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Official Committee Hansard

JOINT COMMITTEE ON PUBLIC WORKS

Reference: Proposed community recreation centre, Christmas Island

FRIDAY, 31 OCTOBER 2003

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JOINT COMMITTEE ON PUBLIC WORKS

Friday, 31 October 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: Senators Ferguson and Forshaw and Mr Jenkins, Mrs Moylan and Mr Brendan O'Connor

Terms of reference for the inquiry:

To inquire into and report on:

Proposed community recreation centre, Christmas Island.

WITNESSES

NELLIGAN, Mr Ian Joseph, Senior Project Manager, GHD Pty Ltd1

**WEATHERSTONE, Mr John, Assistant Director, Regional Office, Perth, Department of
Transport and Regional Services1**

**WILSON, Mr Andrew Murdoch, Assistant Secretary, Territories Branch, Department of
Transport and Regional Services1**

Committee met at 8.56 a.m.

NELLIGAN, Mr Ian Joseph, Senior Project Manager, GHD Pty Ltd

WEATHERSTONE, Mr John, Assistant Director, Regional Office, Perth, Department of Transport and Regional Services

WILSON, Mr Andrew Murdoch, Assistant Secretary, Territories Branch, Department of Transport and Regional Services

CHAIR—I declare open this public hearing into the proposed construction of a community recreation centre on Christmas Island. The project was referred to the Joint Statutory Committee on Public Works on 21 August 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.

The committee will now hear evidence from the Department of Transport and Regional Services. The committee has received a submission and two supplementary submissions from the department. These submissions will be made available in a volume of submissions for the inquiry. They are also available on the committee's web site. Does the department wish to propose any amendments to the submissions received by the committee?

Mr Wilson—No.

CHAIR—Would you now make an opening statement before we go to questions?

Mr Wilson—On 12 March 2002 the government announced that it would construct a purpose-designed and built Immigration Reception and Processing Centre on Christmas Island. In making the decision to construct such a facility, the government recognised that in doing so it would increase the population of the island and potentially generate increased pressure on existing community infrastructure. To address this, the government announced that it would fund dedicated sports facilities for the Christmas Island community. It also agreed that it would bring forward works on the upgrade of the existing port facilities and the construction of an additional port and associated access road at Nui Nui on the east coast of the island. This new port will be a

backup to Flying Fish Cove and ensure accessibility to crucial supplies and freight all year round.

The need for a dedicated recreation centre as part of the overall community facilities on Christmas Island has been an ongoing issue since the first arrival of refugees on the island. Prior to the construction of the temporary detention facility at Phosphate Hill, the arrival of the refugees meant that the community would lose the use of the existing community hall at the foreshore, as it was used to process and house refugees.

As the sports facilities were to be provided for the use of the community, the government sought its views through the Christmas Island Administrator's advisory committee. This committee contained members across the broad spectrum of the island community. To assist the administrator's advisory committee deliberations, the department circulated a concept report in February 2003. This included details on the existing sporting facilities, the site location plan and tenure, comparable facilities on the mainland and a concept design using the principles of functionality and efficiency. In addition, the administration undertook a survey within the committee to determine what was essential, desirable and low priority, given that funds were limited. Recognising the ongoing desire of the community to have the upgraded facilities quickly, and based on advice from industry that the scope of works could potentially be supplied for less than \$6 million, the department decided to test the market by proceeding with an EOI process.

Expressions of interest were called for in March 2003. Nine applications were received and these were short-listed to four companies. Requests for tenders were sent out in May to four companies. Tenders have been received. The brief for the works detailed the need to be cognisant in the design of reducing the ongoing maintenance and operating costs. Should the works be approved by the Public Works Committee, the department will be in a position to award the contract, with construction works on the island expected to commence following the wet season. In addition to undertaking a tender process for the design and construction of the facility, the department has introduced a panel of consultants to undertake project management services for capital works in the Indian Ocean territories. In this project the department conducted a tender process with a panel. A competitive tender to project manage the contract was awarded to GHD.

The selected site for the proposed facility is on a disused former go-kart track. There are no known environmental issues with regard to flora or fauna on this site. However, an EMP will be prepared for the construction phase of the project in accordance with the environmental officer requirements. The department have noted the Shire of Christmas Island's concerns regarding the ongoing ownership and maintenance of the facilities. We will be discussing this issue with the shire should the project get the committee's approval to proceed.

CHAIR—Thank you very much. I notice in your submission that you outline the locating of the centre, but you do not give us any analysis of other sites that were considered. You set out the reasons why this site was selected. Did you go through a process of fully analysing alternative sites?

Mr Wilson—The administrator in his consultations with the community identified a couple of sites, both of which were up on the Phosphate Hill area. The first site that was identified was

subsequently utilised to build the construction camp which now exists to the north of the cricket ground.

CHAIR—I think we saw that when we were there.

Mr Wilson—That left us with the go-kart track as the best option currently available.

CHAIR—So are you saying there were only ever two sites considered?

Mr Wilson—From the feedback we received from the island, of the two sites that had been identified that were close to power and services, that enabled us to have the space available to build a facility of this size, that would integrate into existing facilities and that were located in a position that would capture future growth on the island should that occur, the Phosphate Hill area was certainly identified for those reasons.

