

PLANNING AND DEVELOPMENT AMENDMENT BILL 2023

Second Reading

Resumed from an earlier stage of the sitting.

HON WILSON TUCKER (Mining and Pastoral) [5.08 pm]: Before the break, I was talking about my experience navigating the housing market and trying to become a home owner. It is one thing to talk about how incredibly tough it is out there and how tight the supply and demand equation in Perth is, but it is another to experience it firsthand. Members who look at home opens will be aware that they seem to occur at the same time on Saturdays. People spend their Saturday mornings and afternoons running around quite frantically going to home opens and looking at different properties. I am not exaggerating the number when I say that literally hundreds of people are turning up to home opens. In some cases, I have seen about 200 people show up when going to a good family home that is a reasonable distance to the city. There are a lot of young families in Perth. I think the three-by-twos are probably the most popular format of homes. We see an exponential increase in the number of people. There is a certain urgency, especially among families who go to these home opens because of their situation. They have moved to WA for a job. Potentially, they have sold their house, they are renting and trying to get out of the rental market, or the lease has come to an end on the rental they are in and they find themselves with 30 days' notice to find a place. A lot of people have a real sense of urgency at these home opens. They are the people who are bidding 20, 30 or 40 per cent above the list price because they need to find a place.

At the last home open I went to, there were already offers on the house before people had even seen it. Those sight-unseen offers were coming from east-coast buyers. A lot of investors and buyers' agents representing clients from the east coast are coming to WA because Perth is still relatively affordable, based on the prices in Melbourne and Sydney, although we are closing the gap pretty quickly. We are closing the gap with Adelaide at a very quick pace, but it is still relatively affordable. Prices are going up considerably, especially when we talk about attracting east-coast buyers. People are coming here, putting bids on houses and outcompeting people in the WA market without even looking at the house. The job of the seller's agent is really to get numbers through the door and make it seem like a very popular listing, but they are not concerned about individuals showing up; they already have very attractive and very competitive offers, sometimes from east-coast buyers, within the first 24 hours of the listing going up.

The property market is incredibly tight and extremely competitive if trying to outcompete people with families and investors from other jurisdictions. It is also extremely disheartening. I think it really comes down to who is the most frustrated on the day, who has the greatest need and who is willing to pay the most to secure that property. That is what it comes down to at the moment. For someone trying to navigate that, especially for the first time, it can be incredibly confronting and frustrating.

As a renter and a prospective first home buyer, I have the view that the government is failing both of these cohorts right now. Renters account for about 30 per cent of the population. It is a big cohort; it is not a majority, but one-third of the population is renting. A lot of renters are trying to navigate out of the rental market and are finding it incredibly tough. We know that rental reform is coming for renters. The last indication was that it was potentially coming this year, but we are in the dying embers of the 2023 sitting weeks, so rental reform will not come this year. Renters will be waiting until March before they see any rental reform.

There have been two recent announcements in this space about subsidies for people to take their properties off the short-term rental market, which was only going to target about 300 properties, and about some rental relief that was available for people. These are bandaids solutions and short-term fixes. The government needs to dig itself out of the hole it finds itself in now and give us medium-term to long-term assurance that it has a strategy in place, but I do not think that this bill is the strategy, fix or assurance for renters or prospective first home buyers. It is really more of the same. Given the situation we find ourselves in is one of the government's own making, with a very untargeted suite of building grants—state and federal governments are guilty of this—the government should be trying to offer some assurance to both of those cohorts and think boldly to reverse the sins of the past. I do not think this bill is it.

I will offer two suggestions. The first is density. A few members have spoken about the need for housing density. In WA, we have some of the largest homes on the planet, and Perth is one of the most sprawled-out cities on the planet. Last year, I spoke at the Kimberley Economic Forum in Broome, and a former Lord Mayor of Adelaide, who considers himself a futurist, spoke and shared his two cents' worth on WA. He offered some suggestions about how to improve the vibrancy of the state.

Hon Darren West: From Adelaide!

Hon WILSON TUCKER: He was from Adelaide, member. Have you got a problem with Adelaide? Would you like to share it?

Hon Darren West: It is not very vibrant.

Hon WILSON TUCKER: No. It could be better, and I think that was part of his challenge. One of his thoughts was that one thing the government and people in WA who want to achieve a sense of vibrancy in our community and in our suburbs are competing against is the allure of the pool, the large backyard and the very comfortable homes we have. We drive home—sometimes a considerable distance because we all love commuting in Perth—we get home, sit in a comfortable living room or a big backyard and are quite comfortable. People do not feel the need, desire or want to leave again. Basically, they stay home. If we look at other places around the world, people who live in smaller apartments, say, in South-East Asia, do not have the comfort of their house and so they probably feel the need to leave. Maybe they walk down to a bodega or restaurant and have a meal with friends. People leave their house, spend money and interact with people outside their homes. The former mayor and futurist spoke about how density is a relative term. People living in Europe and South-East Asia have a different perception of density. I am not here advocating that we should all adopt the lifestyle of South-East Asia and live in massive skyscrapers, but density has become a dirty word in Western Australia.

Part of what the state government should be doing and part of the state government's responsibility is to try to change the narrative about and acceptance of density. Rather than just overriding local governments that are not fulfilling their quotas because they have listened to their residents who have an entrenched nimbyism ideal, the state government should invest in trying to change the mindset in WA to adopt a more comfortable level of density, I guess, or break out of the mould of what we deem to be comfortable and accepted density. Obviously, it is easier said than done, but I will be asking some questions about this point. One of the responsibilities of government is to shift the mindset from the Western Australian dream of a five-by-three or a six-by-four, or even a four-bedroom, two-bathroom home. If people do not need those four bedrooms, why are we investing in and building them? Let us try to adopt a more modern or realistic style of living, one for which we do not have to keep sprawling out for all eternity. As we have heard from a few members, it is really not achievable in the long term. That is one suggestion.

The other suggestion—it is not really touching on the bill, but I think that we are having quite a wideranging debate on housing at the moment—is stamp duty. Stamp duty is a big contributor to the bottom line of the budget, but we have an ageing population in Western Australia. The number of millennials equals the number of baby boomers. This is a global trend of an older, ageing population. Certainly, when we look at the large houses we have in WA, the two are not compatible in the long term. How do we encourage people to resize or downsize into appropriate styles of living in the long term? One suggestion is the targeted removal of stamp duty. It means that the state government would take a bit of a hit in the short term, but it would be investing in the long term and re-using its housing stock in a more intelligent way. We have a lot of rooms and space, but a person would not think that if they looked on REIWA or Domain right now. There is basically nothing there, and a lot of people want houses. When talking about the number of available rooms in Western Australia, there are a number available. Some people in the federal sphere spoke around mum-and-dad landlords. That is okay for a young student or someone who has the advantage of leaning on their parents and potentially staying at home longer, but it is not a reality for a lot of people. The reality is a lot of available rooms and spaces are not being re-used in a very intelligent way. How do we capitalise on resizing?

The conversation around density and building up as opposed to out is good, but how do we use our existing space in an intelligent way? I offer those two suggestions as part of this debate. I am very interested in hearing contributions from other members about the bill, and I will ask questions about density and resizing as we progress through the stages of the bill.

HON STEVE MARTIN (Agricultural) [5.21 pm]: I rise to make a contribution on the Planning and Development Amendment Bill 2023. I will comment on some of the remarks from Hon Wilson Tucker. One of the reasons we build three-bedroom and four-bedroom homes is that when our children reach their 20s, they can move back in! This recently happened to me, so those extra bedrooms are extremely handy. I sympathise with the member. I missed the start of his speech, but I believe he has been in the rental market trying to find some rental accommodation. I have been doing that as well on behalf of a family member, attending home opens in the suburbs. My 86-year-old father decided his time on the farm is up and he wants to live in the city. The member is right: most of those home opens are swamped with dozens of people. I attended one at which I was the only attendee. The real estate agent was very confused and thought she had a dud apartment on her hands, until I informed her that it was the AFL grand final afternoon and that was why a crowd did not turn up. We did not get that apartment, by the way, and we have not got one yet, so the rental market is indeed very tight.

I will spend a little bit of time responding to the minister's second reading speech. It referred, obviously, to the bill, but also to the government's housing achievements. I will spend a little bit of time discussing those issues. I have to say that the minister must be exhausted. When it comes to housing, he has been pulling every lever available now for—I do not know—20 or 30 media releases. We get that line over and over again and the media releases keep coming, but Western Australia's housing crisis continues to worsen. One point raised by the minister in the second

reading speech was that \$2.6 billion has been a record investment. It has not been delivered yet, but it is a very large number. It outlines the delivery of 4 000 homes. Again, that is a great number, but it does not outline the net number of homes owned by the state. In 2017, 2018, 2019, 2020 and 2021, that number of homes went down. It is creeping back to where we were in 2017. I do not know, but as of today we may have passed that number by a handful of homes. After six and a half years and a bit, the number of social homes is about back to where we were in 2017, which is very disappointing.

One way homes are provided to the state is through the spot purchasing program. In fact, I encouraged the minister to investigate that program and it has been a success. A number of homes have been rolled out through the spot purchasing program, but the obvious response to that is that it does not add any homes to the number of homes in Western Australia; it just shifts them from the private market, rental or owned, to the social market. That is a good way to try to keep the social housing waitlist under control. It has not been very effective in that task, but that is what it is designed to do. The minister spent a good proportion of the \$2.6 billion on the spot purchasing program because the government cannot build houses fast enough. Social housing numbers have gone up a little bit through the spot purchasing program, but the net number of homes in Western Australia through that spend has not moved at all.

