

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

Answers to questions on notice
Environment and Energy portfolio

Question No: 164
Hearing: Budget Estimates
Outcome: Outcome 3
Program: Australian Antarctic Division (AAD)
Topic: Icebreaker – Contingency
Hansard Page:
Question Date: 05 June 2017
Question Type: Written

Senator Xenophon asked:

Is there a project contingency on the total contract price and, if so, what is the contingency as a percentage of the total contract value?

Answer:

The contract price for the research supply icebreaker is comprised of a fixed-price amount of AUD\$59.9 million and a fixed-price amount of €276 million to design and build the research supply icebreaker that meets the functional and performance specifications and all other requirements within the contract.

The contractor (DMS Maritime Pty Ltd) and their design and build subcontractor have incorporated their project contingency into this fixed-price to cover their risk in the design and build phase. The actual amount is commercial in confidence and is unable to be provided.

The Department's own current project contingency of approximately AUD\$8.2 million is factored within the AUD\$529 million which the Australian Government has allocated for the Department to manage the procurement of the research supply icebreaker.