CHAIR—Yes. I have to say that from my own point of view I am just a touch concerned, knowing that public transport is almost non-existent. It seems to be a distance from the school, a distance from the main centre and so on. So it is a little isolated, I think, for perhaps the majority of people at present. The other issue that really did deeply concern me when I looked at the list of people that were consulted was that neither the cricket club, which seems to be the main sporting organisation on Christmas Island, nor the school was included in that consultation process. I realise that you did not make the decision about who was consulted, but I have to say that I am very concerned about that, given that, as I say, the cricket club is the main organisation. It is not as though people are against the development of this centre, but I would have thought it was fundamental that both the school, which would be a major user of the facility I would have thought, and the main sporting organisation—the cricket club—should have been part of that consultation process. I find it extraordinary that you have the Union of Christmas Island Workers and the Indian Ocean Training Group on the consultation list but you have not got a sporting organisation.

Mr Weatherstone—I will deal with the school first and then I will go to the sporting facility. In terms of input from the school, because the school is run through the department—through the administration—input was sought informally rather than through the administrator's advisory committee. At least that is my understanding from information back from the island. In terms of the lack of the cricket club being on the advisory committee, I guess I would have to agree with you. It did puzzle me when I got the submission from the cricket club, because I had assumed that they had actually been on the advisory committee—at least their views had been sought. The structure of the advisory committee is a longstanding structure, in terms of those members who are actually on the committee, and I had not checked that the cricket club had been on it.

In terms of the location and access, as I said previously I think one of the things we will need to look at is the provision of public transport, potentially providing for the supply of some form of transport out to the facility.

CHAIR—The concern is that you have a standing population of less than 2,000 people. Are we going to build a white elephant here that is inaccessible to the majority of the existing residents on the island and about which the main organisations have not been consulted? I wonder, for example, whether an option to collocate this facility with the school was looked at?

A lot of schools have inadequate recreation centres, and while you might argue that that is a responsibility of the state government—

Senator FERGUSON—No, it is not; it is the territory.

CHAIR—Well it is a territory in this case, but the state government runs the education on the island. I do not know what the boundaries are there, but I just wonder whether that should have been an option that should have been looked at and whether it was in fact looked at.

Mr Weatherstone—That option was looked at from the point of view of Drumsite being the preferred location over the last decade for a swimming pool. At that stage there was no intention to build a recreation centre and a swimming pool in a combined location. Once it was agreed to incorporate a swimming pool within the recreation centre it turned out from the information that was fed back to us from the advisory committee that the Drumsite location was just inadequate in size, even though it was close to the school. I also had discussions with the chief executive of the shire and said that we would be seriously looking at incorporating transport for the community to the recreation facility, and I was informed also that the school were catered for with their current bus arrangements and would be a major user of the facility and would have the transport to and from the school. So that was a consideration that was given regarding what size transport would be required et cetera to get to this location. But the only reason for the site location that was selected in the end was the actual area that was needed to provide the facility.

CHAIR—Even in the best of circumstances, where there are large population catchments, these facilities are sometimes not well utilised. It is a lot of public money to spend on a facility that ends up becoming a white elephant. Frankly, I think the possibility of deriving any income from this facility, from leasing out the gymnasium, kiosk and creche, is probably non-existent. If you look at facilities in major city areas, they have trouble in making the numbers stack up as viable facilities, so I do not see how you could possibly make this work financially at all, in terms of leasing out those areas. Do you want to make a comment on that?

Mr Weatherstone—Regarding the location of the facility, the cricket ground is the facility most used by the community. They all get to that particular venue, for whatever reason—for whatever it is used for. From the very outset, the whole intent was to incorporate that facility into any recreation facility. We thought it was a good idea to collocate those facilities. Hence, in the brief, the whole idea was to make sure that we upgraded that facility, where possible and within budget—hence the reticulation. We looked at lighting, to make it an even better venue, but there were height restrictions because of aircraft.

CHAIR—I will finish with this question and then let my colleagues ask some questions: are you now fully consulting the cricket club, and are they now satisfied with the arrangement to collocate this facility?

Mr Wilson—Following the committee's deliberations today, we will go away from here and work through some of the issues. A number of issues have been identified, not only by the cricket club, in terms of their desires, but also by the shire. One of the things we will do over the next short period—and certainly before construction commences—is work through those issues with the shire and the cricket club. They are issues associated with transport to the facility and the ongoing costs of the provision of the facility. Given that I accept it is very unlikely that

sufficient revenue will ever be generated from the utilisation of the facility to pay for the facility, one of the things we will need to talk to the shire about is the ongoing costs. We need to bed down some of those issues with them.

CHAIR—I think it is important to state, for the record, that we realise you have come into this project late, so we understand that you have been working under some constraints as well, in terms of what preceded this matter having come before our committee.

Mr BRENDAN O'CONNOR—In relation to consultation, even though you outlined in your submission that you have consulted with a large number of organisations—and I certainly think that is the proper thing to do—there has been concern raised by the shire that a full-size soccer pitch could be built, given the need. Was any thought given to constructing a full-size soccer pitch? I would have thought, in terms of value for money, that would not have been too difficult.

Mr Weatherstone—When the survey went out through this advisory committee, the consideration was to look at what was essential, what was desirable and what may have been low priority. The soccer pitch was high among their priorities. In the concept design we looked at incorporating the upgrade of the current oval to try and maintain a multipurpose use, so that you had Aussie Rules, soccer—and soccer is an important feature on the island. We did take into consideration that there is a field at the school that is used regularly, but we were trying to streamline what we could provide all up, and we thought that upgrading the current oval facilities would cater for the requirements for soccer.

