

# Swim centre builder sinks

THE builder of South Australia's world-class State Aquatic Centre has gone under with debts of more than \$30 million.

Candetti Constructions yesterday entered voluntary administration, a move likely to force taxpayers to foot a \$3 million bill to fix the centre in time for the Olympic Trials next March.

Administrators are hopeful of continuing the company's operations and protecting Candetti's 30-odd employees, despite a slowdown in the construction sector and news SA company New Castalloy will shed 212 jobs.

About \$7 million is owed to subcontractors on that project but administrator Stephen Duncan, of KordaMentha, said he expected large recoveries to cover those debts. "Our initial observation is that this company is owed considerably more than it owes and a priority... is therefore to work with Candetti in securing these substantial unpaid amounts," he said.

*The Advertiser* has been told the company's difficulties began when it provided a fiercely competitive quote to secure the Aquatic Centre project - a move that secured the contract but at a price that exposed the company to a significant shortfall.

Candetti has since been pursuing the State Government for an additional payment under contract "variations" but the Government has rejected making the claim. In turn, the com-

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pany has not paid claims from project subcontractors, sometimes to the point of legal action.

Administration of the company is likely to be made more complicated by the recent separation of Mr Candetti and his wife, Julie Candetti.

Mrs Candetti lodged a \$4 million claim against the company last month in a bid to secure her interests, understood to relate to many years of investing private funds into the growing business.

Another two companies controlled by Mr Candetti, Working Boots and Aljuca, lodged claims the day before Candetti Constructions entered administration. The multiple claims are likely to complicate matters for suppliers, including five who have legal actions in the courts.

While Candetti Constructions has temporarily won on some fronts, a \$300,000 claim by Samaras Structural Engineers is on appeal and a claim brought by Cladding and Roofing has been dismissed on a technical point.

*The Advertiser* understands there are other claims afoot, including a \$150,000-plus claim from its former solicitors Fenwick Elliott Grace.