

WATER CORPORATION — RCR TOMLINSON

687. Mr D.J. KELLY to the Minister for Water:

I have a supplementary question. The answer that the minister gave to the Legislative Council yesterday was that the contracts for the \$130 million worth of work have not yet been signed. How can taxpayers be protected if that work is guaranteed to RCR Tomlinson at the price of \$130 million but the minister has not yet negotiated the terms?

Ms M.J. DAVIES replied:

The deal has been done; \$130 million worth of work has been given as part of the sale process to RCR Tomlinson. It went out to commercial tender. RCR came back and gave us the best terms and also took on the most employees, so that we had a significant number transitioning from the Water Corporation to RCR. There will be some projects in years 2 and 3 that we cannot define yet because the nature of the Water Corporation's capital works program changes from time to time. It is \$130 million; the taxpayer will not have any further exposure in that space.