Mr BRENDAN O'CONNOR—Do you know which would be more popular on the island, soccer or Aussie Rules? Given the nature of the mix of the 1,500 inhabitants of the island, I would have thought that soccer would certainly be a popular sport.

Mr Weatherstone—By all means, it is a popular sport. Aussie Rules and touch rugby are also popular sports. When we consult with the mainland, most facilities are multiuse, and we tried to incorporate that factor.

Mr BRENDAN O'CONNOR—Are there goals on the oval? When you say 'multiuse', are you saying that you can actually play a game of soccer?

Mr Weatherstone—There are goals at the school ground where they play. At the moment, on the oval—

Mr BRENDAN O'CONNOR—On the multipurpose oval you have suggested, would there be the capacity to actually play a game?

Mr Wilson—My understanding is that the existing cricket ground—for want of a better description—is certainly large enough to facilitate a full-sized soccer pitch, so you could use it for a full-sized game.

Mr BRENDAN O'CONNOR—The shire has also requested that that be considered. I presume, then—because it is such a cheap option, I would have thought, in the scheme of things—they would be looking at only boundary lines and soccer goals. Are they actually being provided on the oval?

Mr Wilson—Do you mean at the moment, or could they be provided?

Mr BRENDAN O’CONNOR—Could they be provided under this proposal? I would have thought it was a pretty small cost.

Mr Weatherstone—That would be a consideration. If we are going to make it a multipurpose facility, we will have to provide for those facilities. The other thing we asked for in the design brief was an entry statement from the recreation centre to the oval, so that you get that transition from the recreation centre to the oval incorporated as one entity.

Mr BRENDAN O’CONNOR—Yes, I thought that, clearly, that sort of accommodation would be relatively cheap—

Mr Weatherstone—That would be a consideration.

Mr BRENDAN O’CONNOR—compared with gym equipment, which is probably less likely to be used by young kids. They are more likely to be on a field playing some sport. I think it would be good to accommodate that option, if it is possible, even from this point on, since it is such a small variation to whatever you would have to do.

Mr Wilson—It is certainly one that we will take note of and raise with the shire when we sit down and discuss these issues with them. It certainly seems like something that should be a reasonably low cost option. If we can meet that within our budget and facilitate it, we certainly will attempt to.

Mr BRENDAN O’CONNOR—Clearly the proposed construction of this centre coincides with the immigration reception centre. That is clear; it has been up-front from the beginning. What adverse impacts, if any, have resulted from the delays to the construction of the immigration centre—that is, have there therefore been significant delays to this construction and have you had any contractual problems? Some have clearly occurred in the other area of proposed construction.

Mr Wilson—This project and the immigration reception centre are separate projects, thankfully.

Mr BRENDAN O’CONNOR—Yes.

Mr Wilson—It has certainly taken us a little longer to get to this stage than I—and, I am certain, the community—would have hoped. The delay to the immigration centre and the construction time frame that they have will actually fit reasonably well with our intent to build next year. As you will no doubt run through in future hearings with the Department of Finance and Administration, their time frame for construction will fit neatly with ours, so that we will be constructing through next year. It should not impact on our requirements at all.

Mr BRENDAN O’CONNOR—Given that the current facilities have often been used for unannounced arrivals to the island, is the main reason for the proposed construction of this centre to provide the community of Christmas Island with a facility? Once the immigration reception centre is built and there is enough room to accommodate any foreseeable arrivals,

would that not reduce the need for the construction, given that you probably would not be using the current facilities or amenities in the way they are presently—and have been historically—used?

Mr Wilson—There are two impacting things here. The immigration reception centre is being built to specifications for 800 detainees, or thereabouts. You will then have a staff increase: you will have staff on island and families on island. You will have an increase in the population on the island that flows out of having the immigration reception centre there, not just through the construction period but through the utilisation period. You will end up with an increased population on the island. My understanding is that the facilities that currently exist—certainly the gymnasium—are insufficient to cater for the population. They are very dilapidated and in poor condition.

Mr BRENDAN O’CONNOR—I understand what you are saying. Given that the capacity of the reception centre is going to be reduced from 1,200 to 800, has any alteration to the proposal been considered?

Mr Wilson—The short answer is no. With the immigration reception centre’s capacity being reduced from the original 1,200 to 800, I am assuming there will be a need for fewer staff and, therefore, less of a need for the services that flow on from that. But you will still hit a step with investment. You will need a reasonably sized gymnasium and a reasonably sized sports facility. I do not know that the minor decrease in the numbers the immigration reception centre will take will decrease in any real sense the requirement for this facility.

Senator FERGUSON—In all the consultations that have taken place, how many surveys have been done to see how many people on the island would actually use recreational facilities?

Mr Wilson—I do not believe there was a survey undertaken to determine the utilisation.

Senator FERGUSON—So we do not know how many people currently use the gymnasium or swimming pool?

Mr Weatherstone—There is no gymnasium at the moment.

Senator FERGUSON—Aren’t they using the one down on the foreshore?

Mr Weatherstone—No, that is used as a skate park.

Senator FERGUSON—So there is no facility?

