

## Issues

### Introduction

- 4.1 This chapter highlights a number of significant issues that have arisen during 2001. They are:
- quality of evidence;
  - approvals and standards;
  - heritage and environmental issues;
  - energy conservation;
  - Public Works Committee Act 1969;
  - Mr Colin Hollis and
  - support.

### Quality of evidence

- 4.2 In previous General Reports, the Committee has drawn attention to the quality of written and oral evidence provided to it. While generally the overall standard has been adequate, on a number of occasions it has been unsatisfactory. This was again the case during 2001.
- 4.3 Commonwealth departments and agencies must be able to substantiate fully all claims with detailed supporting evidence at the beginning of an inquiry. It is not acceptable for the Committee to have to delay its examination of projects while additional information, which should have been provided in the initial submission, is being prepared.

- 4.4 For projects which are part of a staged development at the one site over a number of years, it is important that the Committee be provided with a detailed overview of the entire project. This will enable the Committee to determine the relationship between the individual stages of the broad development and its scope.
- 4.5 The Committee believes that the provision of appropriate supporting evidence goes to the heart of determining value for money which is a fundamental requirement of the Committee's work. The Committee therefore urges all proposing agencies to ensure that convincing supporting information is made available at the commencement of inquiries.

### **Approvals and standards**

- 4.6 In examining a fitout proposal for the Department of Immigration and Multicultural Affairs, the Committee was surprised to discover that it was being asked to approve the fitout for a building for which development approval had not yet been granted. While the Department assured the Committee that the interest of the Commonwealth would be protected, the Committee is firmly of the view that it would have been preferable for the Department to have resolved any uncertainty associated with the development approval before seeking approval for the proposed fitout.
- 4.7 In its report on this project, the Committee recommended that referring agencies obtain all necessary development approvals before referral to the Committee.

### **Heritage and environmental issues**

- 4.8 The Committee is fully supportive of preserving items of heritage significance and is mindful of the need to balance competing views about items that may be considered of heritage value. In relation to environmental issues, there is often the need to balance competing priorities.
- 4.9 The Committee believes that all departments and agencies should involve both the Australian Heritage Commission and Environment Australia at an early stage in the development of a project to ensure that heritage and environmental issues are identified and acted upon.

## Energy Conservation

- 4.10 The Committee is aware that the Commonwealth is committed to best practice in energy management to assure ecologically sustainable development and the reduction of greenhouse gas emissions. The Committee received evidence from the Australian Greenhouse Office on a number of projects in relation to the extent to which the Commonwealth's energy policy had been complied with in the planning stages of a project and in minimising greenhouse gas emissions from all stages of the project.
- 4.11 The Committee believes that energy conservation issues will become increasingly important and it intends to actively pursue these issues in future inquiries.
- 4.12 In addition, the Committee has given some consideration to an extension of its role in the oversighting of energy conservation in relation to Commonwealth public works projects and general energy usage by the Commonwealth. In 2001, representatives of the Australian Greenhouse Office (AGO) raised the possibility of the Committee conducting an annual review of energy use based on the annual report of the Department of Industry, Tourism and Resources, *Energy use in Commonwealth operations*. Currently, this report is tabled in Parliament, but the Committee cannot review it as the Public Works Committee Act does not provide for such a review. The Committee is possibly the only investigatory committee that cannot conduct inquiries based on reports tabled in the Parliament. By contrast, both House and Senate Standing Committees can conduct inquiries into relevant departmental annual reports and reports of the Auditor-General that are tabled in