

ESTIMATES COMMITTEE

Question Taken on Notice

Date: 12 June 2018
Subject: Cost of Northcrest project
From: Mr Gary Higgins
To: Hon. Nicole Manison
Agency: Treasury and Finance

Number: 2-2

Question: Page 27, table 3.2, lists Northcrest as a \$300m project, but the government and Northcrest previously described it as a \$1bn project. Which figure is correct? Is it \$300m over the forward estimates only, or is it \$1bn?

Answer:

- \$300 million refers to the direct investment associated with the project and is mainly associated with headworks, land development and preparation of subdivisions

- \$1 billion refers to indirect investment for construction related activity (eg: building of houses, schools and other infrastructure). It is conservative and doesn't capture all of the broader economic benefits that are estimated over the life of the project (15 years).

Refer attached media release from the Minister for Infrastructure, Planning and Logistics dated 24 February 2017. DIPL have confirmed the estimates are still current.