The modular housing program gets a run in the minister's second reading speech. I have not asked in the last week or two, but I think the number I got recently was that 61 homes have been delivered. That is not one for every shire in the agricultural region. Again, it does not make much of a dent in housing numbers.

The government recently took up all sorts of other initiatives, such as the housing supply unit. There was a rapturous crowd in front of the Treasurer when that announcement was made. Of course, the unit will not meet until next year, which sums up the government's urgency on this. When I asked for some details about when it would meet, the response was, "We have to hire the people first of all, and then we have to find them some accommodation. We have to find them a desk to sit at in the Department of Treasury." Therefore, the housing supply unit will leap into action early next year to start to address Western Australia's housing crisis.

I know other members mentioned the \$80 million infrastructure development fund, which is a really solid idea but, honestly, \$80 million will not get anywhere near to making a dent. It is split, with a \$40 million metropolitan spend and a \$40 million regional spend. I could find two or three regional shires that would lap up that \$40 million almost straightaway due to the exorbitant costs of headworks in the regions. The infrastructure development fund is much needed, but unfortunately, it is way too small.

I mentioned Hon Wilson Tucker's plight. I think he came to the same conclusion I did, sadly, that I do not think these reforms will make much of a difference at all in delivering housing to Western Australians. That is unfortunate. We know what the rental market is at the moment. Quite recently, the vacancy rate was under 1.7 per cent. In the last 18 months or so, in parts of regional Western Australia, it has hit zero, so nothing at all. It is very tough finding a rental property.

The problems of rising interest rates around home ownership are obvious, but there is also the problem of getting a home built. Build times have blown out. In the building sector, the COVID-19 pandemic gets a lot of blame for some of this stuff, and there is obviously a COVID impact, but I have a feeling it is a bit more systemic than that across the building sector to get a home built in Western Australia. What used to be a 12-month-ish task has blown out to 18 months or two years. In fact, I have met people who started their builds in the middle of 2020 and those homes have still not been completed. They may have been renting another property for that entire time while paying for building a new home. Home ownership through getting something built is extremely difficult.

I touched on social housing. We know the numbers. A very large number of Western Australians are on that waitlist. Not everyone on the waitlist is homeless, but it certainly indicates the need for appropriate housing for the tens of thousands of people on that list. The list has steadily increased over the last number of years.

I think the sad news with the level of approvals we see in the market at the moment is that what is coming down the track is not particularly good news for people seeking either a rental or a home to own. The number of approvals has dropped. The level of capability in the residential building sector is definitely down. The percentage is a bit rubbery, but with the number of small builders that have gone broke, it has to be around 20 or 30 per cent. In some circumstances, the larger builders have exited that market or cut back. Getting people to build these homes is absolutely an issue. We also have the post-COVID growth in population that is happening in Western Australia. It is a very popular destination and we all know why, but that is certainly adding to housing stress for many people in the state.

Before I get to the bill, I want to briefly talk about my views on housing. To be honest, I am agnostic about where it goes. I do not necessarily care, but I do know that supply is the issue. If we are going to be anywhere near meeting the targets that the federal government has set for the number of homes that we need in this state, we need density, medium and high-rise developments, greenfield developments and all those things. Unlike Hon Dr Brad Pettitt, I do not care much where they go, but we need them badly and soon.

I will look back 10 or 12 years ago to the performance of the Barnett government when there was an enormous growth in the state's population. I think that response was a good one. Liberal governments do support building things and allowing people to build them. That has been a hallmark of Liberal governments for decades, particularly in Western Australia. That is something I am very proud of and will continue to support.

I will get to the bill. It has four key components. The first will streamline existing planning processes, and I will talk a little bit about that. The second component deals with the permanent development assessment pathway for significant development. The third component has the reforms to local government decision-making for single homes and the fourth component has the Western Australian Planning Commission reform. I want to talk about the first component, which deals with streamlining the development assessment panel system. Other members have spoken about the proposed changes to reduce the number of DAPs and appoint full-time professionals to be the expert members along with two local government members to make a five-person DAP.

One of the reasons given in the explanatory memorandum, the second reading speech and the debate in the other place for streamlining the number of members and making them full-time was a conflict of interest. I received a very good briefing from the advisers and the minister's staff. I asked the advisers about the conflict of interest, because I would assume that under good governance practices, someone with even the slightest conflict of interest would not go anywhere near a DAP process. They assured me that that was probably the case, but apparently there was a perception that people would sit on a DAP and would jump off for the next item for which they might be a proponent and then jump back on. I think that for those sorts of reasons, tidying up that perceived conflict of interest is a good thing for the integrity of the process.

The bill will shrink the DAPs to three—a north metropolitan one, a south metropolitan one and a regional one. I have a concern or two about the regional DAP. If there is an application from a developer in Eneabba, Lake Grace or Kununurra, I hope the DAP will actually travel to Eneabba, Lake Grace or Kununurra. In recent practice, people have Zoomed in to 140 William Street—I think that is where the DAP meetings are held. I hope that streamlining that process and making the members full-time will not preclude the DAP process from taking place where the development is proposed to be. It would also be nice if there was a regional expert or two on the panel—not someone from West Perth or Subiaco giving advice to regional people, which is something I am a little touchy about. I hope that streamlining the DAP process has a good outcome.

I want to talk about the third component, which deals with the single home application process and local governments. I am sure that most members would know that I was a shire councillor for 20 years and a shire president for 10 years. It would be fair to say that we did not do much planning stuff at the Shire of Wickiepin. If someone wanted to build anything at all, we had open arms and told them to knock themselves out as fast as they could. However, it did not happen often, so planning was not my strong point as a local government person. Local governments get kicked a little bit in the planning process by all sorts of people. I am not here to defend local government. I am much more interested in people who live in the local government areas than I am in the local councils and organisations. However, I think there is a risk of not getting a good result from this if the government does not take the people with it in the planning process.

Again, in the briefing from the advisers, I was informed that taking away sitting councillors' ability to have some sort of impact at all in the planning process would somehow speed up the delivery of housing in Western Australia. I think that is complete nonsense. I think there was reference to a Liam Bartlett clause in the second reading debate and it was one of the reasons that this has to happen. I think Hon Dr Brad Pettitt mentioned it. The state government wants local councillors to concentrate on strategic things such as their planning schemes. I agree with him. The planning schemes are a bit like painting the Sydney Harbour Bridge. The process would just be finished after seven, eight, nine or 10 years and then it would have to be started again. Local governments spend their entire lives looking at, reviewing and changing planning schemes. It is a never-ending task that takes years and years. However, the state government wants local councillors to concentrate on that stuff and get away from "debating the specifics of proposed setbacks, glazing or balcony treatments". We all know what the reference to balcony treatments is aimed at—the Liam Bartlett issue in one of the western suburbs.

What happens with local governments and single house developments? As we have heard, almost none of them come up for planning approval, and local governments get them done in a very timely fashion. I asked the advisers about that at the briefing. I mentioned the Western Australian Local Government Association number, which gets trotted out often and changes from year to year. North of 85 per cent of development applications are done in a timely fashion. Of course, almost all of them do not need planning approval. The advisers said, "But, hang on, WALGA refers to only 36 local governments!" I was not aware of that. I thought: "Hang on." The advisers did not care to tell me that that accounts for 85 per cent of the state's population, so it is a very representative sample of what happens with local government land. Local governments do a really good job on this single home stuff. However, I thought I would check in case I missed something or in case WALGA was leading me astray. I asked the advisers what their data tells them and whether this issue is significantly holding up the delivery of housing in Western Australia. They said, "We don't have any data on that. We don't collect that data." I would be very keen

to hear during the Committee of the Whole process some evidence of what the department sees as a constraint on the speedy delivery of housing, if it can be found.

Will this piece of legislation speed up the delivery of housing in Western Australia? Maybe it will around the margins. I think it is missing some of the real constraints that are preventing the delivery of housing—that is, the supply of available land. The department could have a chat to Western Power and the Water Corporation, by the way. I keep hearing, over and over again, about significant delays with turning the power on in developments, or even getting a quote. I met a builder in Geraldton recently who told me that it is not unusual to wait three months to receive a quote for a job from Western Power, and that is if the job goes smoothly. There are some things there that the government could certainly look at.

While I am talking particularly about planning, I want to mention an issue that has come to light that is not touched upon in this bill. There is another planning gap in regional areas that needs some attention from the government: the provision of renewable energy projects. Regional members know that that is certainly happening a lot, particularly in the north of the Agricultural Region, but also everywhere else in the Agricultural Region and across Western Australia. We are seeing the development of a number of wind farms in particular. There are a number of developments close to where I live that have caused enormous angst between neighbours, residents and local authorities. Having spoken to a number of shire presidents, shire councillors and shire planning staff, I have heard that the guidelines they have at their disposal for this sort of work are nowhere near appropriate. I am still trying to work this out, but I believe the planning approval process for a wind tower, which can be up to hundreds of metres high, is the same as that for a garage or a shed. There is a requirement for it to be set back a certain number of metres from a boundary with a farm; that is how it can be. If that is the case, it is clearly not appropriate. There are other non-planning issues—for example, to do with distance from homes in respect of noise—that can come into play, but the people who have spoken to me feel that they do not have the necessary toolbox to deal with these issues around planning.

