strategy. Obviously that strategy is fairly comprehensive and relates to the issue of affordable housing and homelessness. Homelessness has been brought into focus recently with some of the rallies that have been conducted at the front of Parliament House by some homeless people who took offence at the comments of the Minister for Police about people who are homeless, and CHOGM. Those rallies have been partly organised by a fellow called Corey Wilkinson, who came to Parliament House the other day. As the minister would know, he is keen to catch up with the minister and

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr  
Mike Nahan

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express to the minister the way he has to live. I met with him and a bunch of other people, and I also saw in the paper the place in which they are living—an alleyway in East Perth.

I have a couple of questions for the minister. Firstly, does the minister have the latest figures on the number of people in Western Australia who are known to be homeless; and, if the minister does have those figures, how do they compare with the figures for past years? Secondly, as the minister knows, Mr Wilkinson has been keen to say hello to the minister and express to the minister what is going on in his life. Will the minister provide Mr Wilkinson with five minutes of his time to say hello and hear what he is going through? I think that is all he is asking for.

**Mr T.R. BUSWELL:** At some stage we will meet with him, I am sure. He is not the first person. Homelessness is a major issue. I had a homeless lady camp outside my electorate office for nearly two weeks. She was homeless because of a range of other challenges that she had. That was very unfortunate. That lady ended up having to be taken to a mental health facility, and she is now being treated. Homelessness is a great blight on our society.

The figures that I have are from a homelessness report in 2009. In 2009, there were 13 391 homeless people in Western Australia; and that comprised 2 392, to quote the term, “rough sleepers”.

I want to talk about the state housing strategy, which the member has raised, and homelessness. One of the things highlighted by the work that led up to the state affordable housing strategy was that we need to change our approach to dealing with homeless people. There is a really good example of that in your electorate of Albany, Mr Chairman, at Prospect House. One of the things we have learnt is that if we take a homeless person and provide that person with, for example, a property, without any other support or resilience building or capacity building, the sad reality is that the person will probably be homeless again in a very short period—whether it is mental illness, drug and alcohol dependency, or any one of a range of other factors that may lead to homelessness. Therefore, we have had to change our strategy and our approach. Prospect House is a very, very good example at a micro level. I occasionally make fun of the member for Albany about some comments that he has raised with me about the concerns of local residents about Prospect House, but it is entirely appropriate that he has raised them. Prospect House is in a general area of Albany. I think five or six people are living there—men; it is a men’s refuge. The services at Prospect House are provided by Vincent Care. I have met with the men there. We had lunch with them. They have to work through a very intensive program in Vincent Care to build their skills and their resilience, so that when they leave the homeless shelter, for want of a better term, or facility, and they move into transitional housing, and hopefully one day become tenants, they will do that with some confidence that they will be able to transition through the housing spectrum. That was a really important lesson, and we are doing that, member.

It is interesting that the member for Rockingham talked about East Perth. I would encourage the member to call Lynne Evans at St Bartholomew’s House and look at that facility, which we have funded at a cost of \$20 million plus, in Lime Street in East Perth. It is a great initiative.

**Mrs M.H. ROBERTS:** It was an initiative of our government.

**Mr T.R. BUSWELL:** I said it is a great St Bart’s initiative. Okay? All we did is give them \$20 million.

**Mrs M.H. ROBERTS:** I just suggest that the minister is taking credit for it. That is all.

**Mr T.R. BUSWELL:** I am not taking credit, member. I am always prepared to acknowledge when other people do good work—normally compared with me, that is a lot of people. It is a great initiative. It is over \$20 million. The one thing St Bart’s and Ian Carter taught me—Ian Carter is at Anglicare, of course—is that a facility like Lime Street’s does not have just a front door; it also has a back door. That means that when people who are homeless go into that facility—this is a very important issue that the member for Rockingham has raised—they come out with the capacity to be independent tenants. St Bart’s, which is a much bigger version of Prospect House, is a traditional homeless facility. But the people at that facility can then move through various stages of independent living, to the point at which there is permanent independent living, and also the capacity to then leave St Bart’s and move into supported accommodation, and hopefully one day into an individual tenancy with Homeswest. We have learnt a lot from that. We are doing a lot of work now with the Salvation Army. I think we have signed a heads of agreement with the Salvation Army to do the same thing. These are innovative approaches to dealing with homelessness.

