



PROPERTY prices have collapsed 75 per cent in parts of the Pilbara over the past three years, new figures reveal, with homes selling at amounts not seen in a decade.

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Barnett Government accused of wasting "hundreds of millions" in Pilbara property deals

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THE Barnett Government is being accused of mispending hundreds of millions of dollars in property investments in the Pilbara.

The State Opposition pointed to new figures which show scores of Government-owned properties remain vacant and the value of taxpayers' investment in Pilbara real estate has nosedived.

WA Labor leader Mark McGowan said the Government had bought into new housing ventures at the wrong time, when the market was on the decline and jobs were already being

lost in the resources sector.

Figures obtained in State Parliament revealed:

- The value of the \$115 million taxpayer-funded Osprey Village in South Hedland has dropped to \$85 million. Occupancy is at 40 per cent, meaning 177 of the 293 units are still empty.
- The 44 units at South Hedland's Cottier Apartments which cost the Housing Authority \$25 million to build are now worth just \$8 million. Nine of the apartments remain vacant.
- The value of the Government's 62 apartments in Karratha's two Pelago projects has dropped from a purchase price of \$37 million to \$16.6 million.
- Just 10 of the Government's 125 properties associated with the \$93 million Hedland 125 house service worker intervention package were occupied. According to the government, "current market conditions do not support the sale of all properties and a staged release is being implemented."

"The Liberal-National Government has a lot of explaining to do," Mr McGowan said.

"Taxpayers have been hit with losses of hundreds of millions of dollars.

"Over half of the government-owned properties are sitting empty and it seems no end is in sight.

"The Government flooded the market at the worst time, after the boom, when the market was on the decline and jobs were already being cut.

"The decision has impacted mum and dad homeowners directly, with many Pilbara residents unable to sell their own property because of the oversupply."

National Party leader Brendon Grylls – also the Housing Minister – said a decision to invest in housing in the Pilbara was made because "in 2011 the Pilbara had a problem" with sky rocketing rentals and property values.

"The median house price was \$1 million and the average rent was \$2000 per week (\$100,000 per year). The problem spawned from a lack of investment by the mining companies which instead of adding housing to Pilbara towns over many decades had increasingly turned to a fly-in, fly-out workforce," Mr Grylls said.

"Mix this with a lack of planning and infrastructure delivery by government and it meant that accommodation and land supply became a critical issue for the region.

"Our Government was under constant pressure from all sides, including the Opposition to "do something". Well, we did something. The Liberal-National Government intervened in the market and fixed the problem intentionally and openly.