



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

JOINT COMMITTEE ON PUBLIC WORKS

**Reference: Fitout of new leased premises for the Australian Bureau of Statistics,
Belconnen ACT**

FRIDAY, 8 SEPTEMBER 2000

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JOINT COMMITTEE ON PUBLIC WORKS

Friday, 8 September 2000

Members: Ms Moylan (*Chair*), Mrs Crosio (*Vice-Chair*), Senators Calvert, Ferguson and Murphy and Mr Forrest, Mr Hollis, Mr Lindsay and Mr Ripoll

Senators and members in attendance: Senator Murphy and Mr Forrest and Mr Ripoll

Terms of reference for the inquiry:

Proposed fitout of new leased premises for the Australian Bureau of Statistics, Belconnen, ACT

WITNESSES

BOWYER, Mr Peter John, Senior Project Manager, Bovis Lend Lease Pty Ltd.....	1
CROWLEY, Mr Peter, Legal Partner, Clayton Utz.....	1
HOPE, Mr Graeme Lindsay, First Assistant Statistician, Corporate Services Division, Australian Bureau of Statistics	1
JORDAN, Mr Desmond, Regional Executive, Bovis Lend Lease Pty Ltd	1
PALMER, Mr Jonathan James, First Assistant Statistician, Technical Services Division, Australian Bureau of Statistics	1
PINK, Mr Brian, Group Manager, Statistical Support Group, Australian Bureau of Statistics	1
WALKER, Mr Graeme Anthony, Director, New Building Operations, Australian Bureau of Statistics	1

Committee met at 10.32 a.m.

HOPE, Mr Graeme Lindsay, First Assistant Statistician, Corporate Services Division, Australian Bureau of Statistics

PALMER, Mr Jonathan James, First Assistant Statistician, Technical Services Division, Australian Bureau of Statistics

PINK, Mr Brian, Group Manager, Statistical Support Group, Australian Bureau of Statistics

WALKER, Mr Graeme Anthony, Director, New Building Operations, Australian Bureau of Statistics

BOWYER, Mr Peter John, Senior Project Manager, Bovis Lend Lease Pty Ltd

JORDAN, Mr Desmond, Regional Executive, Bovis Lend Lease Pty Ltd

CROWLEY, Mr Peter, Legal Partner, Clayton Utz

TEMPORARY CHAIR (Mr Forrest)—I declare open this public hearing into the proposed fitout of the new leased premises for the Australian Bureau of Statistics at Belconnen, ACT. This project was referred to the Public Works Committee on 29 June 2000 for consideration and report to the parliament. In accordance with section 17(3) of the Public Works Committee Act 1969:

(3) In considering and reporting on a public work, the Committee shall have regard to:

- (a) the stated purpose of the work and its suitability for that purpose;
- (b) the necessity for, or the advisability of, carrying out the work;
- (c) the most effective use that can be made, in the carrying out of the work, of the moneys to be expended on the work;
- (d) where the work purports to be of a revenue-producing character, the amount of revenue that it may reasonably be expected to produce; and
- (e) the present and prospective public value of the work.

Earlier this morning the committee received a briefing and inspected the site of the proposed work. We are very grateful to Mr Hope for giving us that briefing. The committee will now hear evidence from the Australian Bureau of Statistics. The committee has received a submission from the ABS dated June 2000. Do you propose any amendments to that submission?

Mr Hope—No.

TEMPORARY CHAIR—It is proposed that the submission dated June 2000 be received, taken as read and incorporated in the transcript of evidence. Do members have any objections? There being no objection, it is so ordered.

The document read as follows:

TEMPORARY CHAIR—Would an ABS representative like to make an opening statement and a brief summary report? The usual practice is to make that fairly brief and then proceed to questions by members of the committee.

Mr Hope—I will just provide a brief summary of the project. The proposal which we have put forward is for the fitout of new leased premises as offices for the Australian Bureau of Statistics in Belconnen, ACT. The new accommodation will provide the ABS with a work environment that meets contemporary occupational health and safety standards. This environment will also be functionally more efficient and effective than the bureau's current accommodation. The standard of this current accommodation, which is deficient in its provisions for occupational health and safety, in its physical security characteristics and in its support for a highly technologically advanced organisation such as the ABS, has been discussed previously by the Public Works Committee in its 61st, 62nd and 63rd general reports.

