

SOCIAL HOUSING — 2021–22 STATE BUDGET

832. Dr J. KRISHNAN to the Minister for Housing:

I refer to the McGowan Labor government's significant efforts in reforming the delivery of social housing in Western Australia, including the record \$875 million investment as part of this year's budget.

- (1) Can the minister outline to the house how the government is overcoming the significant challenges within the building and construction sector in delivering social housing across the state?
- (2) Can the minister also advise the house how this investment is supporting local jobs and local businesses?

Mr J.N. CAREY replied:

- (1)–(2) I thank the member for his question. It is great to provide a wrap-up of our social housing program. I want members to think about when COVID first hit; there were very dire projections about the state of the economy, and in particular the state of the housing market. In fact, what we have seen is quite the opposite. Our management of the economy and COVID has delivered a safe state, with a very strong economy, the strongest in Australia, with low unemployment. Of course, our building bonus grant has fuelled incredible growth in construction and housing. That is providing thousands and thousands of jobs to Western Australians, with 27 000 building approvals, and nearly 4 000 Keystart approvals. That has meant that thousands and thousands of first home buyers have entered the market to secure a new home. Of course, we are very cognisant of the pressures as more Western Australians have returned home, and with the tightening of the market. That is why we have announced the largest injection into social housing in the state's history, \$875 million, which will take the total social housing investment over the next four years to more than \$2.1 billion, to deliver 3 300 new homes.

We do face challenges in delivery. We have a heated construction market and a booming housing sector. That is why I am leading a very strong reform program within the agency and within delivery so that we can pivot as we need, to ensure that we get the best outcomes as fast as possible. That is why we have announced a modular program, with nearly \$100 million for 200 modular homes, 150 of which will be in the regions. That is why we have embraced timber. Where we have shifted from double brick to timber, we are seeing homes delivered within five months. That is extraordinary given the heated construction market we face.

We are also boosting our spot purchasing program so that we can provide instant injections. We are also converting our standard stock that is sold to the market under the Department of Communities, and nearly 500 of those are being converted to social housing. We have our regional renewal program of \$20 million across Bunbury, Albany and Geraldton, where we are tackling those more difficult issues, where there is high social density and where we are trying to encourage greater liveability but also ensure that we retain and refurbish social housing. Of course, given the heated construction market, we are creating a pipeline of work, with \$522 million set aside in the out years so that when those 27 000 building approvals are completed, we have a serious amount of funding to fuel a number of projects across Western Australia—to provide that delivery of work. I am deeply proud, as the new Minister for Housing, as part of the McGowan government, that we are driving a very clear, accelerated program to deliver social housing in Western Australia.