Mr Weatherstone—There is a private gymnasium at the tech college where people can use equipment. So people do have access to a gymnasium. When I say gymnasium, I mean gym equipment—

Senator FERGUSON—But the old hall—

Mr Weatherstone—The old hall is now used as a skate park, which was put in by the shire.

Senator FERGUSON—You have used comparisons with Derby, which has 9,000 people—5,000 in the town—of which approximately five per cent use the recreational facilities that are provided. If only five per cent were to use them on Christmas Island, you would be looking at building this facility for 100 people, wouldn't you? We have no idea how many people would use a recreational facility.

Mr Wilson—At this point, we do not have any numbers for anticipated patronage. That is certainly true.

Senator FERGUSON—Wouldn't it have been sensible for the council or some community body to do a survey of the population?

Mr Wilson—To determine potential use?

Senator FERGUSON—To determine the potential, whether people currently are involved in sporting activities or whether they would become involved in sporting activities if the facility were built. I believe we have a certain obligation to sometimes spend a bit extra to provide for Australians who live in remote and removed communities, and this is one. But surely if we are going to do it we need to know whether or not the facility is going to be used. As the chair said, what is the point of building a white elephant?

Mr Wilson—These are qualitative as opposed to quantitative responses, but certainly the feedback through the shire, the administrator's advisory committee and the administrator himself, prior to his departure in July of this year, has been that the community's desire—as expressed qualitatively rather than quantitatively—for increased and improved community recreational facilities along these lines has been a longstanding point with the community. From that there has certainly been an understanding that the facility will be utilised. But I do not have any quantitative statistics to demonstrate the expected level of utilisation of the facility.

Senator FERGUSON—Have we any idea whether or not people from the Kampong use any of the recreational facilities that exist?

Mr Weatherstone—I have no information to that effect.

Senator FERGUSON—You have talked about public transport. From what I have seen of the island, some people have some form of transport anyway—

Mr Wilson—They do.

Senator FERGUSON—except perhaps a number of people who live in the Kampong. This is probably a fair way for them to go.

Mr Wilson—Yes. That is one of the things that we have identified and that has been raised with us a number of times by the shire. We need to address the issue of a facility to enable people to get to the recreation facility.

Senator FERGUSON—What was the point of using Derby and Donnybrook as comparisons? Nothing really compares with Christmas Island.

Mr Wilson—That is a very good point. Nothing really does compare with Christmas Island and I strike that every day in my job when I try to service the island. We use the comparators that we can. There are times when comparators are less relevant than others, but it is a case of trying to find something that is comparable with the island. There is nothing that really is comparable with Christmas Island.

Senator FERGUSON—Your arguments would be strengthened without the comparisons.

Mr Weatherstone—The shire did ask us to look at comparisons with Broome, which they often compare with. We were also looking at recreation facilities that were constructed recently—in the last eight to 10 years or earlier—so that we could get a feel for the facilities that were available in those remote areas. That was the only reason to give some idea in the concept report of what is available on the mainland in similar remote locations.

Senator FERGUSON—You are going to an area where the cricket club is, which I think is a good idea because in a small community, if you have got a variety of sports and recreations, it is better if they are all centred in the one spot. At least you can then put in a decent facility that they can all use. But, from what I can see from the maps that you have given us, one of the real problems is that there are also a number of other locations. You have got the golf club, which is a reasonable distance away and is patronised by quite a few. Looking at page 61 I see you have got the existing gymnasium, but isn't the gymnasium on your map actually the old hall?

Mr Weatherstone—Yes.

Mr Wilson—The gymnasium is now the skate park.

Senator FERGUSON—It is actually called the gymnasium. You have got basketball courts, which are in the centre of another area. I presume there are only courts there, and not much in the way of other facilities. I do not know whether there are any change rooms.

Mr Weatherstone—No.

Senator FERGUSON—No recreational facilities. You have got a community hall that is a little bit further up, the school is way down in another direction and the golf club is over in another direction again. So, in a community of 1,900 people, you have got six or eight different locations. If they were centred in one, there might be some chance for extended use of the whole building on a more regular basis.

Mr Wilson—By locating it where we have planned to locate it we will, hopefully, capture the tennis courts that have been constructed for the temporary construction camp.

Senator FERGUSON—What do you mean when you say you will 'capture' them?

Mr Wilson—When the construction camp departs that area, we will have tennis courts there which again will increase the amount of sporting and recreational facilities in the one site.

Senator FERGUSON—They will be right there at the cricket club?

Mr Wilson—They are to the south—

Senator FERGUSON—But close enough to it?

Mr Wilson—Yes.

Senator FERGUSON—Okay.

Mr Wilson—You have a valid point, Senator. If you did a town plan for Christmas Island, I do not know that you would come up with the design that you currently have. It has developed the way it has for historical and cultural reasons; it has developed for geographical reasons. The golf club is where it is because that is the best place, the only flattish ground other than the top of the hill. You do have a situation where everything is spread, but it is not easy to bring everything together into the one place without—

Senator FERGUSON—I do understand. It is just that if you have got a community of 50,000 it does not matter if they are all over the place, but with 1,900 people a little bit of foresight might have indicated that any recreational activities on the island should be all in the one area, rather than developing higgledy-piggledy everywhere.

Mr Wilson—I think these have evolved over time, over many years. Particularly, on the island you have some groups that really enjoy tennis, and then all of a sudden teachers and that leave the island and tennis falls aside. And then some enjoy badminton or soccer—there are varied preferences. But generally the distance factor on the island is comparable to anywhere in any local area, to get to those facilities. It is not a long distance.

