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JOINT COMMITTEE ON PUBLIC WORKS

Reference: Provison of facilities for the Australian Capital Territory multi user depot

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JOINT COMMITTEE ON PUBLIC WORKS

Friday, 30 May 2003

Members: Mrs Moylan (*Chair*), Mr Brendan O'Connor (*Deputy Chair*), Senators Colbeck, Ferguson and Forshaw and Mr Jenkins, Mr Lindsay, Mr Lloyd and Mr Ripoll

Senators and members in attendance: Senator Forshaw and Mr Jenkins, Mr Lloyd and Mr Brendan O'Connor

Terms of reference for the inquiry:

To inquire into and report on:

Provisions of facilities for the Australian Capital Territory multi user depot.

WITNESSES

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Committee met at 10.51 a.m.

HUTCHINSON, Brigadier Peter John, Director General, Infrastructure Asset Development Branch, Department of Defence

LALAS, Lieutenant Colonel Ian Arthur, Staff Officer Grade 1, Facilities, Department of Defence

ROSS, Mr Bill, Project Manager, Infrastructure Asset Development Branch, Department of Defence

SMITH, Commander Suzanne, Commanding Officer, Department of Defence

ACTING CHAIR (Mr Brendan O'Connor)—I declare open this hearing of the Joint Committee on Public Works in its inquiry into the provision of facilities for the Australian Capital Territory multiuser depot at HMAS *Harman*. This project was referred to the Public Works Committee on 25 March 2003 for consideration and report to the parliament. In accordance with subsection 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 from the Department of Defence and inspected the site for the proposed works. The committee will hear evidence from the Department of Defence and the National Capital Authority this morning, and I now welcome the representatives of the Department of Defence. The committee has received a submission and a supplementary submission from the department. These submissions will be made available in a volume of submissions for the inquiry, and are also available on the committee's web site. Does the department wish to propose amendments to any of the submissions it has made to the committee?

Brig. Hutchinson—Yes, we do.

ACTING CHAIR—I invite you to make a brief opening statement, after which we will proceed to questions.

Brig. Hutchinson—I will table the amendments. The annexure to the statement of evidence included a series of site plans and floor plans, figures 2 to 8. These plans represented the initial concept design. I would like to table an updated annexure which represents the current state of the development of this proposal. There are two notable changes from the initial concept design. The first is the co-location of the reserves' and the cadets' precincts. While these remain separate precincts, co-location allows for greater sharing of training facilities, thereby maximising the overall efficiency of the proposal. The second is the addition of overnight accommodation for cadets. This will provide dedicated separate accommodation for the cadets but will also be available for reserves and other users when not required by the cadets. I also have six other amendments to the statement of evidence.

ACTING CHAIR—Is the committee happy to accept the exhibit, which will be exhibit 1? There being no objection, it is so ordered. I now invite you to make an opening statement that goes to your submissions.

Brig. Hutchinson—The Department of Defence is proposing the construction of a multiuser depot at HMAS *Harman* in the Australian Capital Territory. The proposed facility will support a range of Defence capabilities, including a permanent Air Force unit, five Army Reserve units, an Air Force Reserve unit and Navy, Army and Air Force cadet units. A more effective reserve element is being developed nationally to meet changing demands posed by Australia's strategic and global environment. Reserves comprise about 42 per cent of the total Australian Defence Force and are the most efficient means of providing sustainment and surge capacity in contingencies. Cadets represent a tangible link for the Australian Defence Force to the Australian community at large. In the white paper, the government made a commitment to cadets to put in place a number of strategies to ensure that they were properly resourced.

The units proposed to be accommodated in the multiuser depot are currently located at various sites within the Australian Capital Territory, including RAAF Base Fairbairn, the Werriwa training depot located in Allara Street in Canberra city and three units already located at HMAS *Harman*. Construction of the multiuser depot is part of the Defence strategy to vacate RAAF Base Fairbairn. The proposal will also allow Defence to vacate and dispose of the Werriwa depot site.

The multiuser depot concept involves the provision of facilities for sharing by a number of typically part-time—that is, reserve or cadet—units. The concept provides significant efficiencies because the reserve and cadet units generally use the facilities at least one night per week and one weekend per month. Programming these training periods enables the occupancy rate of the shared facilities to be significantly improved when compared to the occupancy rate for facilities that are dedicated for a single reserve or cadet unit. Furthermore, the improved utilisation of the facilities supports the provision of training and administrative facilities that may not otherwise be justifiable for individual units.