The new accommodation is one component of the broader redevelopment of the Cameron and Benjamin precincts in Belconnen. In divesting its ownership of both precincts, the Commonwealth negotiated for the subsequent redevelopment to include new office accommodation for the ABS. Announcement of these arrangements was made by the Minister for Finance and Administration in December 1999. Construction of the new ABS building commenced in May this year, with an expected completion date of March 2002. Subject to the consideration of the Public Works Committee and subsequent parliamentary approvals, it is hoped that fitout works could commence by the end of this calendar year.

The ABS fitout will create a general office environment to contemporary commercial standards, supported by specialist facilities and advanced information technology infrastructure and greatly improved security. The fitout program will integrate the provisions of work areas, amenities, back-of-house service spaces and facilities for public use. The completed workplace will provide accommodation for some 1,680 staff. The ABS has taken the opportunity being provided by the development of this new accommodation to continue to improve its operations and processes. In particular, we are seeking to ensure that the design and fitout of the base building provides us with the capacity to capture appropriate trends in technological advances which will support, well into the future, the adoption of best practices for the design and operation of individual and group work spaces as well as corporate infrastructure that supports the bureau's operations.

The proposed works comprise a general office fitout including: fixed partitioning and screens for open plan workstations; the construction and equipping of special purpose shared use facilities such as the foyer, an auditorium, staff amenities, a cognitive research centre, library and conference rooms; fitting out of basement record storage areas; and provision of storage facilities for office floors, physical electronic security and IT infrastructure.

The development of our fitout needs will have regard to the requirements of the bureau's enabling legislation which requires amongst other things that access to data collected for the purposes of the ABS be restricted to ABS officers only. In seeking to ensure that it meets its secrecy obligations in this regard, the bureau has made particular in-house provision for its information technology based data collection and processing functions.

Development of the proposed fitout has been discussed extensively with all staff. These consultations are ongoing. Opportunities for discussions have also been extended to relevant staff associations. The redevelopment of the Cameron and Benjamin office precincts has led to concerns being expressed by a large number of ABS staff regarding the significantly reduced availability of parking adjacent to the office building development. The bureau understands the staff concerns but notes that the provision of public parking is a matter for ACT planning authorities. Moreover the principal use issues underlying these concerns are not able to be addressed directly by the bureau.

The ABS is satisfied that the proposed works and the procurement arrangements as described in its submission are the most appropriate, timely and cost-effective way to provide effective and flexible work spaces for the ABS's specialised operational requirements. The ABS therefore commends this proposal to the committee.

TEMPORARY CHAIR—The committee has had a long association with the ABS in resolving your accommodation difficulties out there. We might be close. The reference of the cost that has been made for us by the parliament is \$22.8 million. Reading the briefing, I understand that Bovis Lend Lease has undertaken that that is a fixed cost. Could you explain how those arrangements—that they can guarantee that the cost will be no more than \$22.8 million—work?

Mr Hope—I might make a general comment on that but I might ask Mr Jordan to go to some of the details of how they view their ability to hold to that amount. In coming to the issue of the fitout of the building, the concern from the bureau always was to have some control and some assurance as to how we could control the costs of the fitout. In a process of discussion of what we want in the fitout, a very extensive process was gone through internally, in terms of coming to some appreciation of what the fitout might involve, and also a fairly extensive period of consultations with Bovis Lend Lease itself as to the nature of the fitout, getting quite clear what is 'base building' and what is 'fitout'—what actually gets driven by our particular requirements. Through those processes, we came to an understanding that we would like Bovis Lend Lease to give us a guaranteed maximum price. In that sense the upside risk, in effect, is theirs and the downside benefits are ours.

In doing that, I think we are building a fairly useful relationship with Bovis Lend Lease. They are quite clear we are getting value for money out of that. So much so that, in working our way through the next level of detail of the fitout, when various packages and elements of the fitout go to tender we will be closely involved in those processes of what the costs of those tenders are and, to the extent that there are any further savings that we might be able to get out of it, we will work through that with Bovis Lend Lease.

TEMPORARY CHAIR—Is it in the nature of a guarantee?

Mr Hope—It is a guaranteed maximum price.

TEMPORARY CHAIR—If there are savings, can they be passed back? Would there be some benefit from savings?

Mr Hope—Benefits from savings would be passed back so the total price would eventually come down, if that is what transpired through the tendering process, or, as we work through this, to the extent that we might have forgotten something, there would be opportunities to rethink some of those things, but within the totality of that package and the function and purpose of that fitout package.