Senator FERGUSON—Nothing is very far, is it?

Mr Weatherstone—No.

Senator FERGUSON—Thank you, Madam Chair.

Mr JENKINS—I apologise that I think I am going to rake over coals we have just dealt with, but I need to flesh out the consultation and things like that. The department's submission, on page 5, paragraph 22, talks about the department commissioning GHD to undertake a concept study in full consultation with the Christmas Island community to examine the options for a new facility. What was the nature of the consultations with the community that were undertaken at that stage?

Mr Wilson—I have to apologise, I think that is actually a poorly worded sentence. The concept study was actually to enable full consultation. So the concept study was to draw together the ideas that had been raised in the administrator's advisory committee to that date—I understand that to that point it had met three times to discuss the facility—and then enable more consultation. I think it is a poorly worded sentence, and I would have to take responsibility. It was not that way around.

Mr JENKINS—Could I go to the issue of the ongoing management?

Mr Wilson—Yes.

Mr JENKINS—I appreciate this becomes a bit of a ‘which is the horse and which is the cart’ argument, but certainly, whether it be in any community in urban Melbourne or Western Australia, or in the community of Christmas Island, the experience indicates that a facility such as is envisaged here really depends on its ongoing management and how it is going to be used. Sometimes you cannot dislocate those two aspects, because, when the thing is built in these circumstances where there is not proper consultation, there are intractable problems that have been created by design faults and a whole host of things that we figure could have been prevented if there had been discussion with users.

I take Mr Weatherstone’s point that a problem for a community of this size, which has a transient aspect to it, is that the users’ expectations of the facility will change. Looking at what you are proposing, I guess you believe there is flexibility in the way in which the facility will be used, but I really think that somewhere up-front there needs to be a decision about who is going to manage the thing and how we get the user input into making sure that, right from day one—even when it is just a germ of an idea in somebody’s eye—we cater for all people’s aspirations.

Mr Wilson—We would hope that the amount of community input that we have had to date—and I would reflect on the fact that we obviously have not had sufficient input from the cricket club, and there are still a number of issues we need to resolve with the shire—has been sufficient. I do agree with your point that there is often a disjoint between what you end up building and what the community may think they want built. What we have tried to do is design a facility that has multiple use built into it, and we will certainly continue to work with the shire to increase our understanding of what they require and how it will need to be operated into the future once we construct it. There is always going to be that disjoint between end user and construct.

Mr JENKINS—But it is still important to try to get the users involved very early on so they can have input when, say, it gets down to the entrances not working or the storage areas being not useful for users—things like that. It is just really important in a facility that is so hands-on with a variety of users to get that input right from the start.

Mr Wilson—That is one of the reasons why—unlike a number of the other capital items that we would construct, which have more to do with hard infrastructure type things like power and so on—the concept for this was developed directly from the island. It was run through the administrator’s advisory committee, where the community were having input into what goes into the facilities, rather than it being designed and run out of either the Perth office or the Canberra office of the department, so that there was that closeness of relationship between end user and design. That is certainly how it was envisaged in determining how we would get to the concept plan, and then how we would take it further forward from there.

Mr JENKINS—I still take Senator Ferguson’s point that, in a relatively small community, if there was not survey work about what the individuals have as an expectation and what use they would make of it, I do not understand that as part of the planning process.

Mr Wilson—One of the things we did, as I said in my opening statement, was to undertake a survey of the advisory committee, which has a fairly broad representation of the community. I

recognise it does not have the cricket club on it but, in terms of determining what their high, medium and low priorities were in terms of what you could or could not put into the facility, that was used to guide where we ended up.

Mr Weatherstone—With the concept design, too, when we went out to the request for tender we encouraged—and I encouraged—all tenderers to discuss the functionality of such a centre with the shire. I understand from my discussions with the shire that those tenderers did approach them. They went through with the community in quite lengthy detail the requirements of such a functionality in the facility, so the feedback came back to me that that was addressed in their tender bids.

Mr JENKINS—I am just trying to get this in my mind's eye: with the building part of the proposal, it is about one basketball court size playing area with some viewing areas and then other things added on. Is that right?

Mr Weatherstone—Ian might like to go through the design concept and what is incorporated in the floor plan.

Mr Nelligan—The idea was to have a flexible building, as has been mentioned. In terms of the area for indoor activity, there is one basketball size court which is capable of being expanded to take two courts, so it would be designed such that there would be a free column area. Adjacent to that there would be a public viewing area—as you mentioned—plus a small kiosk—

CHAIR—Could I just interrupt for a moment, because I want to say something. I was going to wait until Mr Jenkins had finished, but as he has raised this in the context of his questions I will say it now. It is very unusual for the committee not to have a set of detailed plans, as it is for us not to have a set of detailed figures. I understand the constraints under which you have been working, but, for us to be able to fully assess this project, we need to have a set of detailed working plans. I would have assumed that these would have been made available to you in order for you to proceed with the costings. Is that correct?

Mr Weatherstone—That is correct. We have got detailed plans that we looked at in the assessment of the tenders. At this stage, nothing has been bedded down, as I said before—

CHAIR—But at least it would give us an idea. Mr Jenkins is asking a perfectly legitimate question. The committee has got no working drawings, no plans and no site plans as to the siting of the building. We have the plan of the island, but it does not show us the footprint of this building on the island. I think all of that information must come forward for the committee to appropriately deliberate on the matter.

