

JERVOISE BAY MARINE COMPLEX, REDUCED SIZE

595. Hon Jim 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) By how much has this reduced the cost of the project from the original budget estimates?
- (2) If the cost has not been reduced, why not?
- (3) How will the reduced size of the complex effect the returns to the Government?
- (4) Will the Minister table the cost-benefit analysis carried out on the reduced sized project?
- (5) If no analysis has been done, why not?

Hon TOM STEPHENS replied:

- (1) \$32.7 million capital cost reduction.
- (2) Refer to answer 1 above.
- (3) The Jervoise Bay Marine Complex is designed to provide Australian industry with the infrastructure to be able to compete for major resource and marine fabrication contracts. The returns to Government are in economic growth and jobs. There are no reductions in the capability to meet these objectives as the initial development is designed to meet the market requirements over the next ten years.
- (4) Following industry consultation, government determined that the reduced initial development would meet all the project objectives over the first 10 years of operation. The major reduction in size, from the original full development to the initial development, was achieved by moving the land reclamation and harbour boundaries some 150 metres to the east.

The identified benefits were:

- A phased development in tune with industry-driven market requirements.
- Less intrusion into Cockburn Sound.
- Exceeding environmental commitments on water circulation, seagrass preservation and wave reflection.
- A significant reduction in dredge requirements by utilising the existing Medina Channel.
- A significant reduction in breakwater requirements.
- Facilitating a competitive tendering environment.
- Achieving significant cost savings to government.
- Improving the wave protection and water access to the adjacent ship lift facility.
- Providing the common-user, serviced-site, module fabrication/assembly, load-out and heavy haul road facilities identified in the original development.

The identified costs were:

- An 8% reduction in available industrial land.
- A 30% reduction in the immediately available common-user area. (This additional area is available in the ultimate approved development footprint).
- Deferment of the capability to service one market sector, namely the fit-out, maintenance and refit of very large floating production vessels. (Industry has identified that this requirement was not needed in the first ten years of operation but provision is made for this capability in the ultimate development).

- (5) See (4) above.