The new multiuser depot would be constructed within the confines of HMAS *Harman*, which is located to the east of Canberra. The depot will utilise some existing buildings along with the construction of new buildings on the site. The proposed new facilities will provide working accommodation, including office accommodation and specialist training facilities, shared training facilities in the form of lecture rooms, syndicate and conference rooms and a parade ground, storage facilities, including provision for general stores and weapons, workshop

facilities for nominated units, storage and maintenance facilities, shower and training facilities, close training areas, overnight sleeping accommodation, access to messes, gymnasiums, a medical aid post and access to parking areas.

The budget for the project is \$13.5 million. This includes construction costs, professional design and management fees and charges, furniture, fittings and equipment, together with appropriate allowances for contingency. The project has been foreshadowed as part of the 2003-04 budget. Subject to parliamentary approval, the works are planned to commence in September 2003, with completion scheduled for August next year.

Mr Chairman, I still have some other textual amendments to the statement of evidence. Do you want me to give them now?

ACTING CHAIR—If you would like to tender them as an exhibit.

Brig. Hutchinson—In paragraph 3(f) of the submission, the current location of the Combat Support Team A should read HMAS *Harman* rather than Allara Street Depot.

ACTING CHAIR—Could you point to exactly where you are referring to?

Brig. Hutchinson—Paragraph 3(f) of the submission currently lists Combat Support Team A at Allara Street Depot. It is actually at HMAS *Harman* already. In paragraph 15, which lists the facilities being delivered, could you please add ‘overnight sleeping accommodation’. In paragraphs 16 and 17, increase the 28 Squadron staff numbers from 121 to 180 and adjust the total figures accordingly. This reflects an increase in RAAF Reserve numbers in Canberra as a consequence of the decision to increase the RAAF Reserve numbers nationally. At paragraph 23, please add ‘dedicated officers’ to the working accommodation facilities for cadet units. Add a new paragraph 31 which states:

Accommodation. Overnight accommodation for up to 120 cadets is required in the HMAS *Harman* area. Cadets must be segregated from adult service personnel and their accommodation facilities need to be in a location with access to shower, change and toilet facilities and where the cadets can be appropriately supervised.

Finally, amend paragraph 33 to read:

The gymnasium and the living-in accommodation can provide limited support while messes will support the additional dependency of the MUD.

ACTING CHAIR—For accommodation you have inserted a new paragraph 31—is that right, or was that under the existing paragraph?

Brig. Hutchinson—That is a new paragraph 31.

ACTING CHAIR—So everything else will change as a result?

Brig. Hutchinson—Yes. That ends my amendments to the evidence.

ACTING CHAIR—As we discovered in discussions this morning, there have been some significant changes to the proposal that was first put to us in the form of submissions, and exhibit 1 goes to some of those changes that are being proposed. I ask you—indeed, I invite others who are present with you, if need be—to outline why the changes have occurred to be proposed to be developed and what benefits would arise as a result of those proposed changes to the design?

Brig. Hutchinson—The key change has been that we have moved from having separate and separated cadet and Reserve precincts to still having cadet and Reserve precincts but collocating those cadet and Reserve precincts. The second change is that we have added an accommodation element which can be used either by the Reserve precinct or by the cadet precinct but which can be segregated for the cadet precinct so that we meet our duty of care requirement to separate cadets from other adults in the area. So the cadet precinct remains completely self-contained. It can either include the accommodation element or it can exclude that accommodation element depending on how we close gates, lock doors and so on.

The key benefits of the changes are that by concentrating the facilities we were able to make cost savings and to transfer those savings to add the accommodation element. It became obvious in our further investigations of the original evidence that we were unable to meet all the accommodation requirements within the existing *Harman* facilities. Therefore, we needed to add some accommodation to the original proposal.

ACTING CHAIR—So the prime reason for the change was to add accommodation? Is that what you are saying?

Brig. Hutchinson—To add accommodation and, by adding the accommodation, we believe it is better value for money for the Commonwealth because we are able to share more of the facilities. So the trade-off between adding the accommodation and bringing the facilities closer together was that we are then able to share some of the training facilities when they are not being used by the cadets.

ACTING CHAIR—The proposal would include the cadets and reserve sharing some areas. That is correct, is it?