Mr Jordan—The integrated fitout that is being provided for the ABS takes advantage of our capacity to actually integrate the base building and the fitout as a single element thereby avoiding duplication. It has been quite common, in our knowledge, to see fitouts being provided after the base building is complete, and that is total wastefulness in terms of resources—ceilings being put up and pulled down again, et cetera. The ability to integrate the fitout certainly has an impact on both cost and time. The ABS buying the integrated fitout, which the committee has approved, obviously is a very good way of providing value for money.

In terms of the capping of the trade costs and the guaranteed maximum price, we have looked at a scope of works that has been agreed to with the ABS. There has been a lot of detailed design behind that scope of works. The scope of works is basically as shown in the report at this stage. What we have been able to do is to guarantee to the ABS that the trade costs in respect of the procurement of that scope of works—the trade costs comprising probably 70 to 75 per cent of the actual costs—will not be exceeded. If they are exceeded for any reason, then that risk is ours. The risk is Bovis Lend Lease's. The bureau does not suffer any of that. If, through our global procurement practices, we are able to reduce that trade cost then the bureau will benefit. But either way the bureau does not lose. The other components of the GMP are negotiated components comprising preliminaries and supervision design costs, some contingencies and of course management fees.

TEMPORARY CHAIR—Without going into detail about cost estimates, who prepared the cost estimate? Who actually prepared that? Has there been any sort of cross-reference check or audit?

Mr Hope—As I was describing, there has been a fairly extensive iterative process between ourselves and Bovis Lend Lease in terms of getting the scope of the fitout quite clear in our minds. As to costing that and providing a figure, Bovis Lend Lease provided that. But we have separately engaged quantity surveyors and various professional resources to, essentially, work through what Bovis Lend Lease is giving us and giving us some independent advice as to the reasonableness of the proposals, the costings and those sorts of things. So, as a separate exercise from working through with Bovis Lend Lease what the scope of the work is and then providing us with a price, we have taken that scope of works and the price and gone through our own quantity surveyors, for example, and got some independent assurance that we were in the right ballpark.

TEMPORARY CHAIR—My reputation is that I am a stickler for proper prudential procurement processes. Do you have a copy of any reports that your independent advice has provided?

Mr Walker—We do.

TEMPORARY CHAIR—We do not have access to that. Could you provide it?

Mr Walker—I do not have them with me.

TEMPORARY CHAIR—Could you take that on notice?

Mr Hope—Yes.

TEMPORARY CHAIR—I would be interested in a sort of construction time line of where deadlines might apply, in terms of the expectation of approval by the committee and so forth. Do you have a construction time line available?

Mr Hope—I do not know whether Peter has it with him at the moment. I will ask Peter to outline it, and I think we can provide you with some documentation of that. Then I might make some comment about the approval process in terms of the fitout and what our interests are in that.

Mr Bowyer—Certainly what is critical, in regard to a decision, is integrating the fitout with the base building. As you have seen this morning, we have commenced construction. The first critical trades that require integration are our services trades. We are looking for that in December. We will be looking to install duct work and electrical rough in above-ceiling work. That is the first component that affects the fitout. The other major components—partitioning, workstations—will commence in about January/February 2001. This is the next major component of the fitout works. Then from there to completion it is an integrated; it is all fitout.

TEMPORARY CHAIR—You have some sort of a critical path chart you can provide?

Mr Bowyer—We have quite a number of programs.

TEMPORARY CHAIR—A summary one, if you do have one.

Mr Bowyer—Yes, I would need to provide you with a summary. All our programs currently integrate the fitout. So it is a base building, contains base building elements and then contains the fitout elements as part of that same program, so you can actually see the whole lot.

Mr RIPOLL—I just wanted to have a closer look at the fees and charges. Without necessarily going into the actual amounts, can you give us the breakdown of the project management fees and construction charges and what they entailed and what they were based on?

Mr Hope—Could we take that on notice and come back to you with more detail?

Mr RIPOLL—Sure.

Senator MURPHY—Of the total costs, what is it based on? I mean, these things normally represent a percentage. Most of the projects that come before the committee are put to us in percentage terms. It is a percentage of the total cost of this. I would assume that you would have had advice on that.

Mr Hope—Yes, it is a fixed percentage of the total cost.

