

Chairman; Mr David Templeman; Mr Brendon Grylls; Mr Vincent Catania; Mr Peter Watson; Ms Rita Saffioti;
Mr Mick Murray

Division 14: Gascoyne Development Commission, \$1 565 000 —

Ms A.R. Mitchell, Chairman.

Mr B.J. Grylls, Minister for Regional Development.

Ms L. Fitzpatrick, Acting Chief Executive Officer.

Ms A. Dann, Principal Policy Adviser, Office of the Minister for Regional Development.

The CHAIRMAN: This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item program or amount in the current division. It will greatly assist Hansard if members can give these details in preface to their question.

The minister may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the committee clerk by Friday, 8 June 2012. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice with the Clerk's office.

I now ask the minister to introduce his advisers to the committee. I also mention that there has been an agreement that we will start with division 14 and move through to division 23 in the first hour of proceedings, before returning to division 13, followed by division 24.

[Witnesses introduced.]

The CHAIRMAN: I give the call to the member for Mandurah.

Mr D.A. TEMPLEMAN: I will ask this question for each of the development commissions, but the minister may be able to answer it with a yes or no. The resource agreement is referred to at the top of page 253. In each of the development commissions, including the Gascoyne Development Commission, the performance information is the subject of a resource agreement signed by the minister, the accountable authority and the Treasurer. Is the minister prepared to table a copy of the resource agreement, as referred to in each of the development commission divisions?

The CHAIRMAN: Member for Mandurah, we are just doing the Gascoyne Development Commission

Mr D.A. TEMPLEMAN: I refer to the top of page 216. As I said, this item appears in every development commission division. Will the minister table a copy of the resource agreement referred to for each of the development commissions; and, if not, why not?

The CHAIRMAN: Member, we need to sign off on one at a time. I understand what the member is saying, but I have been advised that we probably need to not mix up the commissions. I am not sure how the minister was going to answer that as well. It could be quite different for each one.

Mr B.J. GRYLLS: The member is right: page 216 refers to the signing off of a resource agreement. I do not know whether it is protocol for me to release that. I think that it may be best for the member to ask that as a question on notice. I am not prepared to agree to that today.

Mr D.A. TEMPLEMAN: Does the minister prefer to receive that as a question on notice?

Mr B.J. GRYLLS: My advice from the Gascoyne Development Commission is that that does not normally form part of the annual report of the commission. Given that we meet our reporting requirements by tabling the annual report of the commission, if the member wanted further information, he could request that in a question on notice.

Mr V.A. CATANIA: I ask the minister to look at the appropriations, expenses and cash assets on page 215. Perhaps the minister can touch on some of the projects that are underway as a result of the Gascoyne revitalisation plan and tell us what projects are being funded out of that program.

Mr P.B. WATSON: Can the member just repeat the question?

Mr V.A. CATANIA: I am just trying to make sure that it is the right group.

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Mr B.J. GRYLLS: I thank the member for North West for his interest in —

The CHAIRMAN: Excuse me, minister. Member for North West, I need to clarify which line item you were referring to.

Mr V.A. CATANIA: I refer to the appropriations, expenses and cash assets on page 215. I asked the minister whether he could perhaps touch on what the Gascoyne revitalisation program is delivering in the Gascoyne.

Ms R. SAFFIOTI: Is that part of this division or is it part of the other division on the Department of Regional Development and Lands? Does this add up to less than \$1.5 million?

The CHAIRMAN: Member for West Swan, the question has gone to the minister.

Mr B.J. GRYLLS: Thank you, member for West Swan, but I thank more the member for North West for his great interest in this issue. The member for North West would know that the Gascoyne Development Commission, through its appropriation, takes a great deal of interest in the Gascoyne revitalisation plan. One of the unique aspects of the Gascoyne revitalisation has been the ground-up approach. Rather than what happened under previous governments, whereby the government decided how things would be and the local community found out after the announcement, the Gascoyne Development Commission has done a very good job of driving the development agenda in the region by first coming up with the Gascoyne revitalisation plan. Off the back of that plan, the local community with the leadership of the commission worked further afield and came up with our priority projects. That has made it much easier for government to work off a blueprint for growth, and the development commission continues to play a lead role in delivering on those projects. Obviously after the flood of a few years back, the thing that I most like about this plan is that the Gascoyne Development Commission was able to review its priorities and put forward a proposal for significant flood mitigation funding, which will underpin future growth of the horticultural sector in Carnarvon.

I think that rather than go through the projects one by one—the member for North West is a regular visitor there—I will say, for those who do not know, that basically a complete rebuild of Carnarvon is underway. It is not before time, after years of neglect. At last, it is not just projects here and there, but projects for health, education, the new court complex, flood mitigation, the food bowl initiative, the waterfront development and boat ramp facilities. It is a comprehensive plan to make sure that Carnarvon and the wider Gascoyne takes its place as a key community in Western Australia. I thank the member for his interest and support in making that happen.

[2.10 pm]

Ms R. SAFFIOTI: To follow up, how much will be spent on flood mitigation both in this budget year and in the forward estimates?

Mr B.J. GRYLLS: The flood mitigation project has \$45 million allocated to it. In 2012–13, we will get into the detailed planning of that proposal with \$500 000, then into the out years that \$45 million will be spent. I refer to one of the hold-ups at the moment, which the member might be able to use her vast influence on. Even though all Australians, including Western Australians, pay the flood levy that was raised to help rebuild communities devastated by the floods, not only in Queensland but also in Western Australia—which was recognised by a visit from the Prime Minister to Carnarvon at the invitation of the local state member of Parliament—the state government believes, as does the local community, that with \$45 million of state money on the table that the commonwealth could see its way clear to also invest in flood mitigation in Carnarvon. The fact that it has not may be of some concern to the member and she may be able to make the point to the federal Labor government that at the moment Western Australians are paying a flood levy but are not seeing too much benefit from it.