Brig. Hutchinson—The sharing of the facilities will mean that the cadets will have a dedicated precinct and, when they are not using that precinct, those facilities can be used by the reserves. I want to make it quite clear that we will not allow the reserves to use the facilities concurrently with the cadets. From a duty of care point of view, they will only get to use those facilities when the cadets are not using those facilities.

ACTING CHAIR—Is the approach of using similar areas—but at different times rather than concurrently—something that occurs at other depots?

Brig. Hutchinson—That is the basis of the multiuser depot concept, and we have used that for reserve units around Australia for some time so that we make maximum use of those facilities. I believe that this may be the first time that we have a facility within Australia where we have the three different services' cadet elements and all three services' reserve elements sharing the same facility. I am pretty sure that that is the case. I will ask whether anybody knows of any others, but my understanding is that this is the first one.

ACTING CHAIR—So it is a new concept in that sense?

Brig. Hutchinson—For having that level of sharing? Yes, this is the first time we have had that level of sharing.

ACTING CHAIR—You have indicated that there are clear benefits as a result of moving from the two-precinct to the one-precinct proposal. Have you any concerns or are there any potential disadvantages as a result of choosing this proposal over the former proposal?

Brig. Hutchinson—I do not believe from the service point of view that there are any disadvantages with going this particular way.

Mr JENKINS—I want to clarify about the accommodation. You said that accommodation is required for up to 120 cadets. Is that part of the shared facility between the reserve and the cadet precincts?

Brig. Hutchinson—The basis of our accommodation figure is to meet the total of the 120 cadets, which is largely to meet an Air Force cadet requirement. The scaling of that is so that the Air Force can concentrate cadet elements in Canberra to handle that 120 level. That accommodation, though, is available for reserves or other users if the cadets are not using it. For example, I believe the base commander could point out that there was the requirement for our accommodation at *Harman* to be used recently, during the ACT bushfire crisis.

Cmdr Smith—Yes. There is no doubt in my mind that having a barracks style accommodation facility in *Harman* will serve some benefit down the track when we are looking to meet surge requirements for the military or even in disaster relief as we found with the bushfire support we provided. We had a number of soldiers bunking down on stretchers in some of our facilities. So there will be an occasional benefit in the meeting those additional requirements.

Mr JENKINS—Is it barracks style accommodation that can be locked down either way between the two precincts?

Brig. Hutchinson—That is right, but segregated as required to meet our duty of care requirements.

Mr JENKINS—With segregated ablution facilities?

Brig. Hutchinson—That is correct—separate ablution facilities so the cadets have their own dedicated facility. There will also be the ability to segregate the accommodation ablutions.

Mr JENKINS—And what of the other shared facilities and some of the training facilities?

Brig. Hutchinson—Regarding the training facilities, the concept of the multiuser depot is that the training facilities in the multiuser depot will be shared by the different units on different nights and so on. The training facilities within the cadet precinct would be available for use for surge requirement to those reserve or other units when the cadets are not using them.

Mr JENKINS—Some of the training facilities, which are being translocated from the other locations, are going to be fairly specialised. How much of the specialised equipment and things like that are part of this project? Or are they just being translocated?

Brig. Hutchinson—My understanding is that the bulk of the equipment that can be moved will be moved, but we are providing a number of specialist facilities for those reserve units. They are listed in the evidence. For example, there is a ground combat simulator for the CSU, an indirect fire observer simulator room, computer training rooms, a specialist training room for 28 Squadron, a radio training room and so on as listed in the evidence.

Mr JENKINS—Are the ones listed there part of this project?

Brig. Hutchinson—They are part of the project. The equipment that can be moved from the existing facilities will be moved.

Mr Ross—All the IT support for those functions will be done with the existing facilities as they are currently configured.

Mr JENKINS—There is a level of full-time defence personnel associated with these functions that will be accommodated and working in the proposal. Is that separate from the facilities that are then shared by the reservists and cadets?

Brig. Hutchinson—There is a certain level of dedicated offices for certain appointments within each of the organisations depending on the appointment. For example, the officer commanding has a dedicated office, and that includes for the cadet units as well. There are 42 ADF permanent personnel associated with the proposal. They will have dedicated work spaces; they may not have dedicated offices. For example, depending on their level, they may be working in an orderly room or something like that. They would have a dedicated work space within that facility.