Our approach to homelessness is about new approaches and new solutions. That is one of the strategies under the affordable housing strategy.

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr  
Mike Nahan

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**Mr M. McGOWAN:** The minister said in 2009 there were 13 300 people in Western Australia who were categorised as homeless. Does that include spouses and children; and, if not, how many children in Western Australia are homeless?

**Mr T.R. BUSWELL:** I do not think I have access to that breakdown.

**Mr M. McGOWAN:** Because often the figures are only for the primary person who is seeking accommodation.

**Mr T.R. BUSWELL:** My understanding is that that is the total number, on advice from the director general.

**Mr M. McGOWAN:** So, in 2009 there were 13 300 homeless people. Does the minister have the 2010 figures?

**Mr T.R. BUSWELL:** No. Those figures were collated as part of the Department for Child Protection homelessness state plan. I assume that is an available document and it would have that data in it.

**Mr M. McGOWAN:** My second question goes back to my original question. I asked the minister about Mr Wilkinson. The minister obviously met with the woman who had camped outside his electorate office. Will the minister provide Mr Wilkinson with five minutes of his time to hear about his case?

**Mr T.R. BUSWELL:** We will consider that.

**Dr M.D. NAHAN:** They were not very flash appearance-wise, but there used to be quite a few hostels and hotels for, particularly, men, on a low income, with no other accommodation, and often with a drug addiction. Do they still exist in the private sector?

**Mr T.R. BUSWELL:** Yes, they do. They were euphemistically termed flop houses.

**Mr W.J. JOHNSTON:** There is one at the end of my street, Franciscan House.

**Mr T.R. BUSWELL:** Some of them are operated by traditional church-based groups. St Bart's started basically with mattresses on the floor at St Bart's church in East Perth. There are places in Fremantle, and all over the place, that provide that sort of service. The point I am trying to make is that that is okay for treating the symptom, but we really need to treat the cause. Often people are in that situation for a range of complicated social factors. That does highlight the point that we raised earlier about where the money is going this year. We made a conscious decision to invest in houses for people with mental health challenges, and to invest in houses for people with drug and alcohol challenges. I have to tell the member that one of the most difficult outcomes of our disruptive behaviour management strategy that I have seen was the notes on a person in the northern suburbs who we evicted under the DBMS. That person was a schizophrenic, and in certain states that person would cause absolute mayhem to the people who lived in the block of units in which he was living.

Under our strategy, we had to evict him. I said this in this place, but it is a grey area and people will say, "Gee, that shouldn't have happened." That may have been one such case but, under our strategy, he had to go.

Providing these 100 dwellings for the Mental Health Commission is, I think, a fantastic initiative. They will be places where we can wrap the appropriate services around these people. I have just been informed that the department owns approximately 13 lodging houses run by non-government organisations. I would be interested to know whether that includes Esther house in Lesmurdie, which we bought to replace three or four terribly old and run-down joints on South Terrace. The Esther Foundation is fantastic. Again that work is supported by the department in a role that not many people understand the department plays. Again, it is a good outcome.

[2.40 pm]

**Dr M.D. NAHAN:** I refer to the sixth dot point on page 703 about the allocation of housing stock. As I understand, in the past there has been a peppercorn policy whereby the Department of Housing sprinkles houses across areas.

**Mrs M.H. ROBERTS:** Salt and pepper, not peppercorn.

**Mr T.R. BUSWELL:** It might be rock salt and peppercorn!

**Dr M.D. NAHAN:** Excuse me—correction accepted.

I heard the member for Willagee state in the house that approximately 30 per cent of his constituents live in Homeswest housing. Does the policy of sprinkling houses across communities still exist; and, if not, how does the department allocate houses for both new housing stock and the remodelling of old housing stock?