Mr RIPOLL—Do you know what that percentage is?

Mr Hope—Yes.

Senator MURPHY—Can you tell us?

Mr RIPOLL—Can we have that information? It is a fairly standard question.

Mr Bowyer—It does eventually equate to a percentage, but some of the elements, like the premiums—the fixed cost items—eventually get equated to a percentage, but they are actually built up. There is fairly detailed information that they could provide.

Mr RIPOLL—That is what we are looking for: to see what the breakdown of that figure is and what the actual percentage is. There is normally a range. We just want to see where that is in that range.

Mr Hope—There was a bit of double conversation going on there. The figure which we spoke about was six per cent, but we will give you some more details about that demonstrating just how that works.

Mr RIPOLL—What is the six per cent? Is it the project management fee and construction charges?

Mr Walker—I think it is both items.

Mr Hope—But we will come back and just confirm that.

Mr RIPOLL—Six per cent of what?

Mr Walker—They are a component part of the total fitout cost. There are component parts of it, as Peter said, that may affect the sums.

Mr Hope—I would rather come back to you with a more detailed tabulation.

TEMPORARY CHAIR—Presumably the independent advice that you have referred to will provide comment on whether those are standard charges or fixed.

Mr Walker—And they did indeed on that particular point.

TEMPORARY CHAIR—We will get that subsequent advice.

Mr RIPOLL—Yes, we will have to have a bit of a look.

Mr Hope—We will try to get that to you by very early next week.

Mr RIPOLL—I am also interested in the security of the buildings. We just went and had a look at the old building and there are a lot of entry points and it seemed pretty complicated. But you have obviously taken that into consideration with the new buildings. Just give us a quick outline of how you will deal with security and entry points.

Mr Walker—There will basically be three main entry points: the public foyer off Benjamin Way; staff access at the rear of the building, on the first floor because of the slope of the block; and the loading dock. There will be a number of other doors which will be basically secured most of the time but they will have break-glass facilities for fire egress. We have basically gone from 254 doors in Cameron down to three in the new building. There will be extensive security monitoring of all entrances in and out of the building. Even those doors which are not normally used—the fire egress doors—will be camera monitored. There will be security guards on the ground floor. All members of the public coming through will have to go past the security desk, and staff coming in through the staff entrance will also have to go down past the security guard foyer.

Mr RIPOLL—There is a basement car park, isn't there?

Mr Walker—Yes.

Mr RIPOLL—And there will be a ramp up off the street to that?

Mr Walker—That comes in through a back door adjacent to the ground floor security desk. People coming in from the underground car park will be eyeballed by the security guards.

Senator MURPHY—You are going to provide us with a breakdown of the cost estimate. For the general fitout costs and likewise for the joinery and workstation costs, when you give us the breakdown costs can you just indicate whether or not there are labour costs in there?

Mr Walker—Yes.

Senator MURPHY—And what might represent labour and what might represent material?

Mr Walker—Material, yes, we have that information.

Senator MURPHY—That would be helpful. Mr Ripoll asked you about the six per cent figure. Could you elaborate that to some degree, because I have a little bit of a difficulty understanding that that figure does not necessarily represent six per cent as it is written here.

Mr Hope—Yes.

TEMPORARY CHAIR—Can we go back to the costs again in broad terms. To clarify a point in my mind: in paragraph 31 of your submission, you have made reference to some of the long history we have had on the accommodation problems you have got. There was reference to a cost of proposed upgrading of the Cameron Offices to OH&S standards of \$6.25 million.

Mr Hope—Yes.

TEMPORARY CHAIR—The committee expressed some concern with about these costs, in the light of the potential demolition. The initial \$6.25 million was later reduced to \$4.15 million and then after that again to \$3.8 million, which the committee did not consider in detail. What is the status of that rectification work? Is it lost forever or is there some—

Mr Hope—All of that work has been completed. It was done in the context of the—

TEMPORARY CHAIR—Sort of temporary?

Mr Hope—process of divestment of the property by the property group. Are you asking whether anything is salvageable at the end of the day out of it?

TEMPORARY CHAIR—My question is: how much did you actually spend on that? Was it the \$3.8 million? Is there anything salvageable from that?

Mr Hope—Our understanding from the department of finance who handled that side of it is that it was \$3.8 million. In terms of what is salvageable, I would suspect not much.

