LA Estimates Committee A

Thursday 3 July 2025

Division 20: WA Health (Health Infrastructure)

Ms Ali Kent, Chair.

Mr John Carey, Minister for Health Infrastructure.

Dr Shirley Bowen, Director General.

Mr Shaun Whitmarsh, Deputy Director General, Buildings and Contracts, Department of Housing and Works.

Mr Ashley Vincent, Acting Director General, Department of Transport and Major Infrastructure.

Ms Jodie South, Deputy Director General, Department of Health.

Ms Nicki Godecke, Deputy Director General, Major Projects, Department of Housing and Works.

Ms Mignon Stapelberg, Acting Executive Director, Office of Major Health Infrastructure.

Mr Jeff Moffet, Chief Executive, WA Country Health Service.

Mr Robert Toms, Chief Executive, North Metropolitan Health Service.

Ms Sandra Miller, Acting Chief Executive, East Metropolitan Health Service.

Mr Lincoln Aspinall, Senior Policy Adviser.

(The witnesses were introduced.)

The Chair: The estimates committees will be reported by Hansard, and the daily proof will be available online as soon as possible within two business days. The Chair will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with those details. Some divisions are the responsibility of more than one minister. Ministers shall

be examined only in relation to their portfolio responsibilities. A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday 11 July 2025. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

I give the call to the member for Vasse.

(9:20 pm)

Ms Libby Mettam: My first question relates to page 309 and paragraph 30.1.

The Chair: Sorry, member, which budget paper?

Ms Libby Mettam: It is budget paper No 2, volume 1. What is the current projected date for the new women's and babies' hospital to be operational? Is there a business case for the hospital?

Mr John Carey: First of all, yes, a business case was done. Secondly, as I publicly announced, it will be completed and operational in 2029.

Ms Libby Mettam: Has the business case been presented to Infrastructure WA and is the minister able to table a copy of the business case?

The Chair: Nothing can be tabled in budget estimates.

Mr John Carey: I am happy to put whether it went to Infrastructure WA as supplementary information. I will not table the business case.

(Supplementary information number A10.)

Ms Libby Mettam: How many beds will be at the new hospital and how does this compare with the beds currently in operation at King Edward Memorial Hospital for Women?

Mr John Carey: The women's and babies' hospital at Murdoch is anticipated to have 274 beds. I am advised the current hospital has around 211, but it obviously can change.

Ms Libby Mettam: This may be provided via supplementary information. I imagine that it is not necessarily like for like in terms of the bed make-up for the women's and babies' hospital and the current King Edward Memorial Hospital. Can the minister tell me what the breakdown of the 274 beds is and how that compares?

Mr John Carey: I am happy to take it as a supplementary. Did the member want the difference?

Ms Libby Mettam: It might be the next question too. What is the number and breakdown of beds that are currently at King Edward Memorial Hospital and will be at the proposed new women's and babies' hospital?

Mr John Carey: We will do our best in relation to the potential breakdown of beds at the women's and babies' hospital.

(Supplementary information number A11.)

Ms Libby Mettam: How many additional beds will be operational at Osborne Park Hospital?

Mr John Carey: Like with social housing numbers—I want to put this on the record; I am a conservative man—I always say that this is the ambition. The anticipated number for Osborne Park Hospital is 79.

Ms Libby Mettam: What is the delivery date for Osborne Park?

Mr John Carey: Sorry, did the member ask for the total number of beds at Osborne Park?

Ms Libby Mettam: No, the additional beds.

Mr John Carey: My apologies. I thought the member asked for the total. The total is 79 and the number of additional beds is 44.

Ms Libby Mettam: What is the operational date for Osborne Park?

Mr John Carey: I might ask Mr Vincent from the office of major projects to comment on that.

Mr Ashley Vincent:

I am in the wrong seat, but never mind. The contract is for both hospital sites, so the target date of 2029 is the same for both. As we progress, obviously, we will push to get them completed as early as we can, but at this point the target date is the same for both sites. That then links to the ability to transfer services from other locations within the Department of Health.

(9:30 pm)

Ms Libby Mettam: I assume the business case is for the Murdoch and Osborne Park sites. Does it also include neonatal infrastructure or the proposed satellite facility for Perth Children's Hospital?