**Mr T.R. BUSWELL:** I think it would be a fair thing to say that it is always a delicate balance. In some suburbs, it is the view that the densities are too high—mainly older suburbs. In newer subdivisions, we have aimed for, I think, a one-in-10-type arrangement. Historically, it has been different in some suburbs. I recently met with people from the Town of Victoria Park, where in some streets public housing densities are too high. We can go

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr  
Mike Nahan

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into those areas and do one of two things: we can sell some of the properties, but perhaps a more innovative solution is to look to redevelop the built form to come up with a better outcome. Some of that redeveloped built form might be retained for social housing. Often the reason for social housing in an area is that it is a good spot to live because it is close to public transport, services and the like. We will look to redevelop that area by way of built form development. We will sell some of that built form redevelopment to automatically break up the mix of home ownership. Some of those sales will be via our shared equity scheme, and some properties will be put straight onto the market. Some of the properties will be transferred to the community housing sector for its operation, and some may be kept by the department. It really is horses for courses. Under the high-value property strategy, when high-value properties come onto the market—I am pretty certain that our definition of a high-value property is that it is approximately twice the median house price—we will look to sell the property, because generally we can sell the property and reinvest the money into other areas.

It has been interesting to look at where the properties are that have been sold. When we brought in that policy, people said that it was all about selling properties in the western suburbs. We have sold some properties in the western suburbs, predominantly in Mt Claremont, which has a lot of big lots with very old houses. I visited a couple of these properties and the houses were quite old. There have also been a number of sales under that policy in Manning, Karrinyup, Doubleview and a range of other suburbs. The advice I have is that to date we have generated about \$20 million in revenue from the sale of 18 properties, and that \$20 million has been reinvested in the spot purchasing of some 25 dwellings, and also in the construction of a number of units. I do not have the exact number on this piece of paper. However, that has worked well and it really was a combined effort. Areas of high-density state housing are found in different suburbs, and the impact on those suburbs varies. Certainly, at the meeting I had with the Town of Victoria Park, one or two streets had been impacted, and we gave an undertaking to have a look at what we could do there. Similarly, in Bunbury—in Littlefair Street, Withers, where some of the behaviour of public housing tenants has been atrocious and the treatment of residents terrible—we are going to sell some of the public housing stock because it is my guess that people have put up with too much for too long.

**Mr M. McGOWAN:** I refer to page 707 and to the item “Construction and Purchase of Regional Officers Housing” that is listed halfway down that page. I know that Government Regional Officers’ Housing—GROH—is scattered throughout Western Australia. By way of supplementary information, I would like to know: how many people—that is, public servants—have been evicted from GRO housing in the past year; how much money had to be recouped from damage to those properties; and which agencies were involved?

**Mr T.R. BUSWELL:** I do not have the information about damage, nor do I have the information about which agencies were involved. I am not aware of any evictions, but that is not to say there have not been any. It would be interesting to see how an eviction from a GROH property would work. However, sometimes, we provide GROH properties in difficult environments. I was in Roebourne recently, and there have been some behavioural issues in and around some of the GROH properties at Roebourne.

**Mr M. McGOWAN:** I am interested in that specific information. Is the minister saying that that is not collated anywhere in government?

**Mr T.R. BUSWELL:** I am saying that if the member asks us the question, we will be able to get him that information.

**Mr M. McGOWAN:** Can I ask for it by way of supplementary information? Which agencies are involved; how many people have been evicted; what was the cost of the damage; and what costs were recouped? That is four questions.

**Mr T.R. BUSWELL:** By way of supplementary information, I can provide that information to the best of our capacity to collate that information.

**Mr M. McGOWAN:** Okay; that is good.

**The CHAIRMAN:** Could the minister let us know what he will provide?

**Mr T.R. BUSWELL:** Basically, we will provide the information around GROH properties. That information will detail evictions, if any, from GROH properties; it will detail damage caused to and evictions from GROH properties, department by department, if possible; and it will provide information on the recouping of costs to pay for damage.