Mr Walker—It would become the property of the present owner of the building. I would suspect that in the redevelopment of the Cameron/Benjamin offices the sale price factored that in, because it would have transferred to the new ownership.

TEMPORARY CHAIR—Is any of that money that was spent part of the buildings that are going to be demolished? Is it lost?

Mr Walker—Yes.

Mr Hope—The rectification works were across all nine wings of the Cameron complex. As a result of the redevelopment there will only be three wings remaining. So, yes, work was carried out in parts of the other six, and so some parts of that would be lost.

Mr Walker—I understand that a significant part of the \$3 million—and we do not have exact cost figures because it was done by Finance as the landlord and they did not show us their invoices—was fire safety, which was the recabling and split-up of the EWIS.

TEMPORARY CHAIR—And the roof?

Mr Walker—They did not do any work on water penetration. That was deleted from the \$6.5 million. They took out such things as the shatterproof glass, the water penetration, carpeting, painting and some additional lighting. A lot of those things were deleted so that only essential work was done to keep the building functional for the two or three years before the new building came on stream.

Mr Hope—It was to keep it functional and within the spirit of OH&S.

TEMPORARY CHAIR—We understand the reason. It is just a pity to see any money wasted. But that is okay. The submission also talks a lot about the handling of GST costs. I

gather that it is not part of the estimate or the \$22.8 million referral, because it is refundable. If it is paid as refundable, could you run us through how GST will be handled on building costs and inputs?

Mr Hope—In simple terms, when we pay for work done on the fitout, there will be GST included in that in the normal way. We will get invoices and then we will be submitting business activity statements to the tax office and claiming return of the input taxes, just through the normal business statement process. We are eligible for the reclaim. We just see it as part of our normal business in the GST context.

TEMPORARY CHAIR—Could you tell us a little about the improvements in information technology in the new building as against the old, just to satisfy the committee that a further investment in IT gives us enormous advantages and is worthwhile spending.

Mr Pink—As you may well know, having been involved with Cameron offices for some years, it is not actually an IT friendly environment that we work in now and the ABS is a very sophisticated user of technology. It underpins so much of our business activities. It has been very difficult in the Cameron offices environment to provide both the level of network environment that is demanded these days for the sophisticated technology user as well as the flexibility in the workplace for changes in work groups and relocation of staff. In the new building we have set out with the objective, as far as one can, of future-proofing the building over the period of the lease. We are quite confident the technical infrastructure that the new building will have will provide us with a network environment and an office environment that will allow us to maintain that flexibility we require and be able to support any of the business applications that we foresee as being required over the next decade.

TEMPORARY CHAIR—Can you make reference to some of the technical aspects of that? We are all getting used to talking about expectations of five million bits a second and so forth.

Mr Pink—The building will have a fibre-optic backbone right through with high-speed Ethernet saturated cabling underfloor, which gives us the high level of flexibility. Our expectation is—and Jonathan might correct me here—that with the category 5 cabling in Ethernet that is currently available, we could get upwards of 100 megabits a second and, with the category 6 Ethernet cabling which is now coming through onto the marketplace, we will be able to get that up to 200 or above. We foresee that sort of network speed as being quite adequate to support any of the business applications that we might use in the future, including things like streaming video and just-in-time training.

TEMPORARY CHAIR—That is right to the workstation?

Mr Pink—To the workstation, yes.

TEMPORARY CHAIR—What do you currently have access to in the old building?

Mr Pink—Our Ethernet currently provides 10 megabytes to the desktop.

Mr Palmer—It is not quite to the desktop. Our cabling system means that we have to do a lot of movement of cables and drilling of holes to get cables where we need them in the current building.

TEMPORARY CHAIR—So it is even less than 10? I can get better than that at home.

Mr Pink—The speed is around 10, but getting the cabling to the desktop is not always easy in the environment that we are in.

TEMPORARY CHAIR—We are required as a committee to examine whether or not there is some revenue we can gain from our investment. I am particularly interested in the fact that there is an additional cost of furniture and so forth on top of the referral to us. Could you, for the record, tell us what that amount has been allowed for?