Mr Weatherstone—I agree.

CHAIR—I am sorry, Mr Jenkins, but I think it is pivotal to everything we are going to have to do post this hearing.

Mr Wilson—As I have said previously, we have been through the tender process and we should be able to provide you with certainly the preferred tenderers' designs and the preferred

tenderers' details in terms of construction costs and the like, broken down into individual components.

CHAIR—We will need the detailed costings which I referred to earlier, a footprint of the building on the island in relation to the existing cricket club buildings and its surrounds, and a detailed plan of the proposed buildings. We understand that there is going to have to be some flexibility, but at least that would give this committee something more concrete to work on. I am sorry I interrupted you, Harry.

Mr JENKINS—Thank you, Chair. You have been much more efficient in time than I have. I was having a slow build-up. This is the second inquiry in a row that we have been in the same position, and perhaps I have lowered my expectations. You are quite rightly reminding departments that we need this information. I am happy if that is going to become available to wait until then. I think I now get the general drift of what is envisaged. Is the building going to be airconditioned?

Mr Wilson—No.

Mr Weatherstone—It is to be partially airconditioned. The whole idea was to make sure that once again, with ongoing operating costs, certain areas would be airconditioned as required and others would have the flow-on effects of ceiling fans et cetera. The whole idea too was to have an open entrance to the pool area—an open door area so that you could expand and open up the area for cooling purposes.

Mr JENKINS—So for the major playing hall there will be some form of ventilation?

Mr Nelligan—There will be good cross-ventilation at both high and low levels.

Mr JENKINS—There is a mention of the cost of reticulation for the playing surface of the oval. If this is to be used for cricket, soccer, Aussie rules or whatever, what sort of work will be done from the outset to make sure that the surface grass allows for that?

Mr Weatherstone—The whole idea was to upgrade the playing surface through reticulation. There have been requests for some sort of scoreboard arrangement and an entry statement, with seating arrangements, between the recreation facility and the oval to make it a user friendly area.

Mr JENKINS—My final questions are about the existing facilities. Mention has been made of the present swimming pool. There is some indication that this might continue to operate; is that correct?

Mr Wilson—The existing swimming pool is operated by the shire. There have been conflicting views about whether it will continue to operate. However, the shire have indicated at this stage that it would continue to operate. My understanding of the swimming pool in its current format is that there is a clash between lane swimmers and recreational swimmers. By constructing this pool you will potentially be able to retarget the existing swimming pool for recreational swimmers. The larger swimming pool up on Phosphate Hill will be for the others.

Mr JENKINS—Again, in the trade-off—what is going to happen if this facility is built—the expectation that two swimming facilities in a community of this size would continue is extraordinary to me, but perhaps I am missing something. The ongoing management of expectations about what the shire itself or anybody else is going to run is an issue that needs to be thrashed out in a community this size. Perhaps I will leave that. The gymnasium will continue because now it is part of the shire’s activities programs by way of a skate ramp?

Mr Weatherstone—The current facility?

Mr JENKINS—Yes, the current rec hall.

Mr Weatherstone—Yes, they have introduced a skate park for the young ones, and it is heavily utilised.

Mr JENKINS—How does that work? Who actually owns that shed?

Mr Wilson—The gymnasium?

Mr JENKINS—Yes.

Mr Wilson—I believe it is a shire facility. It is a shire owned property.

Mr JENKINS—All right. So the maintenance of that is their worry.

Mr Weatherstone—They maintain and operate that facility.

Mr JENKINS—There are casual basketball courts at the Poon Saan Community Hall. I gather it is expected that they will continue to be used because that subset of the community sees that as an appropriate facility?

Mr Wilson—I would assume so.

Mr JENKINS—The community hall was purpose built for badminton, it says. The first question is: can I assume the badminton is continuing there and will continue?

Mr Wilson—Yes—again, I assume so. I cannot give you an ironclad guarantee that it will continue, but I assume so.

Mr JENKINS—Can I reverse the question then? I think we should be certain that the usage of the facility that is under discussion today does not depend upon the badminton coming to the facility.

Mr Wilson—No, it does not.

Mr JENKINS—Might it come to the facility?

Mr Wilson—Unless I am mistaken, the facility could certainly accommodate badminton. Therefore, it could transfer there. The choice for that to occur would be up to the operation of the facility, the operation of the community hall and the people who actually run badminton.

Senator FERGUSON—The shire say in their submission that the community hall was not purpose built for badminton. It is a fact that badminton is played there, but it was not purpose built for badminton and so there is no reason why it could not go anywhere else. I do not know where you got the idea that the community hall was purpose built for badminton, because the shire say it was not.

Mr JENKINS—I think I have exhausted my exasperation. I come to this issue as a frustrated former local councillor from many years ago, and there are elements to the way that this have been put together that are exasperating. I accept, because of the nature of the Christmas Island community—and I have been an observer of that community now for 15 years—the difficulty of consultative processes on the island. I wish I had a better idea of how you could best go about it, and I wish you luck with it. In a community this size with projects like this we would hope we would have developed processes to iron out things. I understand that, because of the nature of previous facilities, the proposal was well overdue. I remember seeing that gymnasium when it was being used by basketballers and wondering how long people could put up with it. I accept that; but if a facility of this magnitude is to be provided in a community the size of Christmas Island—and I stress that I do not begrudge the community the facility—the way in which it would operate that would depend upon how the community sees the facility. Whether the badminton people want to play there is, I think, important. Whether there is a sophisticated group of netballers or basketballers who want to go and play indoors should, I think, be a discoverable item at this stage. But I apologise for my exasperation.

