

Senate Standing Committee on Education Employment and Workplace Relations

**QUESTIONS ON NOTICE
Budget Estimates 2011-2012**

Outcome 2 - Schools

DEEWR Question No.EW0183_12

Senator Mason provided in writing.

Question

Bovis Lend Lease/Project Kendall Pty Ltd

Will the Minister note all the facts and allegations raised above and report back to the committee as to what steps he and the relevant federal and state authorities have taken in investigating this matter as well as to resolve it, so as to ensure that all the relevant federal and state laws and regulations are adhered to, any breaches dealt with, and unpaid sub-contractors receive the monies owing?

Answer

Project Kendall is currently under the control of an Insolvency Practitioner. It is the role of the Insolvency Practitioner to investigate the company's financial affairs and report to its creditors as well as the Australian Securities Investment Commission.

At the request of the Minister, the Chair of the Building the Education Revolution Implementation Taskforce met with the NSW Catholic Block Grant Authority (BGA) to discuss possible options to assist the subcontractors.

The NSW Catholic BGA advised that the contract to undertake Building the Education Revolution works in NSW Catholic schools on its behalf was between Bovis Lend Lease (as Managing Contractor) and Project Kendall (subcontractor) and that it did not contain any provision that would allow the NSW Catholic BGA to pay the subcontractors direct.

The NSW Catholic BGA has advised that Bovis Lend Lease re-tendered the works and in most cases, re-engaged the tradespeople working on the projects.

Claims by subcontractors of Project Kendall for unpaid monies are appropriately managed by the Insolvency Practitioner through the Project Kendall insolvency process.