



Pilbara left with boom hangover

EXCLUSIVE

■ Phoebe Wearne and Ben Leahy

The extent of the challenge faced by post-boom WA is beginning to emerge in the Pilbara, with empty homes, big debts and taxpayer-funded white elephants.

More than 140 Housing Authority homes are vacant in Karratha — 114 of which are set aside for State Government employees but no longer required.

And fears are growing in Port Hedland that showpiece Royalties for Regions projects could fall into disrepair or be bulldozed after the local council admitted it had concerns about its ability to fund their upkeep.

Population figures released yesterday reveal the Pilbara's first population drop since the mining boom began, losing 445 people in the past year.

Some of the accommodation units the Government funded to help bring down sky-high boom-time rents are yet to be inhabited and more than 170 are empty.

Just 53 per cent of the 295 units at South Hedland's \$115 million Osprey Village are occupied. The village is running at a multi-million-dollar annual loss.

Another 18 Government-owned apartments are empty in the 44-unit Cottier Apartments complex in South Hedland built for \$25 million.

Lots have been cleared and levelled and roads half built at

Landcorp's Mulataga housing development, which was once dubbed the "Cottesloe of the north" because it was to be Karratha's first waterfront estate.

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Pilbara left with bill for homes, facilities

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Mulataga was to comprise up to 2000 homes and a retail and dining precinct but was put on hold in late 2014.

Works have also come to a halt at Madigan Estate in Karratha and Onslow's Barrarda Estate, where there are plenty of new blocks but only a few homes.

The Town of Port Hedland's concerns relate to five facilities that opened to fanfare between 2011 and last year — the 400-seat Wanangkura Stadium, South Hedland Aquatic Centre, Marquee Park Splash and Play, JD Hardie Youth Centre and South Hedland Skatepark.

The projects cost a total of \$78 million — including \$20.3 million in Royalties for Regions funds.

But the Town is under increasing financial strain from trying to meet the facilities' high operating and depreciation costs.

Chief executive Mal Osborne said the Town faced a \$2.19 million gap this financial year because it could put only \$350,000 towards the depreciation

costs needed to one day replace the facilities.

The downturn has left the Town with fewer than 10,000 rateable properties.

Pilbara MP Brendon Grylls, the architect of the Royalties for Regions program set up in 2008 to funnel the riches from the Pilbara's iron ore boom back into regional WA, defended the Government's investment in Port Hedland.

He said the new buildings changed perceptions of the town, which had previously relied on small community facilities mostly built in the 1970s and 80s, and proved to families it was not just an industrial port for workers but a nice place to raise children.

But Port Hedland Ratepayers Association president Roger Higgins said rates bills had increased and the council costs had been unnecessarily blown out by building five South Hedland facilities where one might have sufficed.

He said the water park, in

particular, was a white elephant that should be knocked down to save on costs.

Last week in Parliament, shadow housing minister Fran Logan called on Treasurer Mike Nahan to launch a financial audit into the "wasteful use of taxpayers' money" on housing projects in the Pilbara.

Nationals leader Terry Redman said Pilbara Cities had transformed the Pilbara and he stood by the decision to invest in the Port Hedland community after years of "chronic neglect".

He said Pilbara Cities was a long-term vision and Port Hedland had grown from a town of less than 12,000 people in 2006 to almost 20,000.



PILBARA WHITE ELEPHANTS

| | CONSTRUCTION COST | TOWN PAID | OPERATING COST 2015-16 | DEPRECIATION 2015-16 | DEPRECIATION SPEND 2015-16 | DEPRECIATION FUNDING GAP |
|---------------------------------|----------------------|----------------|---------------------------|-------------------------|-------------------------------|-----------------------------|
| JD Hardie | \$11.3 million | \$3.3 million | \$1.9 million | \$265,000 | — | \$265,000 |
| Wanangkura Stadium | \$36.7 million | \$11.3 million | \$1.8 million | \$897,000 | — | \$897,000 |
| Marquee Park | \$14.4 million | \$5.3 million | \$1.1 million | \$420,000 | \$300,000 | \$120,000 |
| South Hedland Aquatic Centre | \$11.3 million | \$1.3 million | \$1.5 million | \$869,000 | \$50,000 | \$819,000 |
| Skate Park | \$3.8 million | — | — | \$92,000 | — | \$92,000 |

