

GERALDTON PORT DREDGING, COST OVERRUNS

704. Mr J.P.D. EDWARDS to the Minister for Planning and Infrastructure:

I refer the minister to revelations in the State Government's consolidated financial statements that the Belgium dredging company Jan De Nul has lodged a \$77 million claim for cost overruns associated with the dredging of the Geraldton port, and I ask -

- (1) When did the minister first become aware of the problems with the dredging process due to the hardness of the rock in the harbour?
- (2) Did the minister approve the continuation of the dredging process knowing that there was a possibility of significant cost overruns?
- (3) Is the minister aware that, if successful, this claim would push the total cost of the project to around \$180 million, which is enough to either build Indian Ocean Drive four times over, fund the Geraldton foreshore redevelopment more than seven times over, build 36 new primary schools, or give our nurses a decent pay rise?

Ms A.J. MacTIERNAN replied:

- (1)-(3) This is another rewriting of history. The member for Greenough has been on the record time and again encouraging the Government to invest in the Geraldton port expansion. He has been a great and solid supporter of the expansion of the Geraldton port. We entered into this contract and subsequently the company has claimed that in its view some of the geotechnical information on which it relied is inaccurate. We do not accept that claim. Any attempt by the company to initiate legal proceedings will be strongly defended. Frankly, I do not believe there is any basis whatsoever for the claim. This project has been delivered on time and on budget. There are always going to be speculative claims. The port enhancement project has been completed and Geraldton is going from strength to strength.