Mr JENKINS—What about the nature of this shared hot desk concept? How does that relate to the other functions?

Brig. Hutchinson—The calculations that have been done look at the largest requirement we would have at any particular time to then ensure that each of those administrative or command people within that maximum level scenario will have either a dedicated office or a dedicated work space, or they will be training in a lecture theatre or in the close training area. Those calculations have been done. For example, it may be that the work space of somebody who works during the day but is not there in the evening would be used by somebody else in the evening. We have done those calculations so that we know the worst-case scenario for the maximum utilisation and we have then provided spaces for those people. That is the basis of the calculations.

Mr JENKINS—Is the concept of another shift taking over the space a regular occurrence?

Brig. Hutchinson—It already occurs in a number of our multiuser depots around Australia. As I said, this concept is not new; it has been used for the reserve. This is the farthest we have gone in terms of having all cadets and all service reserve elements represented. It worked

successfully in those areas. We provide dedicated spaces for the files of particular units and for the materials that are peculiar to those units. Similarly, each unit has its allocation of space where they can secure their stores. You also get a synergy. For example, where you have consumable supplies that are used by everybody, you do not necessarily have to have them in separate areas. Common user stuff can be shared. Stuff which is peculiar to a particular unit will have a dedicated space in an office or a storeroom.

Mr JENKINS—Do you operate on an agreed space for a dedicated office and an agreed space for a workstation?

Brig. Hutchinson—Yes.

Mr JENKINS—Is a different level used under these shared arrangements?

Brig. Hutchinson—We meet certain standards with those spaces. For example, I think the normal standard is six square metres per person for a common user area. Because of the way the multiuser depot is put together, you can use figures for figures' sake. If you divide our total area by the total number of people who won't all be there at once, you come up with a figure of about 6½ square metres per person but that includes training rooms, storerooms and everything else. Basically, we work on providing the six square metres per workstation. In the case of dedicated offices it is about 12 square metres. For the reserve lecture rooms, we are providing about 2.5 square metres per student or trainee and for the cadets it is around two square metres. That is consistent with industry standards.

Mr JENKINS—I have other questions, but I will allow my colleagues to make a contribution.

Mr LLOYD—You mentioned that the changes you have made in collocating the cadet facility in the multiuser facility provide some cost savings. The total budget is \$13.5 million and that has remained the same. I understand that in terms of changes to the ablutions areas there are some increased costs there as well. Can you provide some details about what changes were necessitated by the changes to the plans and what was in the original plans?

Brig. Hutchinson—The key change is the addition of the accommodation. Finding savings for the addition of the accommodation was similar to the concept in your house: the most expensive areas are the ablutions facilities and it is cheaper if you can concentrate those facilities in one area. By having the two precincts adjacent to each other instead of having two quite separate precincts, we were able to make some savings to allow us to add the accommodation. The key cost increases involved moving the ablution facilities, and the additional central accommodation area.

As far as cost decreases go, we had a provision in the original sum for the completion of eight classrooms. We have reduced that to six classrooms and are still able to meet the training requirement by being able to now share those classrooms that are associated with the cadet facility. The key offset from the original concept to the new concept is in the reduction of the classrooms from eight to six.

Mr LLOYD—Obviously part of our responsibility at this committee is to ensure that the Commonwealth is getting value for money. What is the process you have with design consultants

and builders, and the tendering process? I am concerned that if the contractors are aware that there is a global budget for a certain amount to design ablution blocks or bathrooms, you can be sure, as with your own house if you give the builder a figure to work to, that the figure will come up to that amount. How do you protect against that? If there is some cost savings or competitive tendering, what is the process you go through to ensure that we get the best value for money?

Brig. Hutchinson—Our consultants are employed on standard rates. Therefore, the work is done by subcontractors. We ensure value for money by making sure that when we produce an estimate we then go out and test the market by hiring subcontractors and so on. Whether we are using a head contract, which is where we subcontract individually to people, or whether we use a managing contractor, where we employ somebody to manage a series of other contracts for us, we ensure that we get value for money by only paying them a fee. The additional value for money is provided by testing the market by going out for competitive quotes on the different elements of that work. Even though they may look at how the costs go up and down, they do not get that total money in their bag. They still have to go out for a competitive quote to ensure they meet that requirement.

Mr LLOYD—When you give the contractors the plans and designs and say, ‘This is what we want to build,’ are they aware of your estimates of the costs, or is that confidential?

