

Introduction

Referral of Work

- 1.1 On 10 August 2005 the proposal to fit out new leased premises for the Australian Agency for International Development (AusAID) was referred to the Public Works Committee for consideration and report to the Parliament in accordance with the provisions of the *Public Works Committee Act 1969* (the Act).¹ The proponent agency for this work is AusAID.
- 1.2 The Hon Dr Sharman Stone MP, Parliamentary Secretary to the Minister for Finance and Administration, advised the House that the estimated cost of the proposed work was \$9.5 million. She reported that the developer was expected to commence construction of the building in January 2006 and, subject to parliamentary approval, the proposed fit-out would be undertaken concurrently with construction of the base building. Both the base building and proposed fit-out are due to be completed in May 2007, with AusAID expecting to occupy the building in June or July 2007.

¹ Extract from the *Votes and Proceedings of the House of Representatives*, No. 46, Wednesday 10 August 2005

Background

Australian Agency for International Development

- 1.3 AusAID is an Australian Government agency, within the Department of Foreign Affairs and Trade, responsible for managing the Australian Government's official overseas aid program. AusAID also provides policy advice and support to the Government on issues of development, and plans and coordinates poverty reduction initiatives in partnership with developing countries.²

Existing Location

- 1.4 AusAID's head office is located in Canberra at 62 Northbourne Avenue, City, ACT. Agency representatives are also located in 25 Australian diplomatic missions internationally.³
- 1.5 The head office currently occupies 9,556 square metres net lettable area (NLA), and AusAID shares several parts of the building with other Government agencies and with the general public.⁴

Site of Proposed Works

- 1.6 The proposed works are intended to be carried out in a new building being developed at Block 20 Section 10, City, ACT, known as London 11. The site is bounded by London Circuit and Allara Street, and is in close proximity to other government and commercial properties.⁵
- 1.7 The building will be located on crown land leased for 99 years (from 2004) to London (11) Pty Ltd. AusAID reports that the developer has obtained the necessary zoning and approvals from the relevant planning authorities.⁶

2 Appendix C, Submission No. 1 from the Australian Agency for International Aid (AusAID), paragraphs 3.1.1 - 3.1.3

3 *ibid*, paragraph 3.1.4

4 *ibid*, paragraphs 3.2.3 and 3.2.6

5 *ibid*, paragraphs 3.5.1 and 3.5.2

6 *ibid*, paragraphs 4.3.1 and 4.4.1

Inquiry Process

- 1.8 The Committee is required by the Act to consider public works over \$6 million⁷ and report to Parliament on:
- the purpose of the work and its suitability for that purpose;
 - the need for, or the advisability of, carrying out the work;
 - whether the money to be expended on the work is being spent in the most cost effective manner;
 - the amount of revenue the work will generate for the Commonwealth, if that is its purpose; and
 - the present and prospective public value of the work.⁸
- 1.9 The Committee called for submissions by advertising the inquiry in the *Canberra Times* on Saturday, 27 August 2005. The Committee also sought submissions from relevant government agencies, ACT government, private organisations and individuals, who may be materially affected by, or have an interest in, the proposed work. The Committee subsequently placed submissions and other information relating to the inquiry on its web site in order to encourage further public participation.

Inspections and Public Hearing

- 1.10 On 7 October 2005 the Committee visited AusAID's existing head office and also inspected the site and environs of the proposed works. A confidential briefing from AusAID and a public hearing were held at Parliament House, Canberra, later that day.⁹

7 *Public Works Committee Act 1969*, Part III, Section 18 (8)

8 *Public Works Committee Act 1969*, Part III, Section 17

9 See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Friday, 7 October 2005 in Canberra

