

Introduction

Referral of Work

- 1.1 On 11 December 2002 the proposal to develop off-base housing for Defence at Adamstown, Newcastle, 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)¹. The proponent agency for this work is the Defence Housing Authority (DHA).
- 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 \$21.6 million. Mr Slipper noted further that, subject to Parliamentary approval, construction would commence in June 2003 with an expected completion date of September 2004.

1 Extract from the Votes and Proceedings of the House of Representatives, No. 68, Wednesday, 11 December 2002.

Background

The Defence Housing Authority

- 1.3 The DHA was established in 1988 to provide housing and relocation services for Australian Defence Force personnel, after it was discovered that low standards of accommodation were having a negative impact on Defence morale. The DHA aims to provide Defence personnel and their families with a standard of housing at least equal to that enjoyed by the broader community in which they live.
- 1.4 The DHA employs a variety of delivery methods to meet Defence accommodation requirements, including:
- construction off-base with a view to retention or future sale of the properties;
 - construction on-base as dictated by Defence operational or policy requirements;
 - direct purchase of established properties, with a view to retention or future sale; and
 - direct lease through the private rental market.

The Site

- 1.5 The site of the proposed development is located at 321 Brunner Road, Adamstown, NSW. Adamstown is a residential suburb of Newcastle, situated some 7 kilometres from the city centre. The site is bound by Brunner Road to the west, Army land to the south, Merewether Golf Course and residential land to the east and St Columba's Catholic Primary School to the north. It is roughly rectangular in shape and measures some 5.25 ha in area.
- 1.6 The land is currently vacant, but was formerly part of an Army training depot. The DHA own the land, having purchased the land from the Department of Defence in March 2000.
- 1.7 In February 2000, the land was zoned Residential - 2(a) by the Newcastle City Council. This zoning permits all forms of housing, subject to Council consent.

Inquiry Process

- 1.8 The Committee is required by the Act to consider public works over \$6 million² 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 work³.
- 1.9 The Committee called for submissions by advertising the inquiry in *The Australian* on Friday 20 December 2002 and the *Newcastle Herald* on Saturday 11 January 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

- 1.10 The Committee travelled to the Adamstown site and inspected at first hand the scope and environs of the proposed works. A public hearing was held in Newcastle on 7 March 2003⁴.

² *Public Works Committee Act 1969*, Part III, Section 18 (8).

³ *Public Works Committee Act 1969*, Part III, Section 17.

⁴ See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Friday, 7 March 2003 in Newcastle.