I look forward to a lengthy discussion in Committee of the Whole. These are modest changes, I would submit. We know that there are many pressures driving the housing crisis—such as pressures in the small home construction sector, land availability and supply, and skills shortages in the regions—that are not being adequately addressed by this government. We need serious effort, concentration and focus if this issue is going to be resolved even in the medium term, let alone the short term. I conclude my remarks and I look forward to the Committee of the Whole.

HON JACKIE JARVIS (South West — Minister for Agriculture and Food) [5.42 pm] — in reply: I think it is worth reminding members of the intention and purpose of the Planning and Development Amendment Bill 2023. This has been a wideranging debate that has touched on many, many issues, some of which did not relate to the bill. As a reminder, the purpose of this bill is to amend the Planning and Development Act in order to accelerate housing supply, to cut unnecessary red tape, to bring more consistency to urban and regional planning in WA, and to promote a more consistent and efficient planning process.

These aims align with the national planning reform blueprint, which was endorsed by national cabinet in August 2023 and set a policy approach and measures to accelerate housing supply around the nation. The desired outcomes of the national planning reform blueprint included in this bill broadly comprise streamlining approval pathways; prioritising planning amendments to ensure that we support a diverse range of housing across a diverse range of areas; promoting medium and high-density housing in well-located areas, close to existing public transport connections; reforms to support the rapid delivery of social and affordable housing; and reforms to address barriers to the timely issuing of development approvals.

There seems to be some misunderstanding that this bill will somehow be all things to all people, and there has been commentary that the bill does not engage in strategic planning. The Planning and Development Act is not where strategic planning occurs; it provides a framework to enable strategic planning. A significant amount of strategic planning has already been carried out. As Hon Neil Thomson noted, the role of executive government is to set the rules and the strategic framework. This bill emphasises the role of elected officials at both state and local government levels to set rules and strategic planning and not to get involved with individual applications. Local government councils do not need to be involved with single houses, and ministers do not need to be involved with overriding the Western Australian Planning Commission. The Western Australian Planning Commission's independence is emphasised in this bill under clauses 13 and 17. Reforms to the Western Australian Planning Commission, such as removing directors general as voting members, are also included.

The claim was made that this bill proposes reforms around the margins—moving the deckchairs and simply reforming the development assessment pathways. These reforms will actually provide proponents with flexibility to choose the most appropriate development assessment pathway for their project. By scrapping the mandatory DAP threshold, a proponent can go either to their local government or via the DAP system. If the project is significant, they can go via the significant development pathway. Ultimately, by streamlining the existing development assessment

pathways, these reforms will provide greater consistency, which will boost the delivery of housing in WA, and let us remember that that is the goal of this legislation.

Hon Neil Thomson raised the lack of land supply; he seems concerned about the lack of land supply in greenfield locations. I was a bit confused, because at one point we were discussing not wanting more urban sprawl, but I think Hon Neil Thomson wants more land supply in the east. I can confirm that the Urban Development Institute of Australia WA Division released a summary report outlining the findings from its national housing pipeline pilot project. Although that report was focused on impediments to development, it also classified approximately 18 000 hectares of land that had been identified for urban development as being “unconstrained”. Responses to the national housing pipeline developers’ intention survey identified 4 500 hectares of land expected to be build-ready over the next two years, if required. This represents upwards of five years’ supply of land. The government initiated a housing diversity pipeline program to respond to the current critical shortage of social housing and housing availability through the de-constraining and release of surplus government landholdings.

A number of issues were raised in respect of structure plans; structure plans are not addressed in this bill. Hon Neil Thomson expressed some concern that the government will undermine the WAPC’s ability to be strategic. The state government’s 2019 *Action plan for planning reform* outlined a series of initiatives to achieve an efficient, effective, contemporary planning system that will promote well-designed land use and development solutions that respond to changing needs. A review of the WAPC to increase its efficiency and focus on strategic planning was included in the recommendations of the action plan. That review was conducted in 2022 and sought to build on previous feedback received about the WAPC and the direction of the action plan. Specifically, the intention of clause 10 of the bill is to capture a focus on the strategic planning and impartiality of the board, and to clarify the functions of the WAPC.

Hon Neil Thomson claimed that amendments relating to local government single house delegation are a distraction. I again remind members of the intention behind this bill. These reforms to local government decision-making are aimed at ensuring that there is a consistent best-practice approach to decision-making whereby planning professionals within local governments will be empowered to make decisions on single houses and ancillary structures. A number of local governments are already implementing a best-practice approach. For individual proponents, such as a mum and dad who are trying to build a house, referral to a full council can add up to two months to the process.

Hon Neil Thomson spoke about there being some sort of delay in the approval of local planning schemes. I am advised that in 2015–16, 14 per cent of schemes were processed within the statutory time frame. That percentage jumped to 85 per cent of schemes processed within the statutory time frame in 2022–23. This was a direct result of our government’s ongoing planning reform program over the last six years to streamline and reduce unnecessary red tape.

Hon Neil Thomson also had some concerns about urban infill and the use of apartments. He claimed they were not suitable for the market or for families. This government has done a lot to improve design in Western Australia. In 2019, *State planning policy 7.0: Design of the built environment* became operational. It is a lead policy that elevates the importance of design quality across the whole built environment. There is also a state design review panel, which was operational from April 2019—a multidisciplinary panel of highly experienced built environment professionals to provide independent advice—and a design review guide. There is *State planning policy 7.2: Precinct design* to provide guidance and *State planning policy 7.3: Residential design codes* for apartments, which has improved the design of apartments and multi-residential buildings.

Hon Dr Brad Pettitt raised a number of matters about planning excluding local communities. He spoke for some time about the lack of consultation. This bill will not remove opportunities for members of the community to have their say on proposals. Consultation remains a key component of the planning system. Improvements have been made by this government. We have already made improvements to community consultation requirements through our previous legislative reforms, such as mandating a minimum advertising period of 28 days for complex applications, requiring a sign to be erected on site and the radius model requiring letters be sent to all landowners and occupiers within 200 metres of the site. Our reforms to date have also increased the minimum public advertising period for structure plans from 28 to 42 days to allow for more consultation. Hon Dr Brad Pettitt also spoke about best-practice consultation led by the state government. I would like to draw members’ attention to the Future of Fremantle project as an example. The project, which provides a model, has included significant community engagement to date, undertaken by the Western Australian Planning Commission. Place design forums were held over six days during August and September with more than 300 participants. There were themed focus group sessions to discuss specific project issues such as jobs and the economy; place, identity and culture; and health and wellbeing. There was a community visioning day at Fremantle Town Hall—how very Fremantle! Does the member have community visioning days in Wyalkatchem?

Hon Steve Martin: No, never!

Hon JACKIE JARVIS: It was attended by approximately 400 people. There were youth “Shaping the Future” focus group sessions, which were well attended by between 40 and 50 young people from local schools and universities. I can go on. There is a more extensive list of these types of community consultation processes.

Hon Dr Brad Pettitt also raised concern about the centralisation of planning processes. These reforms will provide proponents with the flexibility to choose the most appropriate development application, as I have said before. The removal of mandatory thresholds for the DAP pathway make it an entirely opt-in pathway. In regional areas, proponents often have the support of the local government given the nature of their projects, and going through the council pathway may seem the most appropriate and streamlined option. The significant development pathway is entirely an opt-in pathway. The member was also concerned that the role of local councils will be diminished. I am not sure that anyone thinks it is a good use of council’s time to be involved in development applications for single houses. Councillors’ role is to act in the interests of the city or local government area as a whole, rather than for individual interests. This reform will allow councils to have greater focus on strategic planning and shaping the future growth and development of their local areas, which is where they should and will have the most meaningful impact.

Hon Wilson Tucker raised a number of issues. I am assured by this side of the house that he is not the only renter in the chamber. The issues of housing and rental affordability go to the heart of this bill. Hon Wilson Tucker spoke for a long time about the challenges in the Perth housing market. We are indeed using every lever available, honourable members, to support national cabinet’s blueprint, including the implementation of a targeted planning reform program to facilitate the more efficient delivery of housing by streamlining the planning processes. The bill presents many great proposals to reset our planning system.

Hon Neil Thomson spoke a lot about cost and taxation reforms. He apparently even introduced us to our new Treasurer! I may disagree that he will be Treasurer post-2025.

Hon Dr Steve Thomas: You can only hope!

Hon JACKIE JARVIS: Be careful what you wish for!

This government has also introduced a range of tax reforms and incentives to boost housing and land supply, unashamedly encourage urban infill, encourage innovation in new housing types such as build-to-rent, and improve housing affordability across the state. The current off-the-plan transfer duty rebate has been increased to 100 per cent for residential apartments in multistorey developments valued below \$650 000 from 1 June 2022, tapering to the existing 50 per cent rebate for apartments valued at \$750 000 and above. We have also extended concessions to those apartments already under construction. Large-scale build-to-rent developments are a relatively new model of urban housing in Western Australia whereby apartments are developed for the purpose of renting rather than being onsold. A new 50 per cent land tax concession for eligible build-to-rent developments commenced on 1 July 2023. This tax relief is aimed squarely at developing the build-to-rent industry in Western Australia by reducing barriers to investment and thereby increasing the future supply of rental properties.