Brig. Hutchinson—The initial costs are confidential but, once we have contracted people, then we see that they are in our camp in terms of asking: what is it that they are able to work to?

Mr LLOYD—But this is after a contract and a price for the subcontractors has been—

Brig. Hutchinson—Clearly, because of the process that we go through here for transparency of process with parliament, the total estimated project cost is available if people check the record. However, we keep the detailed elements of that cost confidential so that we are providing a barrier.

Mr LLOYD—Okay. Paragraph 51 of Defence’s main submission says that landscaping will be required to complement the existing site standards. Is that landscaping included in the project budget?

Brig. Hutchinson—Yes, it is.

Mr LLOYD—With regard to the environmental implications, has testing for the presence of asbestos commenced? If so, are there any preliminary findings on that?

Brig. Hutchinson—There is no asbestos in any of the buildings which are part of the construction in this process.

Mr LLOYD—It is fairly close to Canberra International Airport—as we saw when a couple of planes flew over today. Is there any noise problem?

Brig. Hutchinson—We are looking at double glazing, in specific areas where it is required, to accommodate the fact that we are underneath the flight path.

Mr LLOYD—In relation to the co-location and the use by the cadets, I have had fairly close contact with my own cadet units and they are always concerned that they are seen as second cousins to the defence forces and reserves. Will they maintain priority in use of their own facilities, the reserves being able to use those facilities only when the cadets do not require them?

Brig. Hutchinson—That is certainly our concept. There have been quite significant changes, I think, in the management of cadets and in the priority that has been given to them in the Defence Force in recent years. We have recognised the importance of cadets, both as a link to the community and also as a future recruiting base. We are looking to overcome some of those problems that have occurred in the past. We see having the separate precincts and identifying this quite clearly as a cadet precinct as a good way of getting around that management. Rather than a situation in the past, as you have indicated, when cadets might have got bumped from training facilities, we are looking to ensure that they have their dedicated facility and it goes the other way—that is, the reserves only get access to it when the cadets do not need it.

ACTING CHAIR—Whilst we were privy to the new costings this morning—and I appreciate that both the old and the new costings are confidential, so I will not make particular reference to the dollar amounts—we have not been formally in receipt of the new costings today. We will certainly need a copy of those for each of the members of the committee. I would just say for future purposes that it would be helpful if those costings were provided to us. I understand that there have been some changes in the way in which we administer things, but it would be preferable that we get the costings prior to the day. It makes it easier for the committee members to ask sensible questions.

I draw your attention to the changes that occurred in proposed estimates under the heading 'Fees on-costs'. In the original costings, which I do have in front of me, there were breakdowns of a number of line items which included a managing contractor's sum, designer consultants' fees, management fee, design fee and project consultant's fee. As I understand it—from memory, I have to say—the design fee and management fee are now incorporated into the managing contractor's sum. That leaves, then, the design consultant's fee and the project consultant's fee. Could you distinguish the role and responsibilities of the design consultant's fee, as opposed to the design fee which is now a component of the managing contractor's sum. I hope that makes sense.

Brig. Hutchinson—Yes, Mr Chairman. The variation occurs between the types of contracting that we are employing here. If we were employing a head contract, then the initial concept that we had would be the way that we would go. That is, we would normally have a project consultant who would supervise our designer and that supervision of the designer would be the design fee.

ACTING CHAIR—Mr Ross, if you want to supplement that, it is perfectly fine.

Mr Ross—The design management element of the managing contractor's fee, in another form of delivery, would be part of the project manager's fee. So it is really just a change of responsibility in the two roles.

ACTING CHAIR—Mr Lloyd asked questions about substantiating the changes. There was a concern, as he said, that some of the costings seemed to be conveniently the same and that there were changes around that. He was asking for substantiation of why the costings changed the way they did and why, coincidentally, some of the costings that were no longer part of the project were added quite neatly as new costings. Whilst we have only raised this matter informally—or confidentially, if you like—today, Mr Lloyd has now raised it publicly. Can we be provided with further evidence, after today if it is not possible today, as to why, for example, the costings of ablutions have risen by the sum they have. On the face of it, there seems to be some convenient shifting of costs, which, without explanation, might cause concern to this committee and beyond. Are you able to provide further evidence to the committee beyond today?