Senator FORSHAW—I am perplexed, like my colleagues, about some of this. The issue of consultation with the cricket club has been canvassed extensively. I note that in the submission it states:

It is anticipated that the proposed recreation centre will supplement the facilities at the cricket club ...

That was also stated by Mr Weatherstone earlier, which makes it even harder to understand why the club was not consulted or involved at all. The DOTARS submission states:

The proposed facility has been designed to serve a maximum population of 6,000 ... long-term growth to 5,000 has been estimated in the Christmas Island Local Planning Strategy.

I am not familiar with that. Is it realistic that the population is going to get to 5,000 or 6,000? What is the basis of that prediction?

Mr Wilson—If you assume a stable base population based around the operations of the mine you would have a population of around 1,700 people, give or take a few. If you construct an immigration reception and processing centre, which at the time of the concept plan was aimed at 1,200 refugees—

Senator FORSHAW—They become part of the population, do they?

Mr Wilson—No, they are not counted as part of the population. You get a flow-on effect of staffing, an increase in services and the like. You will still service the population in the detention facility and the staff. Rough ballpark figures are 360 staff plus families, plus servicing another 1,000 people. If you assume that APSC goes ahead, you will get another increase in population. You will end up with a population of around 3,500 to 4,500 people.

Senator FORSHAW—I have not visited the island, so I am not familiar with it. It just seemed to me that a 300 per cent or more increase in the population is a huge explosion. I do not want to get too bogged down on that. I understand you planned this facility with that in mind. I understand the shire has raised the issue of transport—and you have said it is something about which you are going to have to talk to them. I can visualise from the map that it is some distance from where people live but, at the same time, I assume people utilise the cricket facilities and therefore do not have too much trouble getting there. What is really involved in this? How serious is the issue of transport going to be?

Mr Wilson—Mr Weatherstone has already had discussions with the shire with regard to transport. They identified this issue as one they wanted recognised.

Senator FORSHAW—From your perspective, is it realistic? Is it just another wish list from the local government authority? I do not mean to be disrespectful to the Christmas Island shire council, who are not here to defend themselves?

Mr Wilson—The issue of general and public transportation on the island has certainly been raised with us. We accept that the oval is a reasonable distance away from the main areas of the settlement. The extent to which the provision of transport will enhance the utilisation of the facility is something we will need to work through with the shire. I understand that, if we went down that path, the upfront capital cost of the provision of a small bus on the island would not be great. If that increases the utilisation of the facility, then it may very well be a worthwhile investment.

Senator FORSHAW—I can imagine that it would not detract from it; it might assist in increasing utilisation, I can appreciate that. But this all leads me to my next point. In their submission the shire council state:

Although DOTARS don't address this issue in their submission, it is unlikely that the Commonwealth will generate any income from the project.

We have already discussed that a little bit. The submission continues:

There may be a user-pays contribution to the centre once complete, but this will only offset operational costs. Local Government, when they manage recreation facilities, invariably subsidise operational costs. It follows that the Commonwealth is likely through one means or another (eg FAG grant to the Shire, direct expenditure on staff) to have to contribute to operating costs into the future.

That is the shire's submission. Can you tell us what is going to happen? Who is going to manage this facility? Do you have any idea how much the shortfall will be in terms of income that might be generated from user-pays fees as against the overall costs of running it and maintaining it? I

am intrigued. This thing may not be a white elephant, but it may well be a very expensive under-utilised facility.

Mr Wilson—I cannot tell you definitively who will operate it. What I can tell you is that certainly the department's position is that it is a community facility being constructed for the community and the community would be better off operating it than the Commonwealth.

Senator FORSHAW—It sounds to me like the shire are getting in early—as naturally they would, and should, from their perspective—and basically saying, 'The Commonwealth's going to have to cough up some additional funding here.' Are you going to have some agreement with the shire, before you actually go ahead and build this facility, about those issues. Surely that has to be in place, doesn't it?

Mr Wilson—At the end of the day, I will sit down with the shire and try to negotiate a position whereby they take operational responsibility for this facility.

Senator FORSHAW—What if they say, 'No, we won't do it unless the Commonwealth underwrites the operating and maintenance costs'?

Mr Wilson—I guess that will be a case of negotiation.

Senator FORSHAW—I know, but let us be realistic. You are committing the Commonwealth to \$8 million or whatever it is of expenditure. There has to be an agreement with the local shire, surely—or am I missing something here?

Mr Wilson—No, I agree with you. At the end of the day, if the Commonwealth and the shire cannot come to an agreement in terms of the community through the shire operating the facility, then the facility will be operated by the Department of Transport and Regional Services just as we currently manage a number of the services on the island. I think, from a community point of view, that it would be better served being operated by the community through the shire. It is a community facility. But, at the end of the day, should we be unable to reach agreement then it falls to the Department of Transport and Regional Services to operate that facility subject to this agreement.

Senator FORSHAW—So the decision to build it is not dependent upon having an operator management arrangement in place?

Mr Wilson—No.