To boost the broader housing and land supply, we have launched the pilot housing diversity pipeline to review existing government landholdings. This is what we call “lazy land”, which can be repurposed for social and affordable housing. Our \$80 million infrastructure development fund is another key part of our government’s efforts to help industry with the up-front costs involved in establishing essential infrastructure for housing developments, which we know is impacting projects throughout the state. The fund has the potential to de-constrain projects by facilitating water, wastewater and electricity network upgrades to accommodate new development. Additionally—there are so many levers, honourable member!—through the 2023–24 state budget, the government invested \$55 million in water and wastewater infrastructure, which will support the development of more than 15 000 homes across Perth.

Our government is releasing land through our \$166 million regional land booster program. This program has already seen 626 lots released to the market and subsequently sold or under contract across 89 projects in 78 regional towns. We recognise the importance of regional centres and the program is helping to unlock more residential and commercial land in regional communities. Through DevelopmentWA, there is currently an inventory of approximately 782 residential lots across regional Western Australia.

In August this year, the Minister for Planning announced the resolution of the last two planning investigation areas, which will open a further 835 hectares for future urban development in the Perth region, which is expected to deliver approximately 9 000 dwellings—a major boost to Western Australia’s housing supply. Importantly, across the 15 planning investigation areas now resolved, approximately 6 400 hectares of land will be made available to deliver around 85 000 additional dwellings to plan for future growth across the Perth and Peel regions. That should be enough to accommodate the population of 3.5 million people by 2050.

Hon Steve Martin raised some concerns about the reduction to three development assessment panels, particularly the regional DAP, hoping it would be able to travel to regional areas. The review demonstrated that in many cases, people preferred meetings to be via Zoom but there is absolutely no legal prohibition to having DAP meetings in regional areas. I am advised that they have done so historically and that they can continue to do so. Certainly, they

are open to having meetings in regional areas where there is clear community interest to do so. I have some notes here about the single homes process. The advice we have is that going to council adds approximately two months to the decision time, which costs time and money to get houses started. This bill will enshrine best practices for decision-making, empowering the planning experts within local governments to make decisions on single homes and single structures such as patios and pergolas. On the gap in planning for regional areas on the provision of renewable energy projects, as the member mentioned, it not addressed in the bill.

As I said at the start, the aim of this bill is to accelerate housing supply. It is to cut unnecessary red tape and help promote a more consistent and efficient planning system. The remarks by those opposite were very wideranging and I am certainly not going to address them all but I acknowledge that we will have a number of questions through the Committee of the Whole stage. With that, I commend the bill to the house.

Question put and passed.

Bill read a second time.

Sitting suspended from 6.00 to 7.00 pm

Committee

The Chair of Committees (Hon Martin Aldridge) in the chair; Hon Jackie Jarvis, (Minister for Agriculture and Food) in charge of the bill.

Clause 1: Short title —

Hon NEIL THOMSON: I would like to start by touching on a few matters that were raised in the second reading reply by the minister representing the Minister for Planning. I will then move on to issues by way of navigation including the national planning reform blueprint and some of the other strategic planning instruments that were referred to in the minister's second reading speech or in the preamble. We made a few notes as the minister was making comments and noted that the minister's second reading speech started with a very bold statement —

Our state government's message is very clear: we are driven to boost housing supply across the continuum, and we will use every policy lever we possibly can to deliver on this commitment.

Notwithstanding some of the minister's comments about the rather broad-ranging commentary of the second reading contributions of the opposition and crossbench members, the invitation was there from the rather broad-ranging commentary of the Minister for Planning in the prepared second reading speech.

The minister mentioned the off-the-plan rebate of \$650 000. I note the announcement and I saw advertisements on Facebook from some of the apartment builders about that—they were pushing along. Does the minister have any idea on the size and scale of that program, how much it is likely to cost the state and how many apartment dwellings it is likely to result in?

Hon JACKIE JARVIS: The member is asking about the off-the-plan tax concessions that are not covered by this bill. Whilst I was providing some general commentary in response to the members second reading contribution, that is not covered by this bill.

Hon NEIL THOMSON: As I said, I was taking a cue from the second reading speech of the minister in terms of some of the things that this bill plans to do. The minister made commentary around some of the "lazy land" programs that have also been developed. Is the minister able to provide any commentary on that at all?

Hon JACKIE JARVIS: Member, some of what I provided in both my second reading speech and second reading speech in reply was general commentary about the current housing market. It was not specifically related to this bill. Although I accept that clause 1 is a wideranging debate, those programs are not related to the bill in any way.

Hon NEIL THOMSON: It would appear that although we can present on this particular lever, we are not really in a position to provide any metrics on that. Therefore, I will not ask about the \$55 million that I think the minister mentioned for the wastewater acceleration program, but I want to reflect on the national planning reform blueprint because that surely is part of this bill, as it was used as a rationale for the bill. I want to go through some of the elements within the national planning reform blueprint. My first set of questions is around this aspect, which I hope the minister can answer, because it underpins and is one of the rationales for this bill. The national planning reform blueprint refers to updating the state, regional and local strategic plans to reflect their share of housing supply targets. I think there was some possible misrepresentation, to an extent, in the minister's response—maybe it is a matter of judgement on whether we think it was—on the opposition's position on some of those issues. I will start with the state's planning framework because it is important and ties in with the *Perth and Peel@3.5 million*. Is the minister satisfied that our current state planning framework conforms with the national planning reform blueprint?

Hon JACKIE JARVIS: Yes, member. I am advised that the state planning framework broadly aligns with the national planning reform blueprint.

Hon NEIL THOMSON: One of the things in the foreword of the state planning framework—if we could call it that because I assume the *Perth and Peel@3.5 million* certainly would be for the metropolitan region, so maybe it is a regional framework; it probably does not matter which one it is, but I want to step into a particular comment in here—states —

The frameworks are a first step in the ongoing process of refining and detailing planning proposals for Perth and Peel. They will be reviewed after three years and ongoing refinement will continue through local planning schemes and strategies, structure planning, subdivision and development.

The challenge now is to implement the frameworks effectively.

That is the quote from the former chairman, Eric Lumsden, and was prepared in March 2018. Has there been a review of the *Perth and Peel@3.5 million* at the three-year mark?

Hon JACKIE JARVIS: I am advised that the state planning policy to which the member referred has not been reviewed as a whole document. However, the planning investigation areas have been reviewed and achievement is measured within local planning schemes. As I mentioned, the bill relates to the national planning reform blueprint. The member is drawing a line between that and the state planning framework, which is not covered in this bill. I have answered that question. I am the representative minister. I can answer broad-ranging questions on this bill. However, the state planning framework is a different document. I can confirm that this bill relates specifically to the national planning reform blueprint as outlined in the explanatory memorandum and at the briefing the member received.

Hon NEIL THOMSON: I am trying to keep to the national planning reform blueprint. I understand that Hon Jackie Jarvis is the representative minister; the information the minister has provided is useful. The minister mentioned the planning investigation areas in her second reading response and in her reply now. I was taking notes at the time the minister gave her second reading response but, in the process of time, I missed the numbers on that. The minister mentioned that 15 planning investigation areas have been completed, which ties in with the response the minister has just given about 6 400 hectares of land. I was trying to work out the additional dwellings. The minister gave me the impression that the 15 investigation areas would cover all the growth requirements for *Perth and Peel@3.5 million*. Is that correct? While the minister is searching for the bit of paper she had from the briefing, can she find the figure that relates to the number of additional dwellings that were proposed?

Hon JACKIE JARVIS: The figures I read out are in the notes I handed over to Hansard. I spoke broadly about the 15 planned investigation areas and the number of hectares available, and how that equated to around five years of land supply. It is not the same figures I quoted, but I can tell the minister that at the end of 2022, there was approximately 117 140 hectares of urban and urban-deferred zone land in the Perth metropolitan, Peel and greater Bunbury regions. In addition, 350 hectares of land intended for urban development within DevelopmentWA areas are currently not urban or urban-deferred zone land, and this is included in the tiered land supply assessment. As I said, I do not have to hand the actual figure I quoted from my second reading reply, but I was broadly speaking about how the 15 developed and planned investigation areas have been completed and there was sufficient land, just from that process, for at least five years of supply. The advisers at the table tell me that via the calculations of the broader range of urban hectares of land available, there is about 20 years of land supply.

Hon NEIL THOMSON: For the 20 years, I assume that is just urban or urban-deferred zoned land. Is that what the minister is suggesting is currently available?

Hon JACKIE JARVIS: Yes, that is correct.

Hon NEIL THOMSON: I guess that is important from the point of view of this map. I am not proposing to show it, because unfortunately it is a small one I got from the same documentation out of the *Directions 2031: Draft spatial framework for Perth and Peel*. I will keep calling it *Directions 2031*, because that is the previous document I was looking at. In *Perth and Peel@3.5 million*, there is this expectation that more land will have to be zoned in order to achieve that 2050 target if we are talking about the 20 years of supply, given we are at 2022. I guess that is probably an important point.

By way of background for people who are interested in this issue, the *State lot activity report* looks at it from a different direction, and is also a useful document for achieving these blueprint outcomes. In the latest report we have, 2 560 lots in a quarter with final approval were released, and 70 443 lots were stock. This is interesting, because it is either less or the same as the figure in 2017.

