

VARs News Update



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Commonwealth reneged on deal: Holding Costs delay ship dive plan

Martin Watters

A \$3 MILLION plan to sink HMAS Canberra off Barwon Heads as a diving attraction has blown out after the Federal Government passed on costs to defit the frigate, Tourism Minister Tim Holding said.

The project would cre-

ate one of the world's best cold water dive spots.

Federal Member for Corangamite Stewart McArthur said the State Government ran into problems while negotiating a quote with defence contractor Tenix.

But Mr Holding rejected the criticism, saying the Federal Govern-

ment reneged on its side of the deal.

"We were promised a fully decommissioned vessel in the bid documentation. This commitment has not been honoured and has significantly increased the cost of the project," he said.

"I have written to the Minister for Defence seeking his urgent advice as to

how this can be rectified. I have also offered further Victoria Government financial support provided the Commonwealth also increases its contribution proportionately."

Mr Holding said the State Government was committed to divers' safety when creating the reef.

Last October, both

state and federal politicians claimed victory in securing the 138m decommissioned, guided-missile frigate.

The ship was now expected by spring this year after it was defitted and towed from Perth.

Mr McArthur said any delay was not the Commonwealth's problem.

"All parties were fully

aware of the protocols - I'm not being critical of the State Government but I think they have run into some costing issues," he said.

"I'm just concerned that some of these issues have affected the timeline but we're on the case and we're constantly in touch to ensure progress is made."

Keep up to date with the "Let's Sink the HMAS Canberra" project at www.hmascanberra.com.au

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