**Mr M. McGOWAN:** That sounds good.

[*Supplementary Information No A44.*]



Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr  
Mike Nahan

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**Mr T.R. BUSWELL:** By way of additional information, as at 30 April, I understand that we had some 5 611 GROH properties. From the government's point of view, at this stage GROH still excludes Western Australian health department properties. We are currently working with the health department to move its properties across into the GROH portfolio. It makes a lot of sense to me. Currently, the Department of Health has its own little property management section, which strikes me as being very odd, but it is proving to be a little hard to winkle out information on those properties from the department. A nurse or doctor in a country town does not live in a GROH property, but in a Department of Health property. However, we soldier on. Of the 5 611 properties, the composition is as follows: 131 one-bedroom properties; 805 two-bedroom properties; 2 775 three-bedroom properties; and 1 900 four or more bedroom properties. I have to say that one of the challenges is that some agencies insist on providing three and four-bedroom properties for a single occupant. That is a bit of an issue. However, the agencies argue that they need to offer that style of housing to attract people to some of the more remote areas—that is more of an observation—and some of those GROH properties now include the housing supplied, at your insistence, Mr Chairman, to police officers in Albany.

[2.50 pm]

**Mr M. McGOWAN:** I refer to the service summary related to land, which I assume is land provided by the Housing Authority, on page 702 of the *Budget Statements*. I have a question about the land located between Mirrabooka Avenue and Milldale Way, Mirrabooka. I have had a look at that land; I think there are 16 hectares of prime development land there. When will that land be developed for housing? Are there any plans for it? If the minister cannot answer today, can the answer be provided by way of supplementary information?

**Mr T.R. BUSWELL:** I will ask the relevant officers to provide some more information. That is a parcel of land near what we call the Mirrabooka town centre.

**Mr M. McGOWAN:** It is nearby.

**Mr T.R. BUSWELL:** It is to the west of it, on the corner loosely bound by Mirrabooka Avenue and Reid Highway.

**Mr M. McGOWAN:** Reid Highway might be to the north; I think it is Milldale Avenue.

**Mr T.R. BUSWELL:** I will ask the agency officer to give a more detailed answer if he can; if not, I am happy to provide one on notice. This has been a bit of an ongoing saga. For some time there was some not inconsiderable discussion in government about the split of some of that land. Some of that land is earmarked for a future health facility, not a hospital. The member for Midland was probably involved in this debate!

**Mrs M.H. ROBERTS:** I remember it well!

**Mr T.R. BUSWELL:** The debate went on for years!

**Mrs M.H. ROBERTS:** I never had any money in a budget to do anything with it.

**Mr T.R. BUSWELL:** The health facility could either go on the west side or the east side of the land, and the Department of Health wanted to put the health facility on the east side and housing was to be put on the west side. That would have meant housing being up against Mirrabooka Avenue and Reid Highway. The Department of Housing wanted to put housing on the east side, because at the end of the day, the health facility will not be an inpatient facility, but some other sort of health facility.

**Mrs M.H. ROBERTS:** The City of Stirling will be interested in that land, too.

**Mr T.R. BUSWELL:** We eventually resolved that matter with the Department of Health, although now we may not have. We have invested a lot in that Mirrabooka town centre upgrade with the bus station, and there have been other seedings of property across the City of Stirling to help with that. We also invested a significant amount of money through the federal stimulus package. We were there with Senator Pratt when we launched that development a couple of years ago; it was another good development in that area. I do not have the detail on the specific area of land that the member asked about, perhaps Mr Whyte does. If he does not, I will get a summary for the member of what is planned there.

**Mr P. Whyte:** I prefer to provide the member with a detailed explanation of the plans for the whole site, and the options we have, as we are looking at a number of options for that site.

**Mr M. McGOWAN:** Will that be by way of supplementary information?

**Mr T.R. BUSWELL:** It can either be supplied by way of supplementary information or by way of a briefing. It might be better for the member to have a sit down briefing with the department. I am not trying to be smart, but there are a number of machinations in relation to that site that probably cannot be adequately explained in a briefing note. If the member has an interest in it, I am very happy —

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr Mike Nahan

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**Mr M. McGOWAN:** I would prefer a briefing note for the simple reason that the local member representing the area has more of an interest in the matter.

**Mr T.R. BUSWELL:** The local MP can come to the briefing.

**Mr M. McGOWAN:** I would prefer a briefing note; I ask the minister whether I can get a briefing note.

**Mr T.R. BUSWELL:** We can provide a briefing note subsequent to the member's briefing. I think that a departmental briefing for the local member, who is the member for Nollamara, and other interested members from that area would be a better outcome. I am not trying to dance around the issue because, as I understand it, there are a variety of options for that land, and a briefing at which the members could look at a map of the area and see how those options could be delivered and arranged would be best. It is an important program for the City of Stirling, for the local member and for local residents. It is just a much better outcome.