I take the minister back to the national planning reform blueprint, which contains about 10 points. We touched on the issue around the strategic planning process. The second point outlines undertaking planning, zoning and land release, and other reforms such as increasing density, which is a very generic way to meet the share of housing supply targets. That is picked up to some extent through the existing documents. The third point states —

- Streamlining approval pathways, including strengthened ‘call in powers’, and prioritising planning amendments to support diverse housing across a range of areas ...

In broad terms, I suspect probably the most relevant aspect to the bill is what I will refer to as call-in powers, in which there seems to some streamlining, and is said we supported in some elements of this bill. We will get into it when we get to the clause but, for example, the development assessment panel process, in which the option is to go either to the DAP or local government.

I think that is probably something we could say strengthens it. However, we do not actually specifically refer to call-ins. It seems to be that call-in powers are not in vogue with this minister, notwithstanding them being a part of the current powers within the Planning and Development Act—they have not been touched at all. The third point states —

- Streamlining approval pathways, including strengthened ‘call in powers’, and prioritising planning amendments to support diverse housing across a range of areas, e.g. by addressing barriers to subdivision for appropriate medium density housing.

There is a fair bit in that. In generic terms, can I take it that the focus of this particular bill was on that particular element of the planning blueprint?

Hon JACKIE JARVIS: As we noted in the explanatory memorandum, this legislation is focusing on four of the national blueprint objectives that are most applicable to Western Australia. As the member said, those are streamlining approval pathways and prioritising planning amendments to support a diverse range of housing, promoting medium and high-density housing in well-located areas close to public transport connections, reforms to support the rapid delivery of social and affordable housing and reforms to address barriers to the timely issuing of development approvals.

It is worth noting that WA is already a national leader in planning reform. Our deemed provisions for local planning schemes mean that critical matters can be put into schemes quickly with no administrative burden on local governments. Our R-codes have provided consistent statewide standards for residential development since the 1980s and our centralised strategic planning system, as overseen by the highly regarded Western Australian Planning Commission, enables our state to benefit through a coordinated long-term approach. Although this bill has definitely been informed by the national planning reform blueprint, WA is taking on those reforms that we feel align with the blueprint whilst noting that we are already ahead of a lot of other states with regard to their planning matters.

Hon NEIL THOMSON: I appreciate that. That is very helpful. I might debate the extent to which those reforms will meet some of the objectives of those four points. I think it is fair to say that some of the reforms are certainly a good attempt at streamlining approvals pathways, particularly when those approvals are defined within the development application process. I think that is probably something that needs to be distinguished between approvals pathways, noting that approvals pathways should probably be considered within the whole continuum of the planning system. That was probably the point of my second reading contribution really, particularly focusing on those first two points. I think it is fair to say as a representative minister that those first two points will probably not be picked up within the scope of this bill because strategic planning work will be required to be undertaken outside the legislative process.

I just want to focus on one of those four points in the first instance: promoting medium and high-density housing in well-located areas close to existing public transport connections, amenities and employment. That is everyone’s goal, I think; certainly that is a hard piece. The minister might recall that I spoke at length about the Kelmscott Precinct Structure Plan, which I thought was a very salutary example for this issue, and some of the challenges that local governments face in getting agencies to assist in delivering those outcomes, the time it takes to deliver them and the difficulties in meeting all the agency objectives. How will this bill address some of the examples I gave of situations in which government agencies are simply unable to approve things that might be in line with those broader planning objectives, and how are they going to do that in a timely manner?

Hon JACKIE JARVIS: A new unit will be created within the Department of Planning, Lands and Heritage—the State Referral Co-ordination Unit—with representatives from Main Roads, the Public Transport Authority, the Department of Education, the Department of Health, Western Power, the Water Corporation and others. That will help to address infrastructure coordination. Agencies will continue to collaborate on strategic plans and policies and continue to provide direct input into planning decision-making on referrals and consultation, enhanced through the new State Referral Co-ordination Unit. Agencies will also be able to send representatives to Western Australian Planning Commission meetings, and WAPC will be able to establish committees that might include agency representatives, to focus on specific areas. Part 11C will include conflict-resolution provisions that specifically help coordinate planning and transport-related matters.

Hon NEIL THOMSON: Thank you; that is very helpful. I want to touch on a specific example to give members the flavour of the sorts of things that a local government—in this case, the City of Armadale—is up against. This is not to pick on Main Roads in any way at all, because I understand why within its policy imperatives it needs to do this. The State Referral Co-ordination Unit may have a role in this. I am interested in a bit more information on that unit and how it will operate. Is that separate from the housing supply unit that will be established?

Hon JACKIE JARVIS: Yes, it is.

Hon NEIL THOMSON: Will that housing supply unit, if that is the right title, be based in the Department of Planning, Lands and Heritage or in Treasury?

Hon JACKIE JARVIS: I understand that it will be based in Treasury. The group I was talking about, the State Referral Co-ordination Unit, will sit within planning.

Hon NEIL THOMSON: That is very useful. I thank the minister for that frank and open information. In my discussion I will address the specific clause, but one of the concerns I had was the removal of the directors general from the Western Australian Planning Commission, and also the irregularity of the meetings of the infrastructure coordinating committee that used to exist as a subcommittee of WAPC. Does the infrastructure coordinating committee still exist?

Hon JACKIE JARVIS: My understanding is that the infrastructure coordination committee was abolished when the Infrastructure Western Australia Act came into effect.

Hon NEIL THOMSON: That makes sense. I am not sure whether or not that is a good idea, although I suppose I can understand the strategic rationale for the abolition of that body. Maybe that is why we will have the State Referral Co-ordination Unit. Maybe that will fill a gap that was created when the strategic role of the ICC was abolished or moved, should I say, to Infrastructure WA, because obviously the dual role of the ICC was to deal with those statutory referral elements as well. That may be a better response. It possibly should have happened earlier, but the State Referral Co-ordination Unit is important. I can give the minister a better example of the sorts of things and shorter questions about that. The development services committee was doing the work on the proposed precinct structure plan for the Kelmscott district centre. The minister said that this bill does not touch on structure plans, but it touches on the national planning reform blueprint insofar as it is vital to get the promotion of medium and high-density housing. We can give it any title we like, but at the end of the day, we may get this coordination. I will read to members an extract from the summary of submissions from Main Roads —

Based on review of the Movement, Transport & Car Park Strategy Report prepared by Flyt, it is uncertain how development within the structure plan area will impact upon the state road network. A revised report is requested to address the following:

- a. Further details and justification are requested for the traffic generation assumptions adopted for food and non-food land uses, including the use of ‘single retail trip rate based on recalibrated 2019 model’. The source/s should be referenced and quoted for the types of land uses.
- b. The Volume to Capacity Ratio ... for the analysis of peak hour flows appears to be underestimated. Information on how the capacity of each section was calculated is requested to confirm the adopted VCR is appropriate.
- c. Provide Mesoscopic Modelling files for review and consideration. This information forms part of the submitted Movement, Transport & Car Park Strategy Report.
- d. While the structure plan proposes a framework for increased residential density, further consideration to reduce household car ownership is necessary. Without reduced residential car ownership and usage, increased density is likely to result in a significant increase in peak traffic on the road network as identified ...

It goes on to mention how it was identified.

I am sorry. I know the minister is the representing minister and I do not mean to throw extreme detail at her, but what I think non-experts, as we are here today, can see is that an incredibly detailed point was raised by Main Roads in a piece of work that was done to achieve exactly the sorts of medium and high-density housing that we want to occur around our Metronet stations. I understand the frustration that comes out of this. We have very detailed challenges because we have policies that have to be maintained, in this case with traffic. I could have referred to any matters from state agencies and they would have been equally complex. We will not go into all of them because they all provide their own perspective. What I do note is that the response from the local agency was not supported in this case. It says —

Refer to report regarding State Government agency involvement in modelling preparation, including engagement of Flyt, the same consultancy that has prepared the City’s Movement, Transport and Car Parking Strategy.

Apparently, the same consultant was working for Main Roads—maybe, or maybe not. Anyhow, they were referred back to the consultant in the car parking strategy. The challenge here is the reality that there will still be increased traffic demands in this case. Yes, I think the whole objective of developing these high-density developments in and around our train stations is critical, but we seem to be creating barriers to get to that outcome, whether it be the Planning Commission or the local government, but ultimately the commission will be the one that signs off on this.

I suppose my point is: how do you reform that? We are now saying we will set up a State Referral Co-ordination unit. I think that can work only if it has suitable senior members of the public sector on it, and it takes an approach to

solve problems. My question on that coordination unit is whether that will be the sort of issue that will be addressed. The very complex issue I have just given by way of example was by way of example only. Will the State Referral Co-ordination Unit be dealing with those sorts of issues, and what level of seniority will be within that unit in order to address that so that we can achieve the national planning reform blueprint outcomes?

Hon JACKIE JARVIS: The member spent about seven minutes reading out a very technical submission. I think he said it was from Main Roads. It is a submission that I have not seen. It was very detailed and very technical, and the member said that it was in a submission to a structure plan. Again, I do not have that before me, and it is not dealt with in this bill. I cannot provide comment on whether this bill will have an impact on that because, quite frankly, it was a very detailed question about two documents that I do not have line of sight of.