Brig. Hutchinson—Yes, Mr Chairman.

Mr JENKINS—Brigadier, considering that you have an impressive array of colleagues with you today, the question I am about to ask is weakened by my lack of botanical knowledge. I note from the inspection and the overhead photo of the site that the area that is now to become the cadet precinct will occupy an area that now has two plantations of trees—I do not know the name of them, which weakens the question. Having said that, what consideration was given to that as part of the decision to use the site?

Brig. Hutchinson—The trees you refer to—a type of pine—are listed as an environmental weed within the ACT.

Mr JENKINS—One has to be very cautious when asking questions! It is lucky I gave that preface. I will try again. Part of your submission talks about a traffic study. We have had a discussion about the relationship to the works on Canberra Avenue and its relationship to other things happening at *Harman*. Is there still a requirement to do a study on the basis of the uses at the MUD?

Brig. Hutchinson—A traffic study is currently being conducted. We are looking at implementing the recommendations of that traffic study once complete.

Mr JENKINS—At this early stage, is that likely to lead to any large amount of works?

Brig. Hutchinson—We do not see that as leading to significant works. The sums that have been allowed for that are not overly significant. Would you like to expand on that, Bill?

Mr Ross—It is too early to be conclusive. The study has not developed far enough for us to give a detailed answer, but all the indications are that the impacts of the multiuser depot will be able to be catered for broadly within the existing facilities in HMAS *Harman* or those proposed that are associated with the DNOC project. There may be some additional work—it is on the margin, really. That is where the study is at the moment. We just need to do the additional detailed work to refine that.

Mr JENKINS—The submission also refers to the flexibility required in the type of facility you are producing, due to the changing nature of your business and the changing nature of the technology behind your business. What features do you think you will be seeing that will allow that flexibility in the facilities?

Brig. Hutchinson—The actual concept of the multiuser depot has inherent flexibility anyway, in that we are delivering a range of different types of facilities which can be reconfigured or reused. The type of construction that we are looking at will allow us to look at reconfiguration internally within buildings in the future, if required. We will be able to look at what those adjustments are—bearing in mind that we tend to have plenty of changes in the military over time.

ACTING CHAIR—The Defence submission details a number of measures that will be employed in the new facilities to reduce energy consumption and greenhouse gas emissions. However, the design standards and the list of external authorities consulted do not indicate that Defence has referred to the Australian Greenhouse Office regarding agencies. Has Defence consulted with the Australian Greenhouse Office on targets and guidelines for energy consumption and greenhouse emissions, or does Defence intend to undertake such consultation?

Brig. Hutchinson—The facility will be designed to comply with ecologically sustainable development guidelines. Defence is actually a member of the Greenhouse Challenge. I am not aware of the Greenhouse Office as an organisation but we are part of the Green Building Council of Australia, and with the Green Building Council we are looking at the development of those standards for ecologically sustainable development. We are heavily involved in that. Head Infrastructure, Mike Scrafton, is a member of the board of Greening Australia. As for the Greenhouse Office, we are not far enough down the track at this stage to talk to them but certainly the concept is that all of those requirements will be built in to what we do. That is more in the detailed design stage than the concept stage that we are in at the moment.

ACTING CHAIR—Thanks, Brigadier. There being no further questions, I thank Defence for presenting their evidence. Would you wait, as you may be recalled soon after the next series of witnesses.

[11.37 a.m.]

Huda, Mr Shamsul, Principal Planner, National Capital Plan, National Capital Authority

Wright, Mr David Terrence, Director, National Capital Plan, National Capital Authority

ACTING CHAIR—Welcome to the committee. The committee has received a submission from the National Capital Authority. Do you wish to propose amendments to the submission made to the committee?

Mr Wright—Yes, Mr Chairman. My copy of the submission had four plans associated with the development control plan. People will have picked up, I am sure, that they were two plans that were printed twice, back and front, and we had not realised it in the collating. Other than that, there are very minor typographical errors that do not change the substance of the submission.

ACTING CHAIR—I now invite you to make a brief opening statement to the committee, after which we will proceed to questions.

Mr Wright—It is the authority's practice to make submissions to the committee, to inform the committee of the planning framework that applies in the ACT, in particular to sites under consideration by the committee, and to advise on the authority's view of the proposal in terms of its relationship to the National Capital Plan, and subsequently to advise the committee of the decision making processes involved in particular instances and to express the support or otherwise of the authority for the proposal.