**Mr M. McGOWAN:** If local MPs and I could have a briefing, it would be great.

**Mr T.R. BUSWELL:** And any other members.

**Mrs M.H. ROBERTS:** The member for Balcatta would be interested.

**Mr T.R. BUSWELL:** As would upper house MPs.

**Mr W.J. JOHNSTON:** Can the minister clarify whether that is the land that the Department of Housing says is related to a land swap with Department of Health land on Cecil Avenue, Cannington, adjacent to Department of Housing land on the corner of Cecil Avenue and Sevenoaks Street?

**Mr T.R. BUSWELL:** The member is right; there has been a historic trail of land swaps that the Departments of Housing and Health entered into going back aeons. I think we have just about scrubbed those. The swaps were to do with the delivery of something that most people have forgotten about and just became an argument that was going nowhere. The Minister for Health might have decided that we needed to just get on and do what we had to do. The short answer is no.

**Mr W.J. JOHNSTON:** Tangential to this issue, does the Department of Housing still intend to acquire the Department of Health land on Cecil Avenue, Cannington?

**Mr T.R. BUSWELL:** Strewth, I have no idea.

**Mr W.J. JOHNSTON:** That is fine.

**Mr M. McGOWAN:** I refer to minor works on page 708 of the *Budget Statements*. I will take minor works to mean repairs on social housing. I have an answer to a question on notice dated 6 April 2011 that refers to the key performance indicators for repairs to public housing undertaken by the three private contractors that the department organised back in 2009 to undertake this repair work. The answer indicates in relation to priority work and emergency work, that compliance with key performance indicators is between 36 and 78 per cent. I would be interested in the minister's view about whether that is acceptable; I would not have thought that it was. Is that range of compliance acceptable? Does the minister expect it to improve? Can the minister provide a breakdown on the various regions that Homeswest is responsible for—south west, south east, Perth north and so forth—and on the times for compliance for each of those areas on that priority and emergency work?

**Mr T.R. BUSWELL:** I have the figures until the end of April. I do not think those figures are acceptable. It means that the contractors involved miss out on their bonus payments or rather their contractual payments for delivering within the KPIs—bonus payment is not an appropriate term. Very few existing contractors have got to a point on the KPIs at which they will receive full payment; I think that that is around \$2.5 million out of \$100 million spent that the contractors will not get access to. One challenge is that because we never reported against KPIs under the old model, when things were centrally managed, it is difficult, using the KPIs, to understand whether the outcomes are better, worse or the same. It is a little bit of an issue, but there is not much we can do about that, because we cannot travel back in time and report on that. I suppose we can monitor the percentage of complaints that come through the department's direct line. In the middle of the back half of last year the number of those calls was too high; that number is now back towards historic levels. I will talk about that in a second. In relation to KPIs, first, it is hard to compare current outcomes with what has happened before because the KPIs did not exist and no-one reported against them. Second, non-compliance with KPIs is not contractually acceptable and contractors will be penalised, and at this stage of the year the penalty is \$2.5 million.

**Mr M. McGOWAN:** It is not really a penalty; it is non-payment of a bonus. Is that what the minister is saying?

**Mr T.R. BUSWELL:** No, it is a penalty. If contractors comply to KPIs, they get a payment; if they do not, they get \$2.5 million less than that payment. That is the penalty.

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr  
Mike Nahan

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**Mr M. McGOWAN:** I think it depends how we look at it. They receive ordinary contractual payment, but do not receive additional payment if they do not comply with the KPIs.

**Mr T.R. BUSWELL:** No, they get their ordinary contractual payments if they deliver within the KPIs, but get less than the contractual payment if they do not deliver to the KPIs. It is the same argument from a different perspective; it sometimes happens in this place!

