

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Finance and Deregulation Portfolio

Department of Finance and Deregulation

Supplementary Estimates – October 2010

Outcome 2, Program 2.1

Topic: Release of Commonwealth Land

Question reference number: F105

Type of Question: Written

Date set by the committee for the return of answer: 3 December 2010

Number of Pages: 5

Senator Payne asked:

With regard to progress since 2008 in expediting the release of surplus Commonwealth land in order to ease land supply pressures:

- a) How many properties have been assessed during this process? How much land by land area?
- b) How many of the properties examined have been assessed as suitable for release? Please provide details of the number of properties, total land area, total land by state, and total land area by capital city.
- c) Please provide a list of all properties that have been assessed as suitable for disposal. Which of these properties has been sold to date? What was the sale price of each of the properties sold? Which of these properties has been withdrawn from sale?
- d) Which of the properties withdrawn have been subsequently been re-released and sold?

Answer:

a) Under the Commonwealth Property Disposals Policy (CPDP), Commonwealth Departments and Agencies report their land holdings to the Department of Finance and Deregulation (Finance) on an annual basis. As part of this process, Departments and Agencies are required to assess their property portfolio and advise of the need to retain each of their properties.

Since 2008 the Government has agreed to dispose of 36 Commonwealth properties totalling an estimated area of 1944.16 hectares (ha).

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b) Commonwealth Agencies report their land holdings annually as part of the Commonwealth Land Audit (the Audit). As part of this process they indicate which properties are surplus, and which of these are potentially suitable for release to meet housing and community outcomes. Finance provides the details of those surplus properties that will be made available for disposal in the short term on its website on the Register of Surplus Commonwealth Land Potentially Suitable for Housing and Community Outcomes (the register) at <http://www.finance.gov.au/property/lands-acquisition/register-surplus-commonwealth-land.html>).

The register currently lists 14 properties, totalling an estimated area of 774.69ha. Of this total 150.92ha is located in the Australian Capital Territory, 514.7ha is located in New South Wales, 58.9ha is located in Queensland, 33ha is located in South Australia 15.67 is located in Victoria and 1.5ha is located in Western Australia.

The details of these properties currently recorded in the register are provided below.

State/Territory	Property	Owner Agency	Site Area (approximate hectares)	Target Time for Release
ACT	Belconnen Communications Station, Baldwin Drive, Lawson	Department of Defence	149	2010-11
ACT	Banks Street, Yarralumla	CSIRO	1.92	2010-11
NSW	Former Naval Stores Depot, Spurway Street, Ermington	Department of Defence	16	2010-11
NSW	Ingleburn Army Camp, Old Campbelltown Road, Ingleburn	Department of Defence	309	2011-12
NSW	North Penrith, 'Thornton Park'	Department of Defence	43.7	2010-11
NSW	Nirimba Drive, Quakers Hill, Schofields	Department of Defence	146	2010-11
QLD	120 to 140 Meiers Road, Indooroopilly	CSIRO	7.2	2010-11
QLD	Ibis Avenue (Bruce Highway) Rockhampton	CSIRO	32.4	2010-11
QLD	233 and 240 Middle Street, Cleveland	CSIRO	2.7	2010-11
QLD	University Drive, Douglas (Townsville)	CSIRO	16.6	2010-11
SA	Elizabeth North Training Depot, Broadmeadows Road, Smithfield	Department of Defence	33	2013-14
WA	Part of the Artillery Barracks site, corner of Burt and Tuckfield Streets, Fremantle	Department of Defence	1.5	2011-12
VIC	Corner Colac and Henry Road, Belmont (Geelong)	CSIRO	6.37	2011-12
VIC	Graham Road, Highett	CSIRO	9.3	2011-12

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c) Properties that have been assessed in the Audit as surplus with the potential to facilitate housing and community outcomes are listed on the register. The register is not a full list of surplus properties but is a list of those properties that are available in the short term. In addition to those properties, since December 2007, the Commonwealth has disposed or agreed to the disposal of 36 properties including those listed below.

