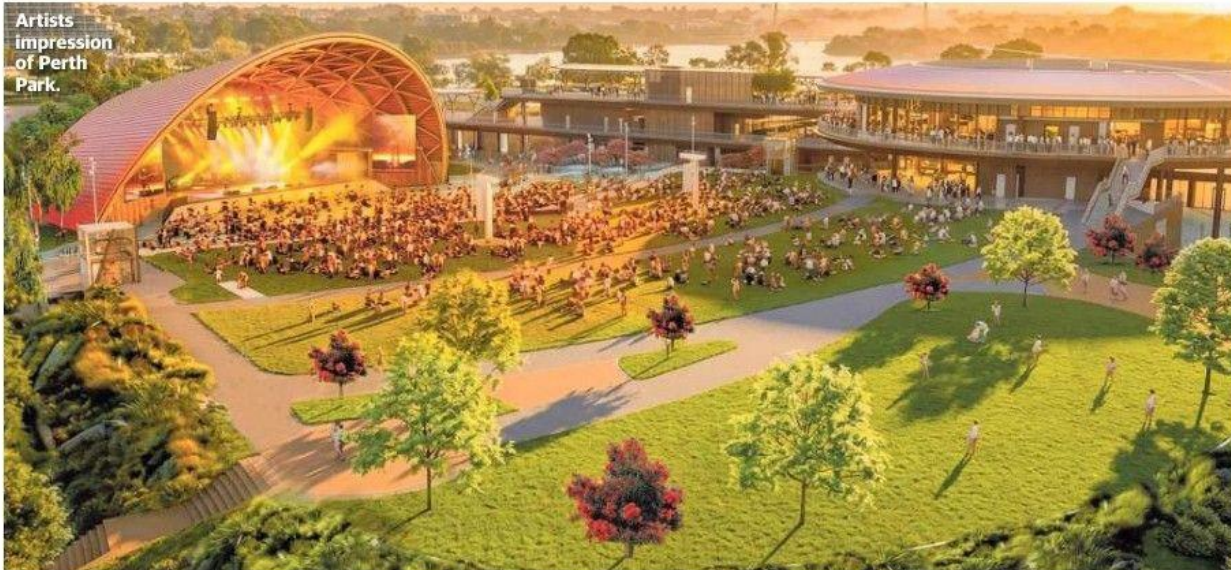




THE BEATEN TRACK

Treasurer concedes costs may blow out for \$217.5m Burswood racetrack as State locks in three builders

OLIVER LANE

WA Treasurer Rita Saffioti has been forced to admit that the cost to build the controversial racetrack and entertainment precinct at Burswood could exceed its \$217.5 million budget.

The Government announced on Friday that a trio of builders — Seymour Whyte, Civmec and Aurecon — had won the contract to build Perth Park, with an expected cost of \$202.4 million. But Ms Saffioti, who had previously committed the figure would fall within the election promise budget of \$217.5m, admitted the price could be subject to change, saying there was “always possibility of changes”.

“There’s no doubt there’s pressure on that (\$217.5 million) budget but we’ll continue to target that number,” she said.

“What we’ve done yesterday is signed a contract of \$202 million for the delivery of the project. But there’ll continue to be budget pressures, as there are on all of our contracts.”

It comes just a week after she replied “yes” to a question, during an interview with Sunrise, on whether she



could guarantee the project would finish in the set budget.

The contract announcement came a day after the northern section of the track was approved by the WA Planning Commission, despite fierce opposition from local residents and councils.

It was also revealed on Friday a planned hospitality venue previously flagged as perhaps part of the design would be going ahead, but its cost was yet to be finalised and would sit outside the \$217.5m racetrack budget.

Opposition Leader Basil Zempilas said it was no sur-

prise the project was facing a budget blowout. “Even if the scope didn’t increase, in this environment it would be almost impossible to see how it didn’t go up,” he said.

“(But) we’ve asked questions in Parliament over the last two weeks, and again, in the Budget the price did not go up even though they’re now suggesting cost pressures are going to come into it.”

Details of a land swap with Crown Perth have also been finalised, with Ms Saffioti saying only land — not money — would change hands.

After months of scrutiny

over the cost of any deal, it was confirmed the Government would receive 3.7ha from Crown, while giving back 1.85ha. The land received by the Government is worth about \$20 million more than what they are giving away, according to Ms Saffioti.

Mr Zempilas questioned the terms of the Crown deal, given the large difference in land value. “The Government appear to tell us they’ve picked up a parcel of land worth \$34 million and only given a parcel of land worth \$16 million back in return,” he said.

“That would appear to be a reasonable deal for the State Government, but I think people would have a right to then ask why have Crown been part of what appears to be such a lopsided deal, what else might be part of this, or what might go into it, into the future.”

Ms Saffioti said the deal worked for both parties and denied it left Crown short-changed. “This is a win for everybody ... the land that they (Crown) are receiving in response is not as big a size, but far more functional for them and the ability to continue to deliver on their aspirations in relation to their complex,” she said.

Final designs of the project were also revealed, featuring more lighting around the cycling portion of the track as well as a new playground and lake in the south-west section of the site.



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State Opposition Leader Basil Zempilas

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