

GERALDTON REGIONAL HOSPITAL, COST OVERRUN

1577. Hon MURRAY CRIDDLE to the parliamentary secretary representing the Minister for Health:

I refer to the minister's statement that local conditions, including those in the building and construction industry, caused the inflated price of the Geraldton Regional Hospital, and that Perth contractors bidding for the project included an additional allowance for relocation to Geraldton.

- (1) How much of the \$9 million cost overrun was attributed to the relocation costs in the successful Broad Construction Services Pty Ltd tender?
- (2) Why were relocation costs not included in the Davis Langdon Australia Pty Ltd independent pre-tender estimate provided to the Government in May 2003, just six months ago?
- (3) How many of the six short-listed tenderers included an additional allowance for relocation to Geraldton?
- (4) Can the minister provide details of which of the 46 line items in the Davis Langdon Australia report are responsible for the current cost blow-out?

Hon SUE ELLERY replied:

I thank the member for some notice of this question.

- (1) The relocation costs are not separately identified by tenderers in tender documents.
- (2) An allowance was made for the relocation costs by the quantity surveyors, Davis Langdon Australia, appointed by the Department of Housing and Works.
- (3) See (1).
- (4) An analysis of tender information received has identified that price increases occurred across the board and therefore all 46 line items were affected.