

Department of Finance

Response to Question on Notice

SENATE SELECT COMMITTEE ON COVID-19

Inquiry into the Australian Government's response to the COVID-19 pandemic

Hearing of 30 July 2021

Question on Notice 1 (Proof Hansard page 4)

CHAIR: To the Department of Finance—we'll have more questions on this—we understand that you are undertaking the assessment of the WA and Queensland potential sites for a quarantine facility. On what date did that work commence and how did that work commence? What were you asked to do?

Mr Jagers: As you say, the Department of Finance was asked to do feasibility studies into sites in Western Australia and also into sites in Queensland. That work started with the Prime Minister writing to the premiers of each of those jurisdictions.

CHAIR: That was on 25 June, was it?

Mr Jagers: Yes, it was around 24 or 25 of June, from memory.

CHAIR: There hadn't been work done prior to that. The letters kicked it off?

Mr Jagers: There had been some preliminary work in Department of Finance to identify Commonwealth land that might be available for use as the potential quarantine facilities in different jurisdictions. That preliminary assessment informed the Prime Minister writing to the premiers in those states to indicate: 'There's a Commonwealth site here. We'd be willing to do some joint feasibility work to see if it's suitable for a quarantine facility.' After that correspondence, feasibility studies kicked off on 2 July in both jurisdictions.

CHAIR: What do you mean by 'preliminary work'? what was done?

Mr Jagers: We looked at the Australian government property register and worked through the available sites that are owned by the Commonwealth, looking at our own held land in different agencies, and made an assessment of those sites—just on a desktop basis—against the key assessment criteria that the government had.

CHAIR: When was that work completed?

Mr Jagers: It would have been completed just prior to 24 June.

CHAIR: Perhaps my question is when did it start?

Mr Jagers: I will have to take the date on notice. It would have been some time in June, I believe.

CHAIR: Was the preliminary work a matter of weeks of analysis in putting that together?

Mr Jagers: No, it was a matter of a week or two, and we looked at sites over a few weeks.

CHAIR: Who asked you to do that?

Mr Jagers: I believe it was a government decision for us to look at those sites.

CHAIR: A government decision? You would have got some email request or something from—what?—your minister or the Prime Minister?

Mr Jagers: There would have been a government decision that would have been reported to me. I wouldn't have received an email directly from either the minister or the Prime Minister, but there would have been a government decision that indicated that we should do an assessment of whether there was available land for quarantine facilities.

Response

The Department of Finance commenced a desktop analysis of Commonwealth owned land using the Australian Government Property Register on 2 June 2021.

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Question on Notice 2 (Proof Hansard page 10)

Senator SCARR: Mr Jagers, I want to talk to you about this feasibility study process you're going through. I think you mentioned AECOM has been engaged to undertake the studies. Is that correct?

Mr Jagers: Yes, that's correct.

...

CHAIR: Mr Jagers, I would request that we have access to both those reports. Could they be provided to the committee?

Mr Jagers: I will take that on notice.

Response

The Feasibility Study documents produced by AECOM in relation to Centre for National Resilience, Western Australia and Centre for National Resilience, Queensland were produced to inform consideration of governments and contain information that is commercial-in-confidence. Production of the documents would impact on commercial arrangements with the market and could disadvantage the Commonwealth, third parties, and the Commonwealth's contractors.

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Question on Notice 3 (Proof hansard page 13)

CHAIR: I'll go back to Mr Jagers: can you confirm how many sites Finance has been assessing as part of this work?

Mr Jagers: We've been doing feasibility studies in relation to three locations: Perth Airport and Jandakot Airport, in WA, and the Damascus Barracks. In terms of full feasibility studies, they're the locations we've been looking at. I mentioned earlier—

CHAIR: Three locations? Are there two at one?

Mr Jagers: There are two in Western Australia and one in Queensland.

CHAIR: Okay, but you're not looking anywhere else?

Mr Jagers: That's the detailed feasibility work, but we've also been looking through the Australian Government Property Register—that's the work I mentioned we'd done earlier—for potential Commonwealth sites to be used. So we have done that, and there's a list of Commonwealth land that potentially could be looked at further.