CHAIR—I think the matter that Senator Forshaw raised is pivotal because the cost of running these facilities, as we all know from our own electorates, is very high. The opportunity in such a small community for a user-pays system is pretty much non-existent, I think. From what I have seen of other facilities, it becomes a very big burden around the neck of very few people. There is a large number of people coming to and going from the island who will not be ratepayers and will not be making contributions. So the burden would be left to a few. Ongoing management costs will include transport facilities; insurance costs, which are very high for such facilities these days; and wages, you have to have somebody there in attendance at all times.

I think the committee really would like to see a forward management plan. Whether the department finally becomes the manager of the facility or whether there is an agreement struck—and I am sure that, given the shire's enthusiasm for the project, you would be able to come to some agreement there—we need to have a look at this in that context. If there cannot be a proper management plan in place, and funding to ensure that it is properly managed, then it does become a white elephant and a waste of Commonwealth money, a waste of taxpayers' money. So I think that we need to have a good analysis of the ongoing cost of managing the facility, so that we can come to a decision and make appropriate recommendations.

One result of the lack of plans and specifications is that we have got no knowledge of the building materials being used. That is important as well, because we know that the deterioration of buildings on the island is high. In fact, we will be asking some questions because of a submission put in by the former minister, the Hon. Wilson Tuckey, about the construction of the detention centre. I suppose the same questions can be asked here. I have seen some discussion of the use of tilt slab. When the committee visited the island last year, we saw concrete tilt slab panels being used in the construction of housing. Some people make comment about its unsuitability in terms of climatic conditions, but obviously it has been used and I think again the committee needs more specifications on the building materials and perhaps some comments from the department on the maintenance of the materials being used and their suitability for the climate.

Also, in relation to the footprint of the building, we have not had an opportunity to ask questions about environmental impact. You might want to provide us with some written detail of what has been done in terms of consultation on environment.

I think that covers it from me. If there are no other questions from the committee, I would just like to make one point before we close. The shire were not happy about the committee not visiting the island, but I think it is important to put it on the record that, given that the community very much wants this facility—there seems to be a unanimous view that, although there might be differences about how it is achieved, this is important to the community—and the committee's understanding that there are timing issues, both in terms of construction because of weather constraints and also in terms of the committee's opportunity to visit because transport for us to get there is not easy, and given that we had inspected the sites last year, the committee felt that we could quite competently manage this hearing here in Canberra today.

We appreciate the very detailed submissions that have been made, particularly by the shire. We would ask you to have a close look at that submission if you have not already done so. I think they do come with some very good points. They have done quite a detailed analysis, and we would like to think that the department will take account of many of the issues raised by the shire. We appreciate the detailed submissions which will help us in our deliberations.

Senator FORSHAW—Madam Chair, there is one thing I forgot to ask. Is the cricket ground utilised all year round? Is there a summer and a winter season?

Mr Weatherstone—No, it is used by the community generally all year round. It is used for touch football on Tuesday and Thursday nights, it is used by the Aussie rules for training—they have a team on the island—

Senator FORSHAW—So do they cover the cricket pitch, or do they just use a portion of it? I am thinking in terms of the questions that were being asked by Mr O'Connor about how you could also turn it into a soccer field—

Mr Weatherstone—Ian has played on the ground.

Mr Nelligan—And been injured on the ground! They do not cover the cricket pitch; they play straight over the top of it.

Mr Weatherstone—But it is widely used for a variety of sports.

CHAIR—This is an aside, because I said I would come back to it: is the oval currently reticulated?

Mr Weatherstone—No.

CHAIR—The reticulation cost in your submission—

Mr Weatherstone—is built in to the tender price.

CHAIR—But is it necessary?

Mr Weatherstone—Yes. The ground is not in the best condition to be used it as a multipurpose field and, as part of the recreation facility, we thought it was best to make sure we upgraded it. Regarding those details on the building, the tenderers were asked to look at marine tropical environment materials for this site, and they were included in the tender bids. All those details will be made available to the committee.

Mr Nelligan—May I add that in the back of the concept report is an aerial photograph that will show you the condition of the cricket ground. It is dry and like playing on concrete, and it is like that for nine months of the year. It becomes a dustbowl during the dry season.

CHAIR—We will accept that you have superior knowledge, having played on the cricket pitch.

Mr Wilson—Pain and suffering.

Senator FERGUSON—The other thing I noticed in the shire's critiquing of your submission is that they suggested that GHD were going to get \$1½ million. Could you state for the record what the costs of that consultancy were.

Mr Wilson—It is not our intent to pay GHD \$1½ million for a \$6½ million building construction.

Senator FERGUSON—I just do not know where they got their figures from.

Senator FORSHAW—Christmas Island figures.

Mr Weatherstone—I think they left the point out of the 20, and it was two point zero.

Mr Wilson—We undertook an assessment. We have a panel of five project managers now. They competitively bid to manage this project and, if you are comfortable with me telling the committee something in open session—

Senator FERGUSON—It does not need to be done in the public arena.

CHAIR—If you send us the detailed costings, they will answer Senator Ferguson's question more fully and in confidence.

Mr Wilson—The answer is that GHD will not pick up fees of \$1.5 million.

CHAIR—Thank you. We will examine that when we get the detailed costings. I thank the witnesses who have appeared before the committee today and the people who have taken the time to provide very detailed submissions to the committee.

Resolved (on motion by **Mr Brendan O'Connor**):

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 10.13 a.m.