Ms R. SAFFIOTI: There has been \$500 000 allocated in 2012–13 for planning. I did not catch how much is allocated in the forward estimates against flood mitigation.

Mr B.J. GRYLLS: It is \$45 million.

Ms R. SAFFIOTI: Is that in the forward estimates?

Mr B.J. GRYLLS: We have announced that there is \$45 million for flood mitigation, which forms part of two strategies in government. The member could have asked that question of the Minister for Agriculture and Food because I think \$20 million of that funding comes under the Department of Agriculture and Food as part of the Gascoyne food bowl plan, and \$25 million of that funding comes under the Gascoyne revitalisation plan. Once those agreements are made, the member will see that money cashflowed into the out years. At the moment, it is cashflowed in other areas.

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Ms R. SAFFIOTI: The minister is saying that \$45 million is allocated and I just want to see where that is in the budget papers. I am sorry if I am confusing the issue. There will be \$20 million in the Department of Agriculture and Food forward estimates for flood mitigation.

Mr B.J. GRYLLS: Yes.

Ms R. SAFFIOTI: There is \$20 million spent in 2011–12 under Regional Development and Lands, so there is an additional \$5 million tied up in the Gascoyne revitalisation plan. Is that correct?

Mr B.J. GRYLLS: That is correct.

Ms R. SAFFIOTI: Is that what the minister's adviser is telling him?

Mr B.J. GRYLLS: No, I know it is correct. I did not need to ask my adviser.

Mr A.J. SIMPSON: The first dot point under “Significant Issues Impacting the Agency” on page 216 is about the diversification and expansion of horticultural land and industry. Can the minister outline how we can expand the Gascoyne food bowl to make it a food bowl for Perth?

Mr B.J. GRYLLS: I thank the member for the question. I do not think that a lot of people understand—I am pretty sure that the member for North West can nod to indicate whether I am getting this right—that the production per unit of water used in the Gascoyne is the best value use per unit of water anywhere in Australia.

Mr V.A. CATANIA: Almost the world.

Mr B.J. GRYLLS: The horticulturalists in Carnarvon utilise their water very, very well for high-end horticultural production. As we see in times of flood or drought, the Western Australian domestic fruit and vegetable market is affected enormously. If Carnarvon blinks, we all feel the consequences. Off the back of that very strong focus on production value per unit of water, the government invested in a comprehensive upgrade of the main irrigation pipeline that supports the Gascoyne horticultural precinct. Now, through the Department of Agriculture and Food, we are looking at the expansion of more hectares under horticultural production and expanding the bore fields so that more water can be directed there to allow for that substantial expansion. If we tie the work we are doing in the Gascoyne into the work that we are doing in the Ord River area, where we have a substantial expansion of agricultural land, I think it is quite clear that we are excited about the potential. I make the point that the same economic driver to our resource sector, with foreign investment from China, Japan and Korea for expansions into iron ore, natural gas and other resources, will lead to a similar focus on food security. As our resource export partners grow their cities and more people buy cars and move into inner-city areas, we can see their diets changing substantially, so I think that there is great hope for growth potential in the Western Australian food industry.

The CHAIRMAN: Members, I have a question from the member for Collie–Preston, but I am just remembering the time and there are nine development commissions to go through in the time we have.

Mr M.P. MURRAY: I refer to the second dot point on page 217, which refers to the availability of affordable housing as a priority issue. How many houses in the Carnarvon town site are uninhabitable, empty or need refurbishment and what would be the cost?

Mr B.J. GRYLLS: I thank the member for Collie–Preston for the question. The Gascoyne Development Commission in framing its budget and outlining the significant issues impacting the agency mentioned the availability of affordable housing, the timely release of land, independent living units and service workers' accommodation. I know that the member for North West has a very strong focus on attracting aged-care facilities to the town. I know that through LandCorp we are looking at the future growth of the community through land availability. Obviously, affordable housing is a key priority right across the state. I think that the member's specific question is: how many houses in Carnarvon are uninhabitable?

Mr M.P. MURRAY: Particularly Homeswest-style housing—public housing.

Mr B.J. GRYLLS: I do not have that detail before me at the moment. However, I know that the Minister for Housing has rolled out an enormous housing program in the affordable housing sector. Again, I will not ask the development commission to talk to that point. If the member wants specific answers on Department of Housing houses in Carnarvon and the Gascoyne area, those questions are probably best put to the Minister for Housing.

[2.20 pm]

Mr M.P. MURRAY: Further to that question, I find it a bit difficult to believe that a survey or work has not been done to find out how much housing is being used and how much is needed in the future, if there is a line item for it in the *Budget Statements*. Could the minister give us some idea why the line item is there and what money has been allocated to that line item?

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Mr B.J. GRYLLS: Across the state, in terms of Government Regional Officers' Housing through royalties for regions, which I am in charge of, I think 400 houses have been built for GROH workers. I think the figure was 58 houses for non-government organisations. We have had a new housing model, being service workers accommodation, so we have had a focus on that. But again, questions on individual Department of Housing units are best put to the Department of Housing. All that is happening here with the Gascoyne Development Commission, and rightly so, talking about significant issues affecting it, is the availability of housing in all of those different areas. I can inform the member that of those 400 houses that were done under the GROH program 28 were in the midwest and the Gascoyne, which is the break-up I have.

The appropriation was recommended.