

Introduction

Referral of Work

- 1.1 On 8 February 2006 the proposal for the fit-out of new leased premises for Centrelink at Greenway, ACT, was referred to the Public Works Committee for consideration and report in accordance with the provisions of the *Public Works Committee Act 1969* (the Act).¹ The proponent agency for this work was Centrelink.
- 1.2 The Hon Gary Nairn MP, Special Minister of State, advised the House that the estimated cost of the proposed works was \$40.9 million. Subject to parliamentary approval, the fit-out procurement process could begin in June 2006, with the fit-out elements being manufactured between November 2006 and August 2007, for installation in the new building between August and November 2007.

1 Extract from the *Votes and Proceedings of the House of Representatives*, No. 80, Wednesday 8 February 2006

Background

Centrelink

- 1.3 Centrelink is a statutory agency under the umbrella of the Department of Human Services operating within the Finance portfolio. It was established in October 2004 to provide Australian Government Services under the *Commonwealth Services Delivery Agency Act 1997*.²
- 1.4 The National Support Office (NSO) is Centrelink's headquarters and is predominantly located in Canberra. It supports the Executive and the Centrelink network, working closely with the Department of Human Services, other human services agencies and policy departments.³

Location

- 1.5 Centrelink's NSO is currently accommodated in 55,414 square metres of leased accommodation across 11 buildings in Tuggeranong, Woden, Weston, Fyshwick and Symonston.⁴
- 1.6 The new NSO building is being constructed at Block 4, Section 13, Greenway, on the corner of Athllon Drive and Soward Drive, close to the western edge of the Tuggeranong Town Centre. The site contains an area of 3.35 hectares of flat undeveloped grassland, to be used predominantly for offices.⁵

Inquiry Process

- 1.7 The Committee is required by the Act to consider public works over \$6 million⁶ and report to Parliament on:
- the purpose of the work and its suitability for that purpose;
 - the need for, or the advisability of, carrying out the work;
 - whether the money to be expended on the work is being spent in the most cost effective manner;

2 Appendix C, Submission No. 1, paragraphs 1.1.1 and 1.1.3

3 *ibid*, paragraph 1.1.4

4 *ibid*, paragraph 1.2.1

5 *ibid*, paragraphs 2.1.1 and 2.4.1

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

- the amount of revenue the work will generate for the Commonwealth, if that is its purpose; and
 - the present and prospective public value of the work.⁷
- 1.8 The Committee called for submissions by advertising the inquiry in the *Canberra Times* on Saturday, 18 February 2006. The Committee also sought submissions from relevant government agencies, ACT government, private organisations and individuals, who may be materially affected by, or have an interest in, the proposed work. The Committee subsequently placed submissions and other information relating to the inquiry on its web site in order to encourage further public participation.

Inspection and Public Hearing

- 1.9 On 27 March 2006 the Committee visited Centrelink's current premises and also inspected the site and environs of the proposed works. A confidential briefing from Centrelink and a public hearing were held at Parliament House, Canberra, later that day.⁸

⁷ *Public Works Committee Act 1969*, Part III, Section 17

⁸ See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Monday, 27 March 2006 in Canberra