

## LOXTON LAND SALE

### Estimates Committee 10 Nov 2010 - Sale of land – Loxton & Flaxley

Mr PEDERICK: I go to Volume 3, page 1025, note 1 at the top of the page under the heading 'Reconciliation of non-current assets classified as held for sale'. It refers to the sale of sections 223 and 224 Bookpurnong Road, Loxton, and the proposed sale of section 222. My question is: for the two blocks that have been sold, what was the amount received for the sale of those properties?

The Hon. M.F. O'BRIEN: I have been informed it is the figure of \$345,000.

Mr PEDERICK: Minister, can you explain what is being done with the proceeds of the sale? Have they been reinvested in rural services or facilities or have they been absorbed into general revenue? Also, will the proceeds of section 222 go the same way?

The Hon. M.F. O'BRIEN: I have been informed that, under a Treasurer's Instruction, part is retained by Treasury and part has flowed on to the department and will be employed for changes to the regional network. The amount that comes back to the agency will be employed in the development of the regional hubs. As to the exact breakdown, we do not have it at the moment but, when the figure becomes available, I will make the member aware of it.

In reply to Mr PEDERICK (Hammond) (10 November 2010).

**The Hon. M.F. O'BRIEN (Napier—Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Energy, Minister for the Northern Suburbs):** I am advised that the proceeds received for the sale of the two lots and associated buildings at Bookpurnong Road, Loxton was \$315,000 in 2009-10.

As per Department of the Premier and Cabinet Circular PC114—Government Real Property Management, after adjusting for minor costs associated with the sale, and retention of part proceeds by DTF, PIRSA has been provided with \$198,000 of investing expenditure authority in 2010-11. The funding is being utilised to upgrade fire safety systems at Struan Offices and Research Centre and to upgrade the Ceduna Fruit Fly Quarantine Station.

The sale of the third lot at Loxton in December 2010 is expected to generate sale proceeds of approximately \$70,000. The recently revised DPC Circular 114 provides for PIRSA to receive investing expenditure authority of 50 per cent of the proceeds (approximately \$35,000) for a Cabinet approved project or program. PIRSA intends to utilise these relatively minor proceeds for further regional works, subject to DTF confirmation that a 50 per cent portion of sale proceeds can be retained by the agency.