The member asked about the State Referral Co-ordination Unit. I think that was the question. Referral coordination is undertaken within the planning system for all planning assessments. Coordination of state responses to provide a single sector is new to WA and it is the primary function of the State Referral Co-ordination Unit. The coordination unit will provide advice to the Western Australian Planning Commission, which will be the determining authority. Other jurisdictions already have some form of referral coordination, including New South Wales, Queensland and South Australia.

Hon NEIL THOMSON: The minister is unable to advise on the level of seniority in that group?

Hon Jackie Jarvis: Is that your question?

Hon NEIL THOMSON: Yes, please.

Hon JACKIE JARVIS: I am advised that the relevant agency's director general nominates the particular staff who have the relevant technical expertise and skill.

Hon NEIL THOMSON: Thanks for that; I think that is a positive thing. We will be watching closely when that unit is operational. If it operates well and has that direct line of sight from those directors general, it will probably go a bit of the way to addressing my concerns around the changes to the commission. I still cannot say I am in support of the changes to the commission. I am not going to say that, but I think the jury remains out on that. By way of commentary, the detail on that technical matter was just by way of example. These are the sorts of conflicts that happen on a very regular basis throughout the planning system. I will not do it, but I could repeat those extremely detailed matters. A massive body of work was done by this committee in order to try to move forward some of these state objectives on state infrastructure—namely, the Metronet infrastructure.

Before I move on from this, the national planning reform blueprint is the driver for this bill. It was certainly a major part of the second reading speech of the minister. Will there be any sort of accountability back to national cabinet in relation to progress against the national planning reform blueprint and the sorts of reforms that we are putting through today?

Hon JACKIE JARVIS: It is not clear from the advice at the table what the report-back processes are, but I can certainly take that on notice and follow that up for the member.

Hon NEIL THOMSON: We are working our way through. There was a matter that my colleague Hon Steve Martin may want to ask further questions on. One of those four priority areas that the minister raised in relation to those points within the national planning reform blueprint was “reforms to support the rapid delivery of social and affordable housing”. How will this bill achieve that outcome?

Hon JACKIE JARVIS: It is my understanding that community housing providers have expressed an interest in going directly to the development assessment panel or through the significant development pathway, and it was felt that that will expedite the process for them.

Hon NEIL THOMSON: I take it from the minister's response that the government has had feedback from those community housing providers?

Hon Jackie Jarvis: Yes.

Hon NEIL THOMSON: Hence the changes in the design. Was that in relation to the option to go to the DAP, or was that a specific one?

Hon JACKIE JARVIS: If a community housing provider does not meet the financial development threshold, it can opt into the DAP system.

Hon NEIL THOMSON: That is good. I noted that there was a housing target in that national cabinet outcome to be supported with a \$500 million competitive funding program for state governments to kickstart housing supply. I know that is a slight digression from the bill, but it ties in with all this blueprint work. Will any of the work that the minister is doing on the reforms have any bearing on the availability of and our access to that \$500 million fund that has been established by the federal government?

Hon JACKIE JARVIS: I do not have that information to hand.

Hon NEIL THOMSON: It was stated in the media, and national cabinet also agreed to a national planning reform blueprint, which included promoting medium and high-density housing in well-located areas close to existing public transport. Hopefully, we can achieve those outcomes. The point will be whether we can make a case to the federal government to gain access to that funding. The Minister for Housing might be able to tell us in due course whether our state will be able to access 10 per cent or more of that money, which is not a lot, but it is something that we might be able to access.

I want to consider a little more the overall targets in our strategic plan, *Perth and Peel@3.5 million*, before we close out on that. We mentioned this and touched on it a bit when we looked at those planning investigation areas, but that strategy contains a goal of 800 000 new dwellings, of which 360 000 would be new infill dwellings. There are a number of measures in here. The minister mentioned the feedback the agency has had from not-for-profit housing providers, and no doubt it has also spoken to other people in the industry.

Does the agency have any idea of the impact this legislation will have on achieving those targets, particularly the 800 000 new dwellings? Has any assessment been done on what might be blocked within the pipeline of approvals and what sort of percentage might be held up by the approvals process?

Hon JACKIE JARVIS: Obviously, this is a broadbrush bill that looks to streamline the process. No; at this point in time, modelling has not been done on the number of applications that might be held up.

Hon NEIL THOMSON: The minister does not have to respond to this, because it is really directed to the Minister for Planning. I am sure that someone from his office is watching. Is this a case in which the minister is desperately pulling every lever possible, as he said in his second reading speech, almost in blind hope? It is surprising that there has not been some sort of assessment of the number of projects. The minister said there has been no analysis.

Hon Jackie Jarvis: Not that I am aware of.

Hon NEIL THOMSON: Okay. It would have been good to think about the time lines of specific projects—I am sure that could have been done easily—and what projects may have been rejected under a different regime but now may not be rejected. We can go into that in more detail when we get there. Otherwise, it looks like the desperation of someone who is just grabbing levers and pulling those levers without much thought.

Given that no priority assessment was done on the potential benefits of this reform, how are we going to measure the success of the reform?

Hon JACKIE JARVIS: We are pulling every lever. The member can make fun of us for using the word “lever”, but people need houses. We unashamedly introduced this bill to accelerate housing supply. The member can mock the idea of the bill, but it has been strongly supported by housing providers and industry, and I understand parts of the opposition strongly support it.

I do not have the data on hand about what developments may or may not be stuck in the planning system that may come into force when this bill comes into force. I am telling the member that this bill aims to accelerate housing supply. I do not have the data before me that the member is seeking.

Hon NEIL THOMSON: I do not doubt the minister’s sincerity in relation to pulling levers and I do not doubt that she is having a go. This bill includes a reasonable suite of measures and a number of proposed reforms. I wish to clarify something. The minister paraphrased that many opposition members strongly support the bill. Actually, the opposition supports many of the reforms. That is the correct point to make. We probably support a number of the reforms, and there are some that we doubt.

Finally, there are a number of things that we do not think the government is doing to reach the important goal of housing supply. We can agree to disagree on that.

What is the government doing to measure even a scintilla of objectivity with respect to this bill? We are seeking a tiny amount of objectivity. What will be done to assess how these reforms will improve that goal of boosting housing supply?

Hon JACKIE JARVIS: This bill is not designed to fix all the ills around housing. The department routinely monitors housing and land supply over a period of time. It will be able to monitor the number of houses or dwellings that will be approved under this process. The idea of this bill was always to create multiple pathways for people to get approval and to streamline that process because obviously the less time in the planning process, the quicker we can provide houses. The bill aims to give maximum options to a broad range of developers of housing stock.

Hon STEVE MARTIN: I will ask a couple of reasonably specific questions now, as opposed to doing it clause by clause. I have a couple of questions on part 2 and the permanent assessment pathway for significant developments. The second reading speech states —

The permanent pathway is proposed to remain an opt-in system, providing eligible proponents with a streamlined, efficient and coordinated assessment process for complex proposals.

Is that just some words or will a proposal need to be complex to be considered for this pathway?

Hon JACKIE JARVIS: The criteria will be determined by a financial threshold—that is, developments valued at \$20 million in Perth or Peel, or \$5 million in regional areas. When developments are state or regionally significant, the Premier will also be able to call them into the complex proposals pathway.

Hon STEVE MARTIN: Without labouring the point, a very simple proposal could actually be covered by this pathway.

Hon JACKIE JARVIS: Yes. I guess we are using the term “complex” in the sense that if a development is worth \$20 million, it might be deemed to be complex. However, this will be an opt-in process. No-one will be made to go through this process. If someone determines that a complex development might be better served by going to a DAP, that will be the criteria.

Hon STEVE MARTIN: Also on the significant development pathway, the second reading speech talks about statutory time frames, proposed to be 120 days. As the minister said, we are talking about a project worth \$5 million outside the Perth and Peel region. That will be a very small project. Was any consideration given to a range of time frames? For instance, was consideration given to 60 days or 30 days if it is a \$5 million project in the regions?

Hon JACKIE JARVIS: I am advised that 120 days will be the maximum. We certainly do not expect that to be the norm. That will be for the very complex cases. The idea is that that will be the absolute maximum.

Hon STEVE MARTIN: The Premier, on the advice of the Minister for Planning, will be able to authorise the lodgement of an application when a development raises issues of state or regional importance. Can the minister outline, perhaps with some examples, what state or regional importance might be, or are there guidelines for determining what is of regional importance?

Hon JACKIE JARVIS: The bill includes a deliberately broad meaning. Examination of some other jurisdictions provided guidance, but it is not closed. It is likely to include matters of social, economic and environmental importance. Factors are likely to include, but are not limited to, the nature, scale and/or geographical area of influence; potential contribution to the delivery of physical community or other infrastructure; and potential contribution to the economic wellbeing of the state or the region, such as facilitating local employment opportunities. Examples of projects likely to be given the status of regional significance could include a children’s hospice, community housing or a childcare centre in a regional area that lacks such facilities.

Hon STEVE MARTIN: The second reading speech mentions that the Premier’s call-in powers will be modified to better suit the permanent nature of the new provisions in proposed part 11B. What are those modifications?

Hon JACKIE JARVIS: I have been advised that there is no change to the Premier’s call-in powers. The minor tweak was that Peel was originally in the \$5 million threshold but it has now been brought into the \$20 million threshold with Perth. That was mentioned in the second reading speech. I am advised that the Premier’s call-in powers have not changed.