Mr Walker—The \$5 million—that is our estimate at this stage—will include new desks for all staff in the APS category 1 to EL2. We are taking all executive furniture, for example, with us to save on furniture costs. It will include a personal storage unit for each staff member to cut out the plethora of filing cabinets, bookcases and things that staff have at the present time. It will include some new meeting tables, although a large number of meeting tables and conference tables will go from the old building to the new building, again as an economy measure. For example, all current chairs will go to the new building. There will be some new chairs for break-out areas and conference rooms. The servery and break-out areas will be serviced by those funds. There will be some presentation equipment such as LitePro equipment which is used in meeting rooms, consultation rooms, conference rooms and the like. There is a component payment for interior design, mainly for the foyer, atrium and executive areas where the public—

Senator MURPHY—In the \$5 million?

Mr Walker—Yes. There is the interior design fee of \$60,000 for display cabinets and the like for the executive area of the atrium and adjacent to the library.

Senator MURPHY—What is the foyer money in the—

Mr Walker—They will be fixed fittings, whereas these were maybe lounge suites in the foyer for people—

Senator MURPHY—What is the loose furniture and fittings that comes within the cost? They were intended to be covered by the costs. In the submission at the section covering cost, it says ‘guaranteed maximum price’ and a figure includes et cetera and so on and—sorry, it excludes any GST related costs. So GST is not factored into this, either.

Mr Hope—No. The point we were making earlier though is that, for us, it will be a zero sum game. We will pay it out but then we will be able to recover it.

Senator MURPHY—Yes, there is a little input.

Mr Hope—As an input.

Mr Walker—They were the basic items of freestanding furniture.

TEMPORARY CHAIR—You have undertaken to give us a more detailed break-up of the cost estimates which I assume will have more detail about what applies. Can you undertake to give us a detailed break-up of the furniture items as well and we can satisfy ourselves that there is no doubling up there?

Mr Walker—We can indeed, yes.

TEMPORARY CHAIR—My question was directed towards what happens with existing furniture.

Mr Walker—The present workstations and desks which are attached to the workstation walls do not meet OH&S requirements. You cannot easily move the desk up and down. Therefore desk surfaces and screens in the existing building will be disposed of. We have engaged a contractor to handle the disposal and hopefully gain some revenue for us by selling second-hand for whatever we can get.

TEMPORARY CHAIR—So the revenue from any auction would stay with ABS?

Mr Walker—With the Commonwealth, yes.

TEMPORARY CHAIR—You would only be guessing at what you could get.

Mr Walker—Yes. It is not going to be very much, as far as we have been told at this stage. It is not particularly good furniture. The bulk of the furniture in the Cameron offices are these workstations, screens and fixed desk surfaces. That is why we are going for an ergonomically designed desk in the new building for each staff member. They can then height adjust it themselves.

TEMPORARY CHAIR—Can you just take on record that we would like a detailed break-up of the furniture items.

Mr Walker—Yes, certainly.

TEMPORARY CHAIR—The other issue that I have is the morale of the staff who are at the ABS. At the last inspection, I remember that there were fairly unhappy people over there. We were shown some dreadful instances of water dripping on desks and all sorts of things. I imagine there has been quite extensive consultation with staff about their preferred working arrangements and so forth. Perhaps you could just run us through the type of consultation that has been engaged in with employees.

Mr Hope—It has been very comprehensive. We have a set of arrangements where each of the major work groups—divisions—in the bureau are looking at the issues of fitout and the accommodation in the new building. We have an ongoing consultation process where various

people are on a group which looks at the proposals. From the outset, they were involved in looking at the broad scope of what the fitout might involve and then honing that down to the scope of the works we had in mind. They will be involved in the next round with further detail of the actual layout of workstations on the floors.

There is a process that we will be going through with each of the work areas to, essentially, say, 'That this is a starting point. This is a typical layout. Does this best fit your working arrangements? If not, what does?' We are ready to start working through that over the next few months to get some better detail so that, when we come to the issue of physically doing the fitout, for each of the work areas, if there are any particular requirements or factors in the way they do their work that is accommodated in the layout of the fitout. That process started from day one with this project some two years ago, and we will continue going through that at various levels of more detailed iteration. There has been a very extensive consultation process with all staff through a structured consultation process.

TEMPORARY CHAIR—Is there an organisational structure for the consultation?

Mr Hope—Yes, there is.

TEMPORARY CHAIR—Is there a spokesperson? We have no evidence—anything would be better than what they have got, I would imagine.