CHAIR: How many are on there?

Mr Jagers: I would have to take that on notice. There's a bit of a list there of potential sites.

CHAIR: Would there be 10 or 15 or—

Mr Jagers: It would be more than 15.

CHAIR: More than 15?

Mr Jagers: Yes.

CHAIR: And they're spread right across the country, are they?

Mr Jagers: Yes. We just did a search of the property register, so there are a number of locations. But a lot of those are unsuitable for quarantine. We just searched sites that are above a certain land size and within a radius of hospitals and airports, but some of them, for instance, are Defence bases where there are significant operations going on and those kinds of things, so they're not really feasible. But we've done that so there are options if, for some reason, we need to change the sites that we're doing feasibility studies on. It is more in the contingency space.

Response

The Department of Finance conducted a search of the Australian Government Property Register to identify Commonwealth owned land within proximity to an international airport taking regularly scheduled international commercial passenger flights, and a tertiary (principal referral) hospital. This search identified 15 potentially suitable sites across Australia and 7 additional sites that met the criteria but were unsuitable due to their current usage.

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SENATE SELECT COMMITTEE ON COVID-19

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Hearing of 30 July 2021

Question on Notice 4 (Proof Hansard page 14)

CHAIR: Your indicative schedule—what does that mean in terms of getting people onto a site and quarantined on that site?

Mr Jagers: It goes to having a facility operating.

CHAIR: Within what? That's what I'm asking. What is the indicative? I'm not going to hold anyone to it, but what is the indicative time line for having that facility up and running?

Mr Jagers: The feasibility study outlines the schedule, and that schedule is based on our consultant's view on when things can happen and how they can happen.

CHAIR: Yes, sure.

Mr Jagers: But it's also dependent on a range of decisions that would be taken by the Queensland government and the Commonwealth government, and quite a number of decisions taken around the operating arrangements of the Queensland government as well. So I couldn't put a schedule—

CHAIR: I'm not looking for you to say, 'By the end of the year.' Is it a one-year construction? Is that what we are looking at? I'm not going to ask you when it starts and when it finishes, but I presume—

Mr Jagers: I am trying to be helpful.

CHAIR: Well, you are required to be, Mr Jagers. The Senate can ask you these things, and if you don't want to answer—I know you've got the answer, so if you don't want to answer, you take it on notice or refer it off.

Mr Jagers: We've done quite a lot of work to date with Victoria on the Mickleham site in terms of procurement, planning and design. Our intention is to leverage a lot of that design and planning work to use in the other locations in Queensland and in Western Australia—

CHAIR: Yes. Makes sense.

Mr Jagers: to save time and to get it done and also to get the best outcome we possibly can on these sites. We've indicated that the first 500 beds would be available at Mickleham at the end of the year, by the end of December. I think it's fair to assume that the sites that haven't commenced that work, where there isn't a decision, will be a month or two later than that. So they would push out a little bit beyond that.

CHAIR: Okay. So nine months. It's essentially a nine-month construction?

Mr Jagers: I'm just indicating that it's going to take a bit longer than the Mickleham site and the actual schedule will depend on—

CHAIR: How long is the Mickleham site taking?

Mr Jagers: We are starting—we've just engaged—

CHAIR: I feel like we're playing a bit of a game here, Mr Jagers.

Mr Jagers: I'm not trying to play a game with you, I'm trying to indicate, Senator, that there are a number of decisions to be taken that affect schedule.

CHAIR: I understand that. I'm trying to understand the project that's being looked at in the report. How long would it take to construct, notwithstanding all of the other things that are variables on the side? What is that period of time in the report?

Mr Jagers: I'll have to take that on notice.

Response

The Feasibility Studies for both Western Australia and Queensland contained the consultant's views on indicative timeframes for projects to be delivered based on the consultant's assumptions in respect of a range of parameters and options (for example project location, size and capacity of facilities, phasing of the delivery of projects, state operating arrangements, and commencement timeframes). The timeframe for the delivery of either project, if agreed, will depend on the decisions that are taken on these key parameters, and on State Governments determining if they wish to proceed with a project in their jurisdiction, and the timing of those decisions. Construction estimates will be informed by these decisions.