Open market sales:

- the Commonwealth Scientific and Industrial Research Organisation (CSIRO) site at Cannon Hill, QLD (approximately 6.8ha) for \$34,800,000;
- CSIRO land at Cleveland, QLD (approximately 2.7ha) under contract, yet to be settled;
- CSIRO land at Indooroopilly, QLD (approximately 7.2ha) under contract, yet to be settled;
- CSIRO land at Townsville, QLD (approximately 16.6ha) under contract, yet to be settled;
- CSIRO land at Bakers Hill, WA (approximately 1,150ha) under contract, yet to be settled;
- CSIRO land at Yarralumla, ACT (approximately 1.92ha) for \$3,200,000;
- the former Department of Defence (Defence) Bushmead Rifle Range at Hazelmere, WA (approximately 273ha) for \$18,000,000;
- the former Defence rail siding at Jennings, NSW (approximately 4.68ha) for \$65,000;
- former Defence residence at Hobart, TAS (approximately 0.06ha) for \$71,000;
- Defence land at Whyalla, SA (approximately 0.2ha) sold in two lots for a total of \$230,000;
- two properties managed by the Finance at Lithgow, NSW (approximately 0.2ha) for \$156,000, and \$148,000;
- a property managed by Finance at Dampier, WA (approximately 0.13ha) for \$1,700,000;
- a property managed by Finance at Barton, ACT (approximately 1.9ha) for \$16,500,000; and
- a property managed by Finance at Dapto, NSW (approximately 0.08ha) for \$237,000.

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Priority sales (including concessional priority sales):

Priority sales are those made direct to a purchaser without having the property first been offered for sale on the open market. Priority sales usually occur where a sale to a State or Local Government would optimise housing and/or community outcomes. Concessional sales are those priority sales concluded at a purchase price below market value in cases where the sale facilitates a Commonwealth policy objective.

- the Fort Scratchley site managed by Finance at Newcastle, NSW (approximately 3.54ha), to the Newcastle City Council for \$0;
- land managed by Finance at Goorooyarroo, NSW (approximately 24ha), to the NSW Government for \$0;
- Defence land at Moorebank, NSW (approximately 0.49ha), to the NSW Fire Service for \$950,000;
- Defence land at Moorebank, NSW (approximately 0.38ha), to Integral Energy for \$375,000;
- Defence land at Oakey, QLD (approximately 1.29ha), to the Jondaryan Shire Council for one dollar if demanded;
- Defence land at Bullsbrook, WA (approximately 2.2ha), to the City of Swan for one dollar if demanded;
- Defence land at Gungahlin, ACT (approximately 52ha), to the ACT Government for one dollar if demanded;
- Defence land at Muirhead, NT (approximately 15ha), to Defence Housing Australia (DHA) for \$6,500,000;
- Defence land at Casula, NSW (approximately 0.14ha), to RailCorp NSW for \$35,000;
- Defence land at Ingleburn, NSW (approximately 1.31ha), to the Sydney Water Corporation for \$920,000;
- Defence land at Schofields, NSW (approximately 5ha), to the Transport and Infrastructure Development Corporation for \$1,637,400;
- Defence land at Singleton, NSW (approximately 1ha), to RailCorp NSW for \$13,000;
- Defence land at Randwick, NSW (approximately 13ha) to Randwick City Council for ten dollars if demanded;
- Defence land at Wodonga, VIC (approximately 19.89ha), to the City of Wodonga for \$1,250,000;
- Defence land at Fremantle, WA (approximately 1.5ha), to the City of Fremantle for \$75,000; and
- 23 properties managed by the Department of Families, Housing, Community Services and Indigenous Affairs in Charleville, QLD, to the QLD Government, Indigenous Business Australia and Aboriginal Hostels Limited for \$1.

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The Government has also agreed to priority sales of:

- Defence Site Lawson, ACT (approximately 149ha), to DHA for a yet to be determined price;
- Defence land at North Penrith, NSW (approximately 43.7ha), to Landcom for \$22,400,000;
- Defence Site Maribyrnong, VIC (approximately 128ha), to VicUrban for a yet to be determined price; and
- Defence land at Port Augusta, SA (approximately 3ha), to the City of Port Augusta for one dollar if demanded.

The sale of each site is being finalised between Defence and the purchaser.

Land transfers at no consideration that may include additional funding:

- land at the former Defence Jezzine Barracks, QLD (approximately 12.41ha); and
- land at the former Defence HMAS Platypus, NSW (approximately 1.84ha).

d) Attempts in the past have been made to dispose of the Defence sites at West Wattle Grove, Moorebank (approximately 55 ha), and Schofields (approximately 146 ha) in NSW, and the CSIRO sites at Indooroopilly, QLD (approximately 7.2 ha), and Bakers Hill, WA (approximately 1,150 ha), on the open market. These sales were not achieved at the time, principally due to the downturn in the property market in 2008-2009, and were withdrawn. Of these properties, the CSIRO sites at Indooroopilly, QLD and Bakers Hill, WA have subsequently been re-released and sold on the open market (see open market sales).

Defence has advised that, due to changing capability requirements, the West Wattle Grove site is no longer considered surplus to Defence needs and has been withdrawn from its disposal program. The Defence site Schofields has been re-listed on the Register of Surplus Commonwealth Land Potentially Suitable for Housing and Community Outcomes.