**Mr M. McGOWAN:** It is a glass half full argument.

[3.00 pm]

**Mr T.R. BUSWELL:** Always chirpy!

The requirement for KPI 1, emergency after normal hours, is three hours. They are on the job within three hours. I will work through these figures, which are for April. They are as follows: Goldfields, 50 per cent; Kimberley, 58 per cent; metro Fremantle, 66 per cent; metro north, 59 per cent; metro south east, 61 per cent; Mid West, 62 per cent; Pilbara, 38 per cent; southern, 59 per cent; South West, 78 per cent; and Wheatbelt, 64 per cent. They range from 38 per cent in the Pilbara, which is very low, through to 78 per cent, none of which are therefore compliant. The minimum compliance is set at 95 per cent.

Another interesting aspect of the head contract and maintenance model is the number of properties that are vacant awaiting maintenance. Late last year and early this year that number got up to about 530 properties, which is a very high level. The figures I have are a little old. I get these figures every week because I have a strong interest in this. The latest figure from 27 May is 263. I am comfortable that that is a reasonable level of properties vacant awaiting maintenance when we consider that we have well over 40 000 properties and the nature of our tenancies is such that when people leave, some of those properties require maintenance. That is just a fact. It has come down significantly from 529.

I am also looking for the figures on the percentage of complaints that come in. I do not have that at the moment but the advice is that that has pretty much returned to historic levels. If we had those KPIs historically presented, we could probably understand how the head contracting model is truly performing against what the Department of Housing used to do. Unfortunately, KPIs did not exist under the old system.

**Mr M. McGOWAN:** The minister has obviously detailed off the regions for emergency work, which is three hours. I am interested in the results of the various regions for the other types of work—priority work, routine work, major works and so forth. Is the minister able to provide those figures today or by way of supplementary information so we can get the exact readout on how the work is going?

**Mr T.R. BUSWELL:** Yes.

**Mr M. McGOWAN:** Secondly, I think the minister advised everyone's favourite journalist, Howard Sattler, that he would release these results to him on a monthly basis. Is the minister doing that?

**Mr T.R. BUSWELL:** He has not called me back. I literally wait every day. I say to my media person, Jaimee, "Has Howard called?" Howard, if you are listening, call me. I look forward to those meetings with Howard. I am very happy to go down there every month. I told him, and he spurned me. How does that make me feel?

**Mr M. McGOWAN:** I quite like Howard.

**Mr T.R. BUSWELL:** I like Howard too. He is an Eagles supporter and he likes going to the races. He is an all-round good bloke.

**Mr M. McGOWAN:** I am sure his interpretation was that the minister said he would send the results to him rather than him having to call the minister.

**Mr T.R. BUSWELL:** No, because I have had a subsequent conversation with his producer, who is even nicer than Howard. He said, "We'll get that sorted out." If Howard's producer is listening—I am sure they listen to Parliament—I ask them to get on the phone and we will come down. I am happy to do it. I am happy to hold up my end of the contract. I am sure he did not deliberately spurn me.

**Mrs M.H. ROBERTS:** Just get over it.

**Mr T.R. BUSWELL:** I cannot. The member has no idea how much this has impacted on me. Often Howard rings and I reluctantly go to the phone and then hold it a long way from my ear, as I am sure the member for Rockingham would have done when he was a minister. He does have a certain way. I am happy to talk to him about this; it is an important issue. We will take the good news and the bad news with the up and the down. Howard, if you are out there, call me because I am just waiting!

**Mr M. McGOWAN:** I am sure Howard's producer will hear about that. In light of that, can the minister provide those figures for each of the other categories—priority, routine, major and other works—as to compliance with

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr Mike Nahan

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KPIs? The minister has read out the figures for emergency works. I am keen to find out about the other categories as well.

**Mr T.R. BUSWELL:** I will go through them now. There are seven KPIs in total. I will have to get back to the member with KPI 2 because it says “TBA” on the piece of paper that I have, and that is after hours. I will read down the list for KPI 3: Goldfields, 23 per cent; Kimberley, 40 per cent; metro Fremantle, 47 per cent; metro north, 37 per cent; metro south east, 37 per cent; Mid West, 50 per cent; Pilbara, 19 per cent; southern, 55 per cent; South West, 64 per cent; and Wheatbelt, 50 per cent. The figures for KPI 4, routine works, are: Goldfields, 54 per cent; Kimberley, 71 per cent; metro Fremantle, 72 per cent; north metro, 64 per cent; metro south east, 69 per cent; Mid West, 83 per cent; Pilbara, 68 per cent; southern, 82 per cent; South West, 79 per cent; and Wheatbelt, 65 per cent. The minimum compliance is 80 per cent, so we have had a couple that have been compliant.