Mr Hope—We do have a formalised structure to ensure that the consultation is rolled through and that we do get feedback. In terms of the new building, each of the divisions has designated an SES officer, usually one of the branch heads, to be the principal spokesperson or coordinator of the consultations for that group. We have pitched it at a fairly senior level within the organisation to ensure that it happens and that when it does happen it is a process which is effectively signed off at the most senior level of the organisation. It matches in some ways the consultation processes we have built into the organisation, as part of the generality of our workplace relations.

TEMPORARY CHAIR—The new building is designed, I think, for the accommodation of about 1,400?

Mr Hope—About 1,600.

TEMPORARY CHAIR—What is the current number?

Mr Walker—We keep records of staff numbers on each payday. From memory, the last count was about 1,682 staff on the payroll last payday. I may be one or two out.

TEMPORARY CHAIR—There really is not any provision in the building layout for any massive extension of that number.

Mr Walker—No. But, with the arrangement of meeting rooms and conference rooms, there is the facility to convert those temporarily to a project centre or a project room where, if you had some seasonal influx of staff for a particular collection, you could facilitate a project area for them to work in.

Mr Hope—But our expectation is, in the generality of things, that we do not see massive increases in staff in the broad in the bureau. We see the 1,680 or thereabouts as being pretty much the outer limit rather than—

Senator MURPHY—It is likely to shrink a bit, I think.

Mr Hope—Possibly.

Senator MURPHY—In the confidential cost estimates, there is a reference which says, ‘and the ABS will meet part of the costs from its accommodation reserve’. You then say, ‘The balance’—and this is a fitout funding strategy—‘will be funded through a commercial hire agreement arranged by the landlord developer.’ That has now changed to being DOFA, hasn’t it?

Mr Hope—Yes, that is right.

Senator MURPHY—I wanted to ask about IT outsourcing, in terms of the fitout of the hardware in particular, relative to your costs as to what you are doing in terms of what is being supplied as part of the arrangements here. I think that was in part answered in our briefing out there this morning but, if you want to put any of that on the record, it might be useful for the reader of the report that some of that information is included.

Mr Walker—I understand that all existing PCs, if serviceable, would move across to the new building. There would not be a wholesale replacement of PCs as part of the move.

Mr Pink—The intention would be that a large part of our current IT environment in terms of the hardware infrastructure will, in fact, be moved to the new building.

Senator MURPHY—I was just looking at the costs associated with joinery and workstation screens. I assume that screens are the partitional screens.

Mr Walker—Yes, the physical partitions.

Mr Hope—The dividers.

Senator MURPHY—In these costs, there is no provision for hardware; likewise in your \$5 million there is no provision for computer hardware?

Mr Hope—No.

TEMPORARY CHAIR—I have a thing about car parking. In every project it annoys me immensely that an enormous amount of cost goes into providing for people to drive to work on their own in a motor car. I note that 340 car parks have been provided. I imagine that is part of the project manager’s costs for his building. But the question needs to be asked. There are 1,600 people and 340 car parks provided to waste space. I just ask the question to make it a public issue. There is an enormous waste of money. There is a terrific public transport system in Canberra. Why aren’t people using it?

Mr Hope—I do not know whether I can get to the nub of that particular question for you. There are 340 car parks in an on-grade, open area car park at the rear of the building. There will also be 60 car parks within the basement area of the building. In total there are some 400 car spaces associated with the ABS building project. In terms of the impact of the development: before this development started, in that area behind the Cameron offices there was capacity for some 750 car parks plus about another 67 basement car parks in various wings. So there was something like a total of 800 or 820 car parks.

TEMPORARY CHAIR—Does any of that disappear with the new development of residential—

Mr Hope—Yes, I am just coming to that.

TEMPORARY CHAIR—All of it?

Mr Hope—Half of it. After the development is finished, we will have capacity for 400 car parks, whereas before the development we had access to some 820 car park spaces.

Mr Jordan—We need to put that in context.

TEMPORARY CHAIR—No, I am pleased about that. Do not worry about that.

Mr Jordan—Any uses that are generated subsequently on the site, be they residential or whatever, would have to make provision for containing car parking generated from those users on the particular site. Residential units would have garages associated with them which would be car parks. The comment is quite correct but the context needs to be specified a touch.

Mr Hope—In terms of what our staff had access to compared with what they will have access to after the development is finished, there is essentially a halving of that capacity.

TEMPORARY CHAIR—Presumably those 60 car parks are for much more secure car parking for people working late hours are they, or are they for ABS vehicles?