Dr Shirley Bowen:

The contract for neonatal beds, as suggested, at Perth Children's Hospital is not struck yet. At the moment, we are looking at where in the hospital they might go, and we are consulting with clinicians about the type of bed it should be and then we will work on designs. Therefore, we are not ready to go to market for that at present.

Ms Libby Mettam: Can I assume that the satellite facility is not part of the $1.8 billion business case? Further to that, will we need additional infrastructure?

Mr John Carey: It will be an additional funding decision.

Ms Libby Mettam: I feel this question has been answered, but I will ask it to clarify. Has a contractor been appointed or a business case developed for what might happen in the infrastructure at Perth Children's Hospital and is this included in the $1.8 billion for the new women's and babies' hospital?

Mr John Carey: I am advised that the business case has already been done. The work being undertaken at the moment is engagement work with clinicians at the hospital to discuss a potential location.

Ms Libby Mettam: Can I clarify that a business case has been done for infrastructure that is recognised as being required for Perth Children's Hospital, and the minister is undertaking an engagement process at the moment, and that this will be in addition to the $1.8 billion and in a separate contract?

Mr John Carey: Yes.

Ms Libby Mettam: When would the minister anticipate this new unit to be operational?

Mr John Carey: Respectfully, member, it will depend on the final decisions on the location of the unit at the hospital. It will come down to the consultation and the location, and then we can make decisions about the best way forward in terms of contracting.

Ms Libby Mettam: In relation to that consultation and the development of the business case, have clinicians been consulted on this?

Mr John Carey: My understanding is that clinicians have been consulted in the past, and they are continuing to look at where the location can be.

Ms Libby Mettam: Obviously, the minister has undertaken the role of Minister for Health Infrastructure, but there is a clear link between the workforce as well. One of the challenges that I have heard from clinicians is having specialist staff between sites. Workforce challenges have been an issue for Osborne Park, for example, where there was a ward, but there were challenges in attaining and attracting the specialist staff required. Therefore, to what extent is the minister taking responsibility in his role as the Minister for Health Infrastructure to ensure that the health infrastructure will be effective and operational given the multiple locations we are looking at?

Mr John Carey: Member, thanks for the question. Ultimately, my job is to make sure the infrastructure is fit for purpose. I understand the member is being critical about the break-up, but the overall approach is that I am responsible. The policy decisions are made by the Minister for Health, with the support of the Department of Health, and obviously those critical decisions are made by cabinet. My job is that once a policy decision is made, I oversee the procurement process. But, obviously, based on the clinicians' engagement and advice, we consider the design to make sure that it is fit for purpose. It has to be. That is a critical part of any design of any of the infrastructure projects that we do.

Dr Jags Krishnan: I refer to page 321, budget paper No 2, the Department of Health and the Asset Investment Program. Can the minister outline how the state government's significant investment in infrastructure delivery will continue to ensure that WA is the healthiest state in the nation, and that Western Australians have accessible and quality care when they need it?

Mr John Carey: Thank you, member. I just want to put on the record that we really do have an ambitious infrastructure program. The amount of $3.2 billion over the forward estimates is significant and should not be underestimated. Of course, it is not just about the new women's and babies' hospital; it is also about a vast number of other projects that are underway, and new commitments.

I note that some members of the opposition have made criticism of funding in this budget being allocated for detailed planning, and they have made the claim that somehow that is a broken commitment. It is quite the opposite. The one thing that I have learned in the role of health infrastructure minister is if we think getting housing out the door in a heated construction market is tough, try working in the hospital sector where the design and considerations are far more intensive! That is why the detailed work is required, and I reject those criticisms. We have seen it by the member for Central Wheatbelt that because we are doing detailed planning for Geraldton radiation oncology, planning for Albany Health Campus and critical planning for Royal Perth Hospital and Midland, somehow that is a breach of an election commitment. No. It shows that we are considering all the risks and making sure that we understand the

location and the design. Also, in many of these cases, we are dealing with hospitals that are 24/7 live sites, and so the work that we do has to be staged to ensure that we get the delivery.

Of course, on top of that, we have had complaints by members of the opposition because they have seen cost escalations. The reality is in this market, unfortunately, that is what we face. But does the member for Geraldton, for example, ever suggest that we should not do the Geraldton Health Campus at nearly $190 million or we should not do the Bunbury Hospital? The reality is that these are the cost pressures that we face, and I do not retract from the fact that we are doing significant works in Bunbury—Joondalup is nearly finished—at Geraldton Health Campus and for the new women's and babies' hospital. This is a big agenda that we are delivering in infrastructure upgrades in Western Australia.

