

MUCHEA SALEYARDS - CONSTRUCTION

841. Hon MURRAY CRIDDLE to the Minister for Agriculture and Food:

I was hoping to ask the Minister for Local Government and Regional Development a question but I notice that he is not here.

Given that stage 1 of the Muchea saleyards construction process has been completed -

- (1) Has finalisation of the land purchase been concluded?
- (2) Have all environmental approvals been given for the construction of the yards?
- (3) When will tenders be called given that finance is still being assessed?
- (4) Will Katanning, Mt Barker and Northam still be able to get access to government funding?

Hon KIM CHANCE replied:

- (1) The land purchase finalisation is at an advanced stage. Whether the cash has actually changed hands, I do not know. Everything that needs to be done to allow the purchase to go ahead is now clear to be done in that the options on the land were exercised some months ago. I think that that exchange has happened but it is in the hands of the Western Australian Meat Industry Authority.
- (2) I believe that all environmental approvals have been met. That was a necessity, as I understand it, for the development application to proceed. The development application - although the member did not ask this question I think it is relevant - has also been approved subject to some 38 conditions.
- (3) When will the contracts be let? At the end of stage 1 - which is where we are now - and before starting stage 2, a due diligence process will occur. Similarly, there will be another due diligence process between the end of stage 2 and the beginning of stage 3. The calling for contracts is dependent upon a successful passage through the due diligence process. It includes making an analysis, amongst other things, of what the cost of the facility will be. Obviously, the projected cost of the facility has increased very significantly.
- (4) Will there be funds left over for Katanning, Mt Barker and Northam? I will not know that until we have made significant progress through not only the tendering stage, but also the construction stage of the project. I have always made it very clear to people that the capacity of government to assist in Katanning, Mt Barker and the single south west saleyard was always dependent upon two things: firstly, there being a surplus of funds that existed or that could be created out of the completion of Muchea and the replacement of Midland; and secondly, a government decision being made to devote that surplus of funds to that purpose. I do not think anybody is in any doubt about my position on that. In respect of Northam, the government has no intention of assisting in that application. Northam is not a facility that fits within the state saleyard strategy. Indeed, the establishment of a saleyard at Northam could impede the strategy, particularly in respect of the economic viability of Katanning.