

Introduction

Inquiry process

- 1.1 On 17 August 2000, the Parliamentary Secretary to the Minister for Finance and Administration referred a proposal for the remediation of Department of Defence (DoD) land at Neutral Bay, Sydney, New South Wales, in accordance with the provisions of the *Public Works Committee Act 1969*.¹
- 1.2 The Committee sought submissions for the Inquiry by advertising the proposed work in *The Sydney Morning Herald* on 2 September 2000.
- 1.3 Letters seeking submissions were also sent to those likely to have an interest in the Inquiry. This included Commonwealth, State and local government agencies, Federal and State government representatives and a range of peak organisations, professional bodies and individuals representing various interest groups.
- 1.4 On 25 October 2000, a sectional Committee, established by the Committee inspected the site for the proposed remediation, former *HMAS Platypus*, High Street, North Sydney, New South Wales and was briefed by DoD representatives. Following the inspection, the Committee held a public hearing at the site. A list of witnesses who appeared at the public hearing is at Appendix A and a list of submissions at Appendix B.²

1 The Hon Peter Slipper MP, Parliamentary Secretary to the Minister for Finance and Administration, House of Representatives, *Votes and Proceedings*, p. 1475, 17 August 2000.

2 The Committee's proceedings will be printed as Minutes of Evidence.

Scope of the proposal

- 1.5 The proposed works are to take place on the site of former *HMAS Platypus*, High Street, Neutral Bay. The proposed works involve an extensive ground remediation program, the main elements of which comprise:
- the demolition of designated structures;
 - the removal of foundations, pipelines and redundant services;
 - the excavation and off-site disposal of contaminated soil and bedrock;
 - the excavation, processing and on-site treatment of highly contaminated materials prior to disposal off-site;
 - the disposal and/or recycling of contaminated water encountered during the course of the works;
 - the backfilling and regrading of the lower levels of the site with clean materials; and
 - a range of activities allowing for environmental protection, materials handling, health and safety and investigative works.³

Site location and description

- 1.6 The site for the proposed remediation is situated in the lower North Shore Sydney suburb of Kirribilli, forming part of the city of North Sydney. The site is located on Neutral Bay which forms part of Sydney Harbour and covers an area of 1.835 hectares. The site is currently owned by the Commonwealth.⁴ The site is bounded by:
- Neutral Bay to the East; Kesterton Park to the South;
 - High Street to the West; and
 - residential areas to the south, west and north of the site.

3 Exhibit 2, p. 1 and Evidence, p. 9.

4 Appendix C provides a plan of the site and shows the location of naval structures.

- 1.7 Access to the site is provided from High Street and Kiara Close. The site, while industrial in nature, is surrounded by residential properties and open space recreation areas. The site is approximately 3km from the Sydney CBD.
- 1.8 Adjoining the site is a submarine wharf. The wharf has an area of approximately 3,385 m². The wharf is on land leased from the New South Wales Waterways Authority.
- 1.9 The topography of the site is divided into three sections. The upper level, occupied by a car park, is accessed from Kiara Close and has a length of 180 metres and a depth of 20 metres. This level is situated between the cliff face and the Iora development and is approximately 18 metres above the lower level of the site.
- 1.10 The middle level consists of the Royal Australian Navy Torpedo Maintenance Engineering (RANTME) building and the guard house between High Street and Neutral Bay. The middle level is approximately 60 metres in length and 110 metres in width. This level is higher than the lower level and a sea wall exists between Neutral Bay and the RANTME building.
- 1.11 The lower level of the site is situated between the cliff face and Neutral Bay. The level is approximately 190 metres in length and 45 metres in width. The lower level is accessed from High Street.
- 1.12 No vegetation exists on the site, except for a small grassed bank behind the Stores Building and around the RANTME building and the adjacent Retort House.⁵

The cost

- 1.13 The estimated cost of the proposed works is \$16.5 million.⁶ This includes design, site establishment and environmental controls, demolition, excavation, treatment and removal of contaminated materials, backfilling and compaction of clean fill, seawall protection works and management of contaminated groundwater.⁷ The estimated cost includes a construction

5 The Retort House is a prefabricated iron-framed building imported into Australia in the nineteenth century. The Retort House is the oldest surviving structure on the site.

6 Evidence, p. 12.

7 Evidence, p. 12.

contingency and a price indexation adjustment over the proposed remediation period.⁸

History of site

1.14 The site has had three main uses since European settlement of the area. The following is a basic timeline of the site history:

- Prior to 1876 the site is believed to have been part of the whaling and mercantile allotments which were situated between Careening Cove and Neutral Bay.
- From 1876-1942 the site was used for gasworks by the North Shore Gas Company (which became part of the Australian Gas Light Company).⁹
- In 1942 the lower portion of the site was transferred to the Commonwealth for use by naval authorities and for the next 25 years was used as a support facility for submarines based at *HMAS Penguin*, torpedo maintenance and other support for the Royal Australian Navy (RAN) Destroyer fleet. In 1967 the site was commissioned as *HMAS Platypus*, the eastern Australian base for the Oberon class submarines. That function continued until May 1999 when the facility was de-commissioned.
- Between 1942-1980 the upper portion of the site continued to be used as a gas distribution facility.
- In 1980 the gas distribution facility was decommissioned and the site developed as the residential developments known as Iora.
- In 1998, naval activities ceased on the site.¹⁰

1.15 In 1995 the RAN engaged PPK Environment and Infrastructure to undertake a preliminary contamination assessment of the site.¹¹ This assessment was done in parallel with disposal planning studies DoD initiated in November 1996 through two public meetings at North Sydney Council.¹² From these meetings a 17 member Community Reference Group

8 Evidence, p. 12.

9 For a comprehensive history of the gasworks see: Rosemary Broomham, *History of the Gasworks Site High Street, Neutral Bay*, 1984.

10 Exhibit 5, pp. 32 and 35-38.

11 Exhibit 6, p. 3.

12 Exhibit 6, p. 3.

(CRG) was formed, including 12 community representatives.¹³ In addition, a separate Technical Reference Group (TRG) was established to keep the North Sydney Council technical staff apprised of matters relating to the site.¹⁴

- 1.16 Planning concluded in November 1997 and the DoD then lodged a development application with the North Sydney Council for a residential land use scheme comprising 95 dwellings and approximately 5,400m² of public space.¹⁵
- 1.17 Subsequently, the North Sydney Council refused the development approval and the DoD lodged an appeal with the Land and Environment Court of New South Wales (LEC). The LEC upheld the appeal in October 1998. The judgment imposed a requirement for the site to be remediated and for development to have been substantially commenced before 14 October 2003.

13 Exhibit 6, p. 3.

14 Exhibit 6, p. 3.

15 Exhibit 6, p. 3.