The functions of the authority are set out in the Australian Capital Territory (Planning and Land Management) Act 1988. It specifies that one of the functions of the authority under the act is to prepare and administer a national capital plan. The object of the plan is to ensure that Canberra and the Territory are planned in accordance with their national significance. To that end, the plan is required to set out the general policies to be implemented throughout the Territory, in particular the policies of land use, including the range and nature of permitted land use on any given piece of land.

In addition, the act makes provision for the plan to specify designated areas, which are areas that exhibit the special characteristics of the national capital. In those areas the authority has the works approval role. Outside designated areas, on Territory land, the responsibility for the development control decisions is taken by the ACT Planning and Land Management Group. The exception—and *Harman* falls into this category—relates to national land outside the designated areas. Because constitutionally the Territory cannot exercise control over the Commonwealth in that way, and because of the extensive range of national land in the ACT, the National Capital Plan has invoked a mechanism whereby, through the provisions of a development control plan, the interests of the Territory are accommodated when the Commonwealth is making development decisions. That is particularly relevant to the *Harman* situation. I should point out that the National Capital Plan and its provisions are binding on the Commonwealth and the Territory, and any authority of those two governments.

The development control plan mechanism is fairly flexible. It sets out the development intentions for the site. Where we are dealing with national land, however, the two particular matters of relevance are that we specify the development conditions in order to ensure that sufficient guidance is given to people undertaking development to ensure that their actions are not inconsistent with the provisions of the National Capital Plan and that, more particularly, they take into account the considerations of the Territory plan. To that end, we liaise with ACT Planning and Land Management to ensure that their reasonable requirements are satisfied.

In land use terms, *Harman* is located in a broadacre area; it is a defence installation and it falls within the specific land use category of administrative and utility services. So it is recognised by the plan as a legitimate use. The development proposals that have been promulgated and are the subject of this inquiry are generally not inconsistent with the existing approved development control plan which was established in 1996. While there are a number of issues that we will address collectively—these include the question of aircraft noise that was raised earlier, the matter of residential use and how that is managed, traffic and car parking, and the environmental issues that were also referred to—we are confident that those matters can be satisfactorily resolved.

The fact is that we have an approved development control plan. It can be changed with relative ease. If a change is required, that is a decision which is taken by the authority; it is not a statutory requirement to go through a full amendment process, although a development control plan does have the effect of the National Capital Plan. Accordingly, the authority is pleased to advise of its support in principle for the proposed development, and further assessment of the proposal to ensure compliance with the provisions of the Development control plan will be required at the detailed design stage. This requirement is acknowledged by the Department of Defence.

ACTING CHAIR—Thank you very much, and thanks for the submission. On which aspects of the current proposal does the National Capital Authority require more evidence to guarantee full compliance?

Mr Wright—At present we have a general description of the proposal. If it were not a national land site outside the designated areas and we were talking about development control, then we would normally get to a point of final sketch plans being signed off and proceeding to working drawings, which are then the subject of a formal works approval. In this case, those provisions do not apply. We have a general concept. We understand the uses and the locations and we have been on a site inspection. We have discussed the range of issues that appear to be relevant here and we have specific requirements for a development control plan. We have an approved development control plan, and that will be the basis of the assessment.

If, for any reason, some minor adjustment to that is required it would be undertaken. If there were a major departure from that, then we would have to look at it much more closely. The fact of the matter is that, with the change that was outlined to us yesterday, our concern about its impact on Canberra Avenue is much reduced because of the relocation. When push comes to shove, if you like, any problems that derive from this proposal will be site specific and Defence and *Harman* will have to work them out for themselves. It is in their interests to solve those problems up front.

ACTING CHAIR—Given the change that has occurred at a late hour, and the late notice you have received, how confident are you that you can assure the committee you are happy with what is occurring when, indeed, you have only just received what are clearly significant changes?

Mr Wright—They are significant, but from the authority's point of view they are changes for the better.

ACTING CHAIR—It would be helpful if you could outline the reasons for that.

Mr Wright—There are three different requirements that trigger a development control plan, and *Harman* has the trifecta. The one that would normally be of particular interest to us is its proximity to Canberra Avenue. The limits on the application of the development control plan, in that regard, are a distance of 200 metres from the centre line of the avenue. While that might have been triggered by the original proposal, the relocation further removes that as a problem. We are really looking at how it contributes or otherwise to the general landscape setting, and then at the more practical aspects of traffic and parking.

