

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Budget Estimates Hearing – May 2009

Department of Finance and Deregulation

Finance and Deregulation Portfolio

Outcome 2, Program 1

Topic: Commonwealth land

Question reference number: F62

Type of Question: Written

Date set by the committee for the return of answer: 10 July 2009

Number of Pages: 2

Senator Cash asked:

- (a) In October 2007, the then Opposition Leader (and now Prime Minister) announced that a Rudd Labor Government would help ease the housing affordability crisis in Australia by releasing surplus Commonwealth land. How much surplus Government land (or any land for that matter) has been released for new housing since the election of the Rudd Government?
- (b) How many housing lots have been created as a result of the release of this land? Geographically where has this land been released?
- (c) How many houses have been built as a consequence of the implementation of this Labor election commitment?
- (d) In February, the Committee was informed that the Department of Defence had withdrawn two significant sites in Sydney from sale. Does the Government still intend to proceed with the sale of land at West Wattle Grove and Schofields?
- (e) The response provided specifically for West Wattle Grove mentions that the Commonwealth's requirements for this site were being reassessed. What parts of the requirements are being re-assessed? The need to sell the land or the requirement that the land be sold for housing?
- (f) In February, the CSIRO was in the process of marketing for sale a site at Indooroopilly in Brisbane. Has this sale progressed any further? If so, is the Department able to advise the Committee as to whether the sale is conditional upon future use for residential housing?

Answer:

- (a) Since the election of the Rudd Government, the Commonwealth has released surplus land for disposal by open market and priority (direct) sales. The sites which are potentially suitable for new housing include:
- o CSIRO site (6.8 ha) at Cannon Hill, Queensland, sold by open market tender;
 - o CSIRO site (7.2 ha) at Indooroopilly, Queensland, in the process of sale following an open market tender;

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Budget Estimates Hearing – May 2009

Department of Finance and Deregulation

Finance and Deregulation Portfolio

- Department of Defence (Defence) site (146 ha) at Schofields, New South Wales, on the open market. The site was later withdrawn from sale;
- Defence site (55 ha) at Moorebank (known as ‘West Wattle Grove’), New South Wales, on the open market. Defence agreed to a ‘call option’ to enable the preferred tenderer to consider the sale in light of the changing financial environment. Due to the call option expiring, the open market sale of the site was not completed;
- Defence site (127 ha) at Maribyrnong, Victoria, a priority sale to the Victorian Government for development by its urban development arm, VicUrban; and
- Defence site (15 ha) at Muirhead, Northern Territory, a priority sale to the Defence Housing Authority.

On 25 February 2009, the Government announced a revamp of the Commonwealth Property Disposals Policy (CPDP). The revamped CPDP formalised the Government’s commitment to release surplus Commonwealth land for the purposes of:

- increasing housing supply without adversely affecting surrounding property prices;
- improving community amenity; and
- creating jobs.

(b) None. With reference to the Maribyrnong and Muirhead sites, Commonwealth land sold or in the process of sale is subject to appropriate zoning and use for residential purposes. These sites have the potential to release:

- approximately 2,000 allotments in Victoria (Maribyrnong site); and
- approximately 150 allotments in the Northern Territory (Muirhead site).

(c) See previous answer.

(d) The ‘West Wattle Grove’ site is being reassessed in relation to a review of the Department of Defence’s logistics requirements and other Government policy considerations. The Schofields site which is still surplus, will be re-scheduled for disposal following subdivision of the site to facilitate a priority sale of 2.1 hectares to the NSW Government-owned Transport Infrastructure Development Corporation, for improved railway infrastructure. The Schofields site also has the potential to release allotments for housing.

(e) The Commonwealth’s requirements for the ‘West Wattle Grove’ site, in terms of both its current surplus status and future use, are under review.

(f) Yes, the sale of the surplus CSIRO site at Indooroopilly, Queensland (the site), has progressed. CSIRO has marketed the site for sale on the open market through a public expression of interest process and is presently in discussion with several parties. The expression of interest process requires parties to consider residential use for the site. The site is presently not zoned for residential use and would require town planning approval from the Brisbane City Council to rezone.