The figures for KPI 5, major works, are: Goldfields, 100 per cent; Kimberley, 60 per cent; metro Fremantle, 91 per cent; metro north, 89 per cent; metro south east, 80 per cent; Mid West, 92 per cent; Pilbara, 33 per cent; southern, 33 per cent; South West, 88 per cent; and Wheatbelt, 85 per cent. The target for KPI 5, major works, is 95 per cent and the minimum compliance is 80 per cent. The target for KPI 6, vacants, is 95 per cent and the minimum compliance is 80 per cent. The figures are: Goldfields, 74 per cent; Kimberley, 66 per cent; metro Fremantle, 68 per cent; metro north, 75 per cent; metro south east, 71 per cent; Mid West, 76 per cent; Pilbara, 68 per cent; southern, 75 per cent; South West, 84 per cent; and Wheatbelt, 73 per cent. The target for KPI 7, timeliness of invoicing, is 95 per cent and the minimum compliance is 80 per cent. The figures are: Goldfields, 44 per cent; Kimberley, 56 per cent; metro Fremantle, 82 per cent; metro north, 94 per cent; metro south east, 85 per cent; Mid West, 69 per cent; Pilbara, 26 per cent; southern, 79 per cent; South West, 45 per cent; and Wheatbelt, 44 per cent.

Also, for the member’s information, the head contractors for each of those regions are: Goldfields, Lake Maintenance; Kimberley, Lake Maintenance; metro Fremantle, Transfield Services (Australia) Pty Ltd; metro north, Transfield Services; metro south east, Transfield Services; Mid West, Transfield Services; Pilbara, Transfield Services; southern, Transfield Services; South West, Programmed Facility Management; and Wheatbelt, Lake Maintenance.

**Mr M. McGOWAN:** In conclusion, the minister would have to agree that those figures are pretty appalling.

**Mr T.R. BUSWELL:** It is difficult to measure them because we have no historic precedent. One of the things that should have happened in this transition—we are all wiser in hindsight—is that we perhaps should have benchmarked the previous model in relation to those KPIs. That did not happen so I have absolutely no idea how this compares historically. We can now develop a series to understand any trends.

[3.10 pm]

**Mr W.J. JOHNSTON:** The tenants have strong views; they are telling me that standards are falling.

**Mr T.R. BUSWELL:** Member for Cannington, there is no doubt—the department is well aware of my views—that particularly during 2010 there were some significant problems with the introduction of the head contractor model. I have been very open in talking about that. I think those problems were threefold; firstly, the initial rollout was overly ambitious in time frame and scope; secondly, not enough work was done ahead of the rollout to ensure an appropriate interface between the Department of Housing’s systems and the contractors’ systems—that relates to the transfer of information relative to jobs and also to reporting back on the completion or otherwise of jobs; and, thirdly, it would be fair to say that because of the time lines, a number of the contractors did not have in place the network of workers that they needed to provide an adequate standard. I think it has improved significantly. The level of complaint to the central housing direct line is now, I understand, pretty much in line with historic norms in complaints about maintenance. Acknowledging that there are still some issues, I now get very few issues raised with my office at a ministerial level on non-payment of accounts of subcontractors and others; it is generally bedding down. Also, the number of vacant houses has been reduced to what I would consider to be an appropriate level. I acknowledge there were problems. I am keen to get on and talk about it with Howard, and I am sure the member for Rockingham can give him a bell and go into bat on my behalf.

**The appropriation was recommended.**

**The CHAIRMAN:** Member for Rockingham, you say that you want to move on now to Commerce. Do you want to ask questions on the other division? There is division 42, Registrar, WA Industrial Relations Commission.

**Mr M. McGOWAN:** No, we want to get to Commerce.

**Extract from *Hansard***

[ASSEMBLY — Thursday, 2 June 2011]

p458b-470a

Chairman; Mr Mark McGowan; Mr Troy Buswell; Mr Bill Johnston; Mrs Michelle Roberts; Mr Ian Britza; Dr  
Mike Nahan

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