Mr LLOYD—You mentioned that, like the committee, you have been on a site inspection. Unless Defence suddenly decides it wants to put a multistorey skyscraper on the site, I think it has very minimal impact as far as the National Capital Authority is concerned. What is the time frame? Is there any chance that those works can be delayed through a bureaucratic process? You want more information from Defence once they get to the design stage. Is that process very quick and simple?

Mr Wright—In this instance it will be. The only thing that would warrant a possible delay—and we would be talking about a week or two; not a significant delay—is if there needed to be a substantial change to the development control plan as it stands approved at this point in time, and where we have to go and discuss matters with ACT Planning and Land Management to get their sign-off. In the last analysis, it is our decision on consistency with the National Capital Plan. In a sense, unless it were an issue of major significance to the Territory, the consultation with ACT Planning and Land Management would be more a matter of protocol and courtesy. I do not anticipate any change. As I said before, the decision to amend an approved development control plan is one that is taken at chief executive level on behalf of the authority. It is an internal procedure, and can be effected within a matter of days.

Mr LLOYD—I have one more question. What is the role of authority if it were perceived that there needed to be changes to the intersection with Canberra Avenue? Could that become a problem?

Mr Wright—My personal view is that, from what we have seen of the proposal to date, proceeding with that proposal would not be contingent on that sort of work being undertaken as a prelude to it. It may be a consequence of it, and if that were the case then we would have a works approval role because the gazetted boundaries of Canberra Avenue fall within a designated area and works approval would apply. But again that is a normal development process, and we have the advantage of not being subject to extensive public consultation procedures. The works would have to be sanctioned by the ACT Department of Urban Services,

but we have very good relationships with that department—notwithstanding what you might have read in the paper this morning—and the actual works approval process is fairly quick.

Mr LLOYD—These works would be subsequent to—

Mr Wright—I would have thought so. I cannot imagine that the sort of traffic generation that would occur as a result of this development would be of major consequence. From my understanding of the use of these facilities, the bulk of the access and egress requirements would be after the peak hour on weekdays. I would be surprised if this development, of itself, would trigger that. It may be required for other reasons.

Mr LLOYD—To someone coming from Sydney, your terminology of ‘peak hour’ is hard to grasp.

Mr Wright—It is a relative term.

ACTING CHAIR—Thank you, Mr Wright and Mr Huda, for appearing before us.

[11.51 a.m.]

HUTCHINSON, Brigadier Peter John, Director General, Infrastructure Asset Development Branch, Department of Defence

LALAS, Lieutenant Colonel Ian Arthur, Staff Officer Grade 1, Facilities, Department of Defence

ROSS, Mr Bill, Project Manager, Infrastructure Asset Development Branch, Department of Defence

SMITH, Commander Suzanne, Commanding Officer, Department of Defence

ACTING CHAIR—The purpose of recalling you is to provide an opportunity for you to comment on either what has been said or the formal submissions made by the National Capital Authority. If you have any comments to make, I will allow you to make them now.

Brig. Hutchinson—Thank you, Mr Chairman. What I would first like to do is to correct an earlier statement that I made. There is no Navy Reserve unit associated with this proposal. When I referred to ‘all reserve elements’, in this case that did not include Navy. The second point of clarification that I have is in relation to the Australian Greenhouse Office. I now understand the Greenhouse Office’s role in setting energy targets for facilities. We have been working with the Greenhouse Office on a number of other projects and have briefed them on our designs for those projects. Our feedback from the Greenhouse Office has been very positive, in the fact that we are meeting the required standards and so on. We will follow the same process for this project as we go through the detailed design development. I have no comments on the evidence from the National Capital Authority.

ACTING CHAIR—It is stated in the submission that an investigation will be undertaken to determine the presence of asbestos, and if necessary a certified contractor will be engaged to dispose of any contaminant materials. Have tests for the presence of asbestos commenced, and if so what are the preliminary findings?

Brig. Hutchinson—The process has been completed and there is no asbestos in the buildings concerned.

ACTING CHAIR—I thank the witnesses who appeared before the committee today as well as those people who assisted us in our inspections and the private briefing, which were both held this morning.

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

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 to it at public hearing this day.

Committee adjourned at 11.56 a.m.

