

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice
Environment and Energy portfolio

Question No: 156
Hearing: Budget Estimates
Outcome: Outcome 3
Program: Australian Antarctic Division (AAD)
Topic: Cost of build
Hansard Page: 17
Question Date: 23 May 2017
Question Type: Spoken

Senator Xenophon asked:

Senator XENOPHON: Who made that decision to say that Australian industry was going to be 40 per cent more expensive than an overseas build?

Dr Gales: I will have to go back on notice and check.

Answer:

We refer also to our response to your previous question, which clarified that it was not stated that Australian industry was going to be 40 per cent more expensive than an overseas build.

In 2012, which was prior to any approach to market being undertaken, the Director of the Australian Antarctic Division at that time, briefed the Minister of various views and advice received in relation to the proposed procurement process, including that building a ship in Australia could cost up to 40 per cent more.

Regardless of any potential for longer timeframes or higher cost, no decision was being sought by the Department, or being made by Government to preclude Australian shipyard participation in the procurement process.