(9:40 pm)

Ms Libby Mettam: I refer to page 321 and the asset investment plan. Can the minister provide an updated timeline for the full redevelopment of Peel Health Campus, including completion of all major stages? Is the government still committed to 2027 for completion?

Mr John Carey: Where did the member source the 2027 figure from?

Ms Libby Mettam: From previous election—

The Chair: Is it in the budget papers?

Ms Libby Mettam: No, but it is a question related to the Peel redevelopment.

Ms Sandra Brewer: It is about an inch and a half from the bottom of page 321—"Peel Health Campus", with the line below being "Redevelopment". There is $61 million in the out year 2026–27; and there is further funding for redevelopment of Peel Health Campus to the full out years.

Mr John Carey: Respectfully, yes, we are absolutely committed to Peel Health Campus. We have allocated $152 million, which, to date, has provided critical infrastructure works for a temporary central sterilisation services department, drive-by compliance work and forward works including a central energy plant shell. Work is underway on a facility for community mental health and specialist community eating disorders. Of course, that is about the enabling works. I refer to a story in the *Mandurah Coastal Times* of 18 September 2024, which stated:

The two-stage "enabling" works are set to start late this year and be finished by September 2027.

In reference to that media story, yes, the first stages of the enabling works will be completed by 2027. We are still working through the later stages—the second stage and beyond. I believe further detailed planning is being undertaken right now.

Ms Libby Mettam: Why has less than 20% of the total projected cost been spent to date, four years after the project was first announced?

Mr John Carey: The advice I have received is that the transition of Peel Health Campus from the private provider into public hands was extremely complex. Obviously, the first stage of works lengthens the whole process.

Ms Libby Mettam: Has any formal revision or escalation clause been applied to account for increased labour and material costs?

Mr John Carey: We are still in the project definition plan for the second stage of works.

Ms Libby Mettam: Has a construction contract for the main redevelopment works been awarded for that second stage?

Mr John Carey: Yes. The member would be made aware of that. There would be a tender out.

Ms Libby Mettam: How many additional inpatient services will be delivered as part of that second stage?

Mr John Carey: I am advised that we are still in detailed planning. At the appropriate time, we will be able to announce the number of additional beds.

Ms Libby Mettam: I now turn to page 309, and the references to "strategic infrastructure investment" and "planning for future projects" beyond the four years of this budget. We know that hospital upgrades under this government have not been delivered within the four-year span of one budget. Geraldton is up to eight years now. Is there a strategic plan for health infrastructure in the coming decade and, if so, is there something the minister is able to provide by way of supplementary information?

Mr John Carey: Clearly, we have a very ambitious program, worth $3.2 billion. We have a large number of projects across Western Australia. Of course, through the other minister's portfolio, we are always giving consideration to future needs. Those decisions then guide the rollout of our infrastructure program.

Ms Libby Mettam: As Minister for Health Infrastructure, is the minister involved and has there been a clinical services review to inform what the plan is and analysis done on how many beds are required to meet current demand and future demand?

Mr John Carey: I might ask the director general to provide some advice.

Dr Shirley Bowen:

The Department of Health maintains its clinical services framework, which outlines the acuity and type of beds we need across the system. It is regularly reviewed in view of changes in the demography of the population. For example, as we know, we have an ageing population now that we did not have 10 years ago and we have a changing birthrate, one that is falling at present. We view the CSF, as we call it, the clinical planning, on a regular basis. We do, of course, use that information to inform infrastructure needs into the future. We will continue, particularly over this next 12 months, as we are seeing demographics and needs change, to look at that in light of infrastructure and consider what planning might be needed in the future and work with government to firm that up as we go over the next one to two years.

(9:50 pm)

Ms Libby Mettam: Further to that, is the minister able to tell us how many hospital beds we have in Western Australia currently? What does this plan say about the future need by 2030 and 2050? Does the minister have those figures? I am sure he knows the current number of hospital beds in the state.

