

JERVOISE BAY MARINE COMPLEX, COST BENEFIT ANALYSIS

602. Hon J.A. SCOTT to the Minister for Housing and Works:

As the size of the Jervoise Bay marine complex has been considerably reduced from the original plan -

- (1) How much has this reduced the cost of the project from the original budget estimates, and, if the cost has not been reduced, why not?
- (2) How will the reduced size of the complex affect the returns to the Government?
- (3) Will the minister table the cost benefit analysis carried out on the reduced size project, and, if no analysis has done, why not?

Hon TOM STEPHENS replied:

I thank the member for some notice of this question.

- (1) A capital cost reduction of \$32.7 million.
- (2) The infrastructure in Jervoise Bay is an investment in future employment and business opportunities that has the potential to maximise local fabricators' content in major resource development projects and increase skills training of Western Australians. The reduced size is not expected to materially affect the return to the Government.
- (3) No cost benefit analysis has been done. Following a 12-month tender process, the Government assessment was that a smaller initial facility could be constructed at a reduced cost that would increase the flexibility to cater for future demand by industry.