

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

Answers to questions on notice
Environment and Energy portfolio

Question No: 159
Hearing: Budget Estimates
Outcome: Outcome 3
Program: Australian Antarctic Division (AAD)
Topic: Costings
Hansard Page: 18
Question Date: 23 May 2017
Question Type: Spoken

Senator Xenophon asked:

Senator XENOPHON: Can you, on notice, provide details of how much has been spent on travel by members of the department or the division to the Netherlands or Romania? How much has been spent to date? How much has been spent overall to date on the project? When is steel expected to be cut? I think you said maybe August. And, given ANAO's report, has any consideration been given to what the cost would be to terminate the contract and start afresh?

Answer:

As at 26 June 2017, the Department has spent approximately AUD \$175,194,306 (GST exclusive) in total on the project since the project commenced in 2012. Of this total:

- The Department has spent approximately \$15,799,758 (GST exclusive) on its own project management since the project commenced in 2012, with approximately \$218,954 (GST exclusive) of this amount being spent on travel by members of the Department or the Australian Antarctic Division to the Netherlands or Romania in relation to the project.
- The Department has paid the successful tenderer (being the contractor, DMS Maritime Pty Ltd) the total amount of approximately \$159,394,548 (GST exclusive) in relation to the contract.

Steel-cutting commenced at the shipyard on 30 May 2017 and the keel-laying milestone is planned to occur in the shipyard late August 2017.

As stated in the ANAO report, the Department considers that the procurement of the new research supply icebreaker has achieved a world-class scientific and logistical capability for the Government's Antarctic program at an acceptable level of cost and risk.

There have been no variations to the fixed-price since the contract was signed in April 2016, and DMS Maritime Pty Ltd remain on schedule to meet the deadline to deliver the new research supply icebreaker to Hobart in mid-2020 and to then commence the first voyage in October 2020.

The Department has not given any consideration as to what the cost would be to terminate the contract and start afresh.