Mr John Carey: The member is really getting into the Minister for Health's territory. Respectfully, I believe the Minister for Health provided the member detail on additional beds. Bed planning is within the remit of the Minister for Health. My job—I am the building minister. Once a policy decision is made, I give oversight to the procurement. The member can go hell for leather at me—if she wishes—in terms of Peel Health Campus or any other hospital, but policy decisions and that matrix sit within the health minister's remit.

Ms Libby Mettam: Surely where health infrastructure is built—which captures hospital beds—is in the minister's remit as well.

Mr John Carey: I do not make policy decisions relating to future hospital builds—obviously as a member of cabinet, broadly, as does every other member of cabinet. I think we need to be very clear about my job. I have to say this, respectfully, at every press conference. Journalists get it, because they direct policy questions to the Minister for Health and they ask me questions in relation to tender processes, management of hospital projects, construction and delivery dates—questions like some of those that the

member has been asking. But in terms of the decision-making, those policy matters sit with the Minister for Health. She is the lead minister.

Ms Libby Mettam: I refer to Albany Health Campus as part of the Asset Investment Program. I understand that stage 2 of Albany Health Campus is complete, but the special care nursery is not open, despite practical completion. Is the minister aware of that? Can he confirm that that is the case?

The Chair: Minister, are you happy to answer that or do you want a reference? Is the member able to provide a reference?

Ms Libby Mettam: It is in relation to the Asset Investment Program.

Mr John Carey: To clarify the member's advice, is she telling me that it is completed as an infrastructure asset?

Ms Libby Mettam: Yes.

Mr John Carey: We have just had that conversation. An infrastructure asset, once completed—that is a question for the health minister because it is an operational matter.

Ms Sandra Brewer: I refer to "Graylands Reconfiguration and Forensics Project" on page 323. What is the current status of the master site plan and the detailed design process for the redevelopment?

Mr John Carey: As the member would be aware, funding of $186.7 million was allocated in stage 1 works as part of the 2023–24 budget. We are currently going through a detailed planning process but a critical first stage is to support the relocation of the Claremont Therapeutic Riding Centre, and $10.6 million has been allocated to that. I might just seek further advice from the relevant lead, Ms Nicki Godecke.

Ms Nicki Godecke:

The master plan was done originally in relation to the funding that has been given. The master plan was done for the original planning and the project is currently going through the project definition plan process and looking at the detailed part of the first stage of delivery. It is being considered as part of the PDP process at the moment.

Ms Sandra Brewer: Has a detailed risk assessment been conducted relating to heritage constraints and environmental considerations, such as the odour buffer from the Subiaco wastewater treatment plant?

Mr John Carey: Yes, it has been considered as part of the project definition plan.

Ms Libby Mettam: I refer to the Asset Investment Program on page 322, which includes Royal Perth Hospital. Relating to that, there was a recent announcement about Royal Perth Hospital and Midland emergency department expansions. Is the minister able to provide the expected completion dates? I have found it. I refer to election commitments under new works on page 323. There is $5 million for the Royal Perth Hospital ED expansion and the St John of God Midland Public Hospital ED expansion. Does the minister have a completion date for those works?

Mr John Carey: Member, that is why we are investing $5 million in planning for Royal Perth and $5 million for St John of God. Once that detailed planning is done, I will be able to provide a projected timeframe.

Ms Libby Mettam: Will it be finished within this term of government?

Mr John Carey: I understand that the member wants me to give a timeframe. My commitment is that we will do the detailed planning—we will get it right. They are both 24/7 hospitals. There are significant challenges at Royal Perth. These are two critical projects. I understand their importance. I am committed to working hard to get them delivered. Of course I want them delivered as soon as we can, but it will be based on those detailed project definition plans.

Ms Libby Mettam: We have waited eight years for the redevelopment at Geraldton. Can we expect to be waiting as long?

Mr John Carey: Well, respectfully, member, we are in a heated construction market. There have been incredible challenges across the board and it is—respectfully, I do not want to have a fight with the member—only a Labor government that is actually, finally delivering the Geraldton Health Campus redevelopment. It did not happen under the Liberals and Nationals. Similarly with Royal Perth, Colin Barnett promised a major $600 million redevelopment of Royal Perth and it went nowhere.

The Chair: Thank you, minister.

Mr John Carey: I was just getting ready!

The Chair: I know, sorry.

The appropriation was recommended.