

## Introduction

### Referral of Work

- 1.1 On 24 June 2003 the proposal to redevelop Radiopharmaceutical Building No. 23 at Lucas Heights, Sydney, New South Wales, was referred to the Public Works Committee for consideration and report to the Parliament in accordance with the provisions of the *Public Works Committee Act 1969* (the Act).<sup>1</sup> The proponent agency for this work is the Australian Nuclear Science and Technology Organisation (ANSTO).
- 1.2 The Hon Peter Slipper MP, Parliamentary Secretary to the Minister for Finance and Administration, advised the House that the estimated cost of the proposed works was \$17.9 million. Mr Slipper noted that, subject to parliamentary and regulatory approvals, construction would commence late in 2003 with a view to completion in 2005.

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<sup>1</sup> Extract from the Votes and Proceedings of the House of Representatives, No. 104, Tuesday, 24 June 2003

## Background

### The Australian Nuclear Science and Technology Organisation

- 1.3 ANSTO is Australia's national nuclear research and development organisation, with responsibility for the operation of Australia's nuclear facilities.
- 1.4 Located at the Lucas Heights Science and Technology Centre (LHSTC) south-west of Sydney, ANSTO's facilities include the High Flux Australian Reactor (HIFAR) and the National Medical Cyclotron. These facilities produce a range of radioisotope products for use in industry, medicine and research. <sup>2</sup>
- 1.5 ANSTO's radiopharmaceutical's division, ANSTO Radiopharmaceuticals and Industrials (ARI), is Australia's sole manufacturer of radioisotope products. Since 1994-95, Australia's turnover from radiopharmaceutical production has grown at approximately nine per cent per annum, reaching some \$20 million in 2001-02.<sup>3</sup> ANSTO estimates that, in 2001-02, some 475,000 Australians used its medical radioisotopes.<sup>4</sup>

### Associated Works

- 1.6 A replacement research reactor (RRR) is currently under construction and is due for completion by 2006. This work formed the subject of the Committee's fifth report of 1999.<sup>5</sup> One purpose of the RRR is to ensure secure supply of reactor-produced medical radiopharmaceuticals for the next 40 to 50 years.<sup>6</sup>
  - 1.7 In July 2003, ANSTO advised the Committee of its intention to undertake a ventilation upgrade to Radiopharmaceutical Production Building No. 23 at the LHSTC, at an estimated cost of \$4.95 million.<sup>7</sup>
  - 1.8 Having considered the scope of the ventilation upgrade, the Committee was satisfied as to the necessity of carrying out the
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2 Appendix C, Submission No. 1, paragraph 1

3 ib id, paragraph 3

4 ib id, paragraph 1

5 *Replacement Nuclear Research reactor, Lucas Heights, NSW*; Parliamentary Standing Committee on Public Works, Fifth Report of 1999

6 Appendix C, Submission No. 1, paragraph 2

7 Works estimated to cost between \$2 million and \$6 million are termed 'medium works' and may be subject of an inquiry at the Committee's discretion.

proposed works as separate project and notified ANSTO of this in writing on 21 August 2003.<sup>8</sup>

- 1.9 In August 2003, ANSTO again wrote to the Committee requesting that the relocation of the Building 23 delay waste tanks be approved as a separate medium work prior to the Committee's consideration of the remainder of the Building 23 redevelopment project. The works, comprising relocation of liquid waste delay tanks and associated hydraulic services, were estimated to cost \$0.58 million and to take about 20 weeks.<sup>9</sup>
- 1.10 Prior approval for this project element was sought in order to ensure that the Building 23 extension would be completed in time for the commissioning of the RRR in 2005-06.
- 1.11 On 21 August 2003, having considered ANSTO's request, the Committee granted approval for the relocation of the waste delay tanks to commence prior to consideration of the remainder of the redevelopment works.<sup>10</sup>

## Regulatory Authorities

- 1.12 Radiopharmaceutical production in Australia is regulated by the Therapeutic Goods Administration (TGA) and carried out under the Australian Code of Good Manufacturing Practice for Therapeutic Goods. Radiological safety is regulated by the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA).<sup>11</sup>

## Site of the Proposed Work

- 1.13 The proposed works are to be carried out within the LHSTC, adjacent to the HIFAR reactor. The LHSTC occupies 70 hectares in the Sutherland Shire, some 30 kilometres south-west of the Sydney CBD.<sup>12</sup>
- 1.14 Under Section 7A of the Commonwealth *Australian Nuclear Science and Technology Organisation Act 1987*, ANSTO is exempt from the application of state or territory laws where those laws relate, among other things, to the use of land.<sup>13</sup>

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8 Letter from Chair to Professor Helen Garnett, ANSTO, 21 August 2003

9 Letter from Dr Stuart Carr, ARI, to Secretary, 13 August 2003

10 Letter from Chair to Dr Stuart Carr, ARI, 21 August 2003

11 Appendix C, Submission No. 1, paragraph 3

12 *ib id*, paragraph 49

13 *ib id*, paragraph 46

## Inquiry Process

- 1.15 The Committee is required by the Act to consider public works over \$6 million<sup>14</sup> 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;
  - 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.<sup>15</sup>
- 1.16 The Committee called for submissions by advertising the inquiry in *The Australian* on Wednesday, 3 September and Wednesday, 17 September 2003 and in the *Sydney Morning Herald* on Saturday, 30 August 2003. The Committee also sought submissions from relevant government agencies, local 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.

## Inspections and Public Hearing

- 1.17 The Committee travelled to the LHSTC and inspected at first hand the scope and environs of the proposed works. A public hearing was held at Lucas Heights on Friday, 17 October 2003.<sup>16</sup>

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<sup>14</sup> *Public Works Committee Act 1969*, Part III, Section 18 (8).

<sup>15</sup> *Public Works Committee Act 1969*, Part III, Section 17.

<sup>16</sup> See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Friday, 17 October 2003 at Lucas Heights.