Mr Walker—Normally during the day they are shared between special purpose vehicles for people doing statistical collections during the day. Disabled people would have access to those areas during the day and there is some executive car parking. After hours it has been the convention that people who work late at night in the dark would use parking close to the building, close to guards so that they have some protection if they leave late at night.

TEMPORARY CHAIR—Back to the staffing situation: are there any unresolved issues that have been raised through the consultation with staff that are yet to be resolved?

Mr Walker—The main issues were covered in the submission.

TEMPORARY CHAIR—One was on child care.

Mr Walker—We have access to the Bluebell child-care facility adjacent to the Cameron offices; the ABS is a partner in that arrangement. So we feel that that takes care of some the child-care obligations. We are also providing two carers rooms in the new building which will cater for staff with parents who may be temporarily indisposed or children or nursing mothers. So there will be some provision in the building for that.

TEMPORARY CHAIR—I would not mind some extra comments in regard to what arrangement you have made. You say that you are partners in an adjoining child-care facility?

Mr Walker—Yes, in the child-care facility. In paragraph 86, we say:

The ABS is one of a consortium of agencies—

in the Belconnen region—

which owns the Bluebell Early Childhood Education Centre ... at ... College Street

There are 62 places, of which ABS has 29.

Mr RIPOLL—Are you providing any services now, through that? You have that arrangement in place now?

Mr Pink—We have that arrangement in place, yes.

Mr RIPOLL—That is being fully utilised, is it?

Mr Hope—That arrangement has been there for quite a number of years. It goes back, five years, I think.

Mr Palmer—Four years yesterday, I think. They lit up a birthday cake. It has been heavily utilised.

Mr Hope—Mr Palmer is a heavy user.

Mr Palmer—Howard Palmer, if his name is to be in *Hansard* is the user.

Mr Hope—We fully utilise that, so much so that we could probably use a bit more. But that is the provision we have made.

TEMPORARY CHAIR—So there are no unresolved issues with staffing?

Mr Hope—There are no unresolved issues as far as I am aware. Quite clearly the staff are working in conditions which are less than adequate but the fact that the building is started and we are on a very clear time line to March 2002 has, I think, relieved a fair bit of angst for our staff.

Senator MURPHY—What was the time frame?

Mr Hope—Under the arrangements, we will be moving in and occupying the building from March 2002.

Senator MURPHY—Is that the intended date for the completion of all the works?

Mr Jordan—Certainly in respect of the ABS building—the ABS building mainly in the footprint that you saw on your inspection out there today. The terms of the contract were that we have 811 days from 22 December 1999 to complete this building. That is our obligation to the ABS. The base building and the fitout will be completed by that time. After the ABS has moved into the new building, the demolition of wings 1 and 2 will take place and the car park will be reinstated on the footprint of wings 1 and 2. That will be outside the March 2002 deadline.

Senator MURPHY—What is happening with the overall development, though?

Mr Hope—The overall precinct?

Senator MURPHY—Yes.

Mr Jordan—The master plan is based on probably something between three and four years of development in the overall precinct. I should inform the committee that both the National Capital Authority and the Territory Planning Authority are collaborating in a plan for revitalising Belconnen, and all those issues will be taken into account by the developers on the old Cameron site—and certainly as part of any redevelopment that takes place on the Benjamin site through the National Capital Authority, which still maintains control of the sites there.

Senator MURPHY—Mr Jordan, I would appreciate if we could get the information that I asked you for in the private briefing, in respect of the housing side within the precinct development.

Mr Jordan—Yes.

Mr Hope—We will just leave that matter for Mr Jordan and you.

TEMPORARY CHAIR—As there are no further questions, it is proposed that all of the submissions received by the committee and the responses to them from the Australian Bureau of Statistics be received, taken as read and incorporated in the transcript of evidence. Do members have any objections? There being no objection, it is so ordered.

The documents read as followed:

TEMPORARY CHAIR—I thank Mr Hope and his team for giving evidence to us today. As I said at the start, we have had a long association with the difficulties over there and it is good to see some progress towards getting them resolved. The committee will scrutinise the evidence that has been submitted to it in the interests of the taxpayers.

Resolved (on motion by **Mr Ripoll**):

That, pursuant to the power conferred by section 2(2) of the Parliamentary Papers Act 1908, this committee authorises publication of the evidence given before it and submissions presented at the public hearing this day.

Committee adjourned at 11.24 a.m.