Hon STEVE MARTIN: The minister referred to comparing the minister’s powers in this jurisdiction and other comparable jurisdictions, and this was also referred to in the second reading speech. What are the dollar amounts in those other jurisdictions, roughly? Are they similar to the \$5 million and \$20 million amounts for regional and metropolitan areas?

Hon JACKIE JARVIS: I am advised that we cannot give the member figures. All the states are very different. Some have a value, some are determined by type and some just have a ministerial call-in option for a range of additional reasons. We cannot really compare on a state-by-state basis because they are all very different.

Hon NEIL THOMSON: I go back to the second reading speech. There was something stated under the heading of other policy measures. The second reading speech states —

This government has made a record investment of \$2.6 billion into social housing and homelessness measures, which will see the delivery of 4 000 homes.

We heard some very good commentary from my colleague Hon Steve Martin about the state of social housing in Western Australia. I note that in the second reading speech the minister said —

We are on track to deliver 4 000 homes, with more than 1 600 already delivered and a further 1 000 under contract or construction.

I assume that some of those homes have been delivered through the not-for-profit sector. As we discussed earlier, the government got some feedback from the not-for-profit non-government agencies that provide social housing. I assume that some of that number is there. I take it that the state has a lot of interaction with the planning system,

particularly with what might be characterised as the development application system. Is there any information on the feedback within the Department of Communities? For example, did the minister receive any feedback from the Department of Communities about the necessity for these changes? What was the feedback, given the significant construction piece that seems to be on at the present time to make up the massive shortfall that has accumulated over the last seven years?

Hon JACKIE JARVIS: I cannot advise whether the Department of Communities provided input on this. I am not even sure whether the Department of Communities delivers housing or whether it is the Department of Finance. I will take the member's word for it that it is the Department of Communities. The community housing sector more broadly supports these amendments.

Hon NEIL THOMSON: My understanding—I am sure that someone might be watching—is that up to a certain number of dwellings in a group dwelling development are constructed by the Department of Communities. My understanding is that in the land space, DevelopmentWA has taken over the aspect that used to be the joint ventures undertaken by the Housing Authority. I think that the Department of Communities is still involved in the direct delivery of social housing. These numbers are significant. I assume that those 1 600 homes all had to get planning approval at some point, or maybe not planning approval because many suburbs would not require planning approval; simply building approval would be required. Of those further 1 000 homes under contract, that is a lot of homes that could have motivated the state towards some of these changes. Does the minister have anything on that particular aspect?

Hon JACKIE JARVIS: The other policy measures refer more broadly to social housing being delivered. I do not have advisers here from the Department of Communities. The member could quite rightly ask whether this bill has been informed by the hundreds of private residents who have built houses. I can tell the member that the department spoke to community housing providers and others to get input on this bill. I will not provide commentary on individual cases and whether individual planning cases would have been more streamlined under this bill.

Hon NEIL THOMSON: Another part of the speech—this may be a risk of putting too much in the speech without providing appropriate briefings from the advisers—says that we have sped up the delivery of social housing through a diversified range of innovative programs. That piqued my interest a little. We talk about the timber-frame build program and the modular house program. I will ignore the spot-purchase program because they have already been approved. I am thinking in particular about the delegations to the CEO of a local government not going through the council that might have been related to some of these innovative building methodologies or materials. Although I think most councils would probably be quite supportive of innovation, some might have some questions. Was any experience driving that motivation?

Hon JACKIE JARVIS: The range of innovative programs—I quote this every week when I am answering questions without notice on behalf of the Minister for Housing—just lists the types of ways in which houses are built across Western Australia. Although the programs are innovative for government, building houses with timber frames is not new. Modular housing is not new, specifically in regional areas. I am not sure what the member's question is. Is he asking whether the way we build houses in Western Australia has an influence on the bill?

Hon Neil Thomson: Yes, sometimes. I can jump up and talk about it, if you like.

The DEPUTY CHAIR (Hon Sandra Carr): Hon Neil Thomson.

Hon NEIL THOMSON: My understanding is that some local governments may have some requirements. My knowledge of this is probably a little dated, but a few local governments had quite stringent design requirements about materials, and that potentially had an impact. Given the state is driving this diverse range of innovative programs, I wonder whether the state had come up against that, as the minister often seems to talk about these programs. I am probably verballing the minister when I say “recalcitrant” because I do not think that he has used that word, but he has made less than favourable commentary about the approach of some local governments. I wonder whether within those programs there were any specific examples of the state having come up against a block from a local government.

Hon JACKIE JARVIS: Not that we are aware of—no.

Hon NEIL THOMSON: Again, this is by way of commentary on this specific matter and the issue of those delegations. Let us put it this way: the planning system does not always afford protection towards some arbitrary decisions of decision-makers.

I refer to a very large timber construction proposal in South Perth, which I commented on recently. That went to the south metropolitan joint development assessment panel and was approved in contravention to the scheme requirements. It was voted on 3–0, just before the local government elections. It was proposed as a 51-storey development in timber. The scheme required the matter to go to the State Design Review Panel. The commentary made earlier was that some people do not like the State Design Review Panel and other people do. Certainly, some developers think that it should not be interfering, but that scheme required those sorts of things to be considered

and that design excellence to be met. Whether we agree with that or not, at the end of the day, the development assessment panel's decision was to approve it, even though it did not meet the design review panel's requirement for design excellence. It was an innovative process, so that was why I picked up on that. I will leave that point as a comment.

Before we move on from clause 1, I go back to the issue of infrastructure because it was again referred to in the second reading speech, which referred somewhat to the Kelmscott example. I am not trying to pick on Kelmscott; it is just an excellent example, given a whole range of factors. The second reading speech mentioned —

Our \$80 million infrastructure development fund is another key part of our government's efforts to help industry with the up-front costs involved in establishing essential infrastructure for housing developments, which we know is impacting projects throughout the state.

I agree with all of that statement, except for the \$80 million. As my colleague Hon Steve Martin outlined, it is just a drop in the ocean for the need. I want to talk about the desire to boost the broader housing supply pipeline. I know the minister is representing the Minister for Planning, but does the minister have any "read" on the infrastructure shortfall we have, in order to achieve these new approvals, potentially help streamline things and get things going? Has any assessment been done of the infrastructure shortfall across metropolitan Perth?

Hon JACKIE JARVIS: Member, the advisers at the table cannot provide that advice. The advice that I have at the table relates to this specific bill. I note that the member was quoting things from the second reading speech, but the words were "other policy measures to date". That part was to provide some background and some colour on why this bill is important.

Hon NEIL THOMSON: I appreciate that. I guess we have thrown a bit of colour on the other side as well in relation to these claims by the minister. It is a pity that the minister is in the other place. I would have been able to ask more directly on these matters otherwise.

Hon Jackie Jarvis: By interjection, your colleagues had that opportunity.

Hon NEIL THOMSON: They did, and I am shadow Minister for Planning, so that is also by way of response. The matter, I guess, is part of this process. My final question on clause 1 is: given this massive \$13 billion infrastructure investment—\$13 billion, sorry; it is easy to get the wrong letter in front of that number because it is such a big number—to move people from one point to the other, and a very small investment that has been done so far for investment infrastructure development, noting the key issue, I feel this whole reform program has a disjunction in that we do not yet have an alignment of those investment levels to deliver the sort of infill targets that we have. The minister can take it as a comment if she likes, but I think it is a major shortcoming. I do not know whether the state is planning to do anything about that. I would like to see more legislative focus on providing a greater head of power for the Western Australian Planning Commission to provide some intervention on some of those infrastructure matters; I am thinking of water, sewerage and power. I know we are dealing with government trading enterprises. It is a challenge, but I think that ultimately we require a certain level of authority on these matters and investment coming down from the commission if we are going to get anywhere near the outcome of getting anything like the full utilisation of the \$13 billion Metronet investment, given the challenges we have going forward. The minister can respond to that if she likes, but, by way of comment, I believe that is the case.

Hon STEVE MARTIN: I will go back to the significant development again. I do not think I raised this a minute ago. The WAPC will also remain as the decision-maker with provision to consider matters broader than planning in certain circumstances. What are those matters that are "broader than planning" and in which circumstances?

Hon JACKIE JARVIS: This is covered in proposed section 171R. It states that the commission may determine a significant development application when it is of the opinion that the application raises issues of state or regional importance and the determination is in the public interest. The concept of public interest is deliberately broad, but not unlimited. Further factors from case law in which public interest is likely to arise include when an application will benefit the broader public and not merely private interests and will promote the objectives of the enabling act, which include providing an efficient and effective land-use planning system for the state and to promote the sustainable use and development of land. It will go beyond ordinary planning considerations, promote negotiated planning solutions and promptly and efficiently resolve a planning issue.

Some examples of factors in which public interest is not likely to arise is when there are benefits to a private person only, when it is inconsistent with the objects of an act, if it is such a significant change from an existing planning framework that it would result in the loss of public confidence in the planning system or if it would involve the approval of a development otherwise criminally illegal. That is not in the public interest—who knew?

I have just been told that an example of something that could be in the public interest would perhaps be a homelessness shelter.

Hon STEVE MARTIN: I know I am probably labouring the point, but can public interest somehow override the planning framework?

Hon JACKIE JARVIS: The Western Australian Planning Commission cannot ignore a planning instrument. Discretion has been part of the planning system. The only way the WAPC could be justified in departing from the approved planning framework would require the weighting of multiple considerations to establish the preferred decision with reference to broad objectives. Discretion permits always have to justify why they are departing from the established rules. The onus is on the proponent to show the WAPC why the ordinary planning requirements should not apply. This is different from a situation in which planning rules did not apply in the first place.

Although the WAPC has broad powers of discretion, they are not unlimited or to be used flippantly. Discretion can be used only when the Western Australian Planning Commission has had due regard to the orderly and proper planning and preservation of amenity. I note that discretion is a long-established part of the planning system.

Hon STEVE MARTIN: While we are on clause 1, I will spend a bit of time on the local government decision-making reform for single houses. In my contribution to the second reading debate, I spoke about the few very high-profile examples amongst the tens or probably hundreds of thousands of applications that either do not need planning approval or will get planning approval very quickly. The minister mentioned that it can take up to two months. Is there any data to show how many take longer than they should? I am comparing that with the Western Australian Local Government Association data, which apparently covers 36 councils and up to 85 per cent of the Western Australian population. If the justification is that we have a problem and we need to fix it, I am wondering how the scale of the problem was determined, if the government is not according the WALGA data much credibility.

Hon JACKIE JARVIS: I am advised that the WALGA data was looked at, but the WALGA data does not break down the types of development applications. It is not just houses; apparently, the WALGA data could include sheds, shops, businesses or patios. It looked at development applications across the board. The two-month figure was based on looking at a normal local government calendar. It goes to local government, which then has to prepare a report and brief councillors and then it goes to a council meeting. The two months was based on the normal process for when houses go to local government for approval.

Hon STEVE MARTIN: I have sat through that normal process, and it can take two months of shire council meetings to get there. I am trying to ascertain how many applications take two months, whether it is a patio with a bad setback or a home. Is there a number? Does the department or the Western Australian Planning Commission know how many applications out of tens of thousands actually take the full two months?

Hon JACKIE JARVIS: The department does not have that specific data; it was more about getting consistency. It was just making sure that there was a consistent approach across the state.

Clause put and passed.

Clause 2: Commencement —

Hon NEIL THOMSON: Clause 2 makes provision for the schedule of commencement of a range of activities. It outlines the different parts that will come into operation and a fairly complex set of changes. For example, it will remove the current exclusions for 10 grouped dwellings and 10 multiple dwellings, warehouses and applications by responsible authorities. There is an opt-in pathway and mandatory thresholds for the DAPs. There will be a transition to specialist ones, which is probably the main one, and a fixed term of full-time members, together with a pool of technical experts. Are these commencement time frames legal time frames? I assume, for example, specialist development assessment panel members will have to transition; we will have to recruit them and make sure they are on board. There will be work to be done, other than getting this bill through to royal assent. Can the minister give me a bit of a summary of those rollout matters outlined in those various parts?

Hon JACKIE JARVIS: I am advised that most parts are tied to new regulations. For example, part 11B is tied to new 11B regulations and changes to the development assessment panel regulations. My understanding is that staged information and implementation is due to the requirement for the development of new regulations.

Hon NEIL THOMSON: Clause 2(c) has some exceptions of parts as well. When are we likely to see the full application of these measures into the planning system?

Hon JACKIE JARVIS: The expected commencement is in early to mid-2024.

Hon NEIL THOMSON: Will the government have these full-time members and everything in place early next year?

Hon Jackie Jarvis: Yes.

Clause put and passed.

Clause 3 put and passed.

Clauses 4 and 5 put and passed.

Clause 6: Section 289 amended —

Hon NEIL THOMSON: We could probably cover this in clause 11 as well, though we may not spend too much time on this. This is the introduction of the permanent pathway for approval of significant development by the commission and conflict resolution process for certain planning approvals. We just had a discussion in relation to —

Hon Jackie Jarvis: Clause 6 deals with DAPs.

Hon NEIL THOMSON: I refer to “Section 289 amended” and part 3. I have both the bill and the explanatory memorandum open.

Hon Jackie Jarvis: Is the member referring to clause 6 or part 6?

Hon NEIL THOMSON: Clause 6. Am I correct?

Hon Jackie Jarvis: I think so. My advisers are confusing me. Go on, and we will muddle through it.

Hon NEIL THOMSON: I think I am. I am not always right, I know. I quite often am, more so than others might assume. Anyhow, the explanatory memorandum is referring to it and the minister might have been fooled by the fact that the clause refers to the DAP established under section 171C(1). It is to do with that significant development pathway. That is why it is always handy to have both the explanatory memorandum and the bill open at the same time because the good staff down there at the legal unit of the Department of Planning, Lands and Heritage, some of whom might be here at the table today, are always very thorough in their explanation of these bills in the explanatory memorandum so we can thank them for that.

On this pathway, is it correct that we already have this pathway in place?

Hon JACKIE JARVIS: Member, we are not clear whether you are referring to the pathway for DAPs or the significant development pathway. Clause 6 deletes “district DAP establishment” and inserts “DAP established under section 171C(1)”. We are not sure what the question is, if truth be told.

Hon NEIL THOMSON: Unless there has been an error in transcription, this is your document and I am sure there is not an error because I have tried that one before and I have always found that these documents are very thorough, as I say. I am looking at the explanatory memorandum on page 9 if the officers can go to that. Part 3 under clause 6 talks about the development approval for significant developments and avoiding conflicts with approvals. It reads —

This Part introduces a permanent pathway for approval of significant development by the Commission and a conflict-resolution process for certain planning approvals. This Part deals with two key reforms:

- A new significant development pathway under Part 11B; and
- An expanded conflict resolution process under Part 11C.

That is what it says in my document but if we need to talk about that at a different clause, I am very happy to defer to the advisers on that.

Hon JACKIE JARVIS: The section the member is reading from, “This Part introduces a permanent pathway”, relates to clause 7, but I will see whether I can answer it. The explanatory memorandum reads —

This Part introduces a permanent pathway for approval of significant development by the Commission and a conflict-resolution process for certain planning approvals. This Part deals with two key reforms:

- A new significant development pathway under Part 11B; and
- An expanded conflict resolution process under Part 11C.

If that is what the member is referring to —

Hon NEIL THOMSON: We will go to clause 7.

Clause put and passed.

Clause 7: Act amended —

Hon NEIL THOMSON: It may have been an editorial error on my part through these documents; I go through these documents and make them in a way so I can follow them through, so my apologies. I may have made a mistake and put that part in the wrong clause. If we could just focus on this issue that —

Hon Jackie Jarvis: Just checking, member—are we referring to part 3 on development approvals?

Hon NEIL THOMSON: That is right—if we can talk about that, please.

Hon Jackie Jarvis: I am happy to take all questions on part 3 at this clause if that makes it easier.

Hon NEIL THOMSON: Thank you. We can deal with that. The question relates to the significant development pathway. We have one in place. My understanding is that the state development assessment unit provides the advice. The Planning Commission is the decision-maker. We are talking about the same thing here; is that correct?

Hon JACKIE JARVIS: Member, there are parts of it that are similar and there are parts of it that are different. New part 11B is similar to part 17. Essentially, there will be the same threshold, so \$20 million in Perth and Peel and \$5 million in the regions. There will be a role for the Premier to enable an application to be lodged. There will be the same public consultation requirements—local government, public advertising, minister, Heritage Council. There will be the same decision-maker, as in the Western Australian Planning Commission. There will be the same process for pre-lodge and design review, state agency referral coordination and public meetings. There will be a similar discretion and same oversight mechanisms, being the State Administrative Tribunal and government and/or Parliament.

In some ways it is different from part 17. It will remove the COVID-related provisions. Obviously, a criteria regarding economic recovery as a response to the pandemic is no longer relevant for a permanent system. The limit of a one-off extension will be removed. The need to encourage shovel-ready proposals is no longer relevant. Best practices from part 17 are now enshrined in law: pre-lodgement advice, design review and public meetings. Decisions will be made under the existing planning framework but with a new added discretion. It is different in that included is the Peel region scheme area with Perth to align with the government's strategic planning. It is different in that it enshrines a 120-day limit. The default period for the substantial commencement of a period is now four years, rather than two years. Hopefully, that assists.

Hon NEIL THOMSON: It does very much; thank you. That was very comprehensive. I appreciate that. Will those matters that are currently within the part 17 system be auspiced across to this new system or do they remain?

Hon Jackie Jarvis: They remain under the current system.

Hon NEIL THOMSON: Thank you. Is there an expiry time for those matters that have been lodged in the part 17 system? I know some of those matters have been there for a long time. I am thinking particularly about the Fini coastal development in Capel. I think it has been referred to the Environmental Protection Authority. It is probably on a stop-the-clock provision, I would have thought. What happens to those sorts of applications that are sitting within that part 17 process as to we transition to this part 11 process?

Hon JACKIE JARVIS: Member, I am advised that part 17 is not being repealed. Those applications would stay in there. The new applications would be under the new system.

Hon NEIL THOMSON: Is there going to be a point at which those applications will have to be decided upon? By what methodology will those applications cease to be? Notwithstanding part 17 is not being repealed, there will be a time when the government will not want to have any applications afoot within that system, only because it would be an administrative burden. I know the challenges in relation to the stop-the-clock provisions.

Progress reported and leave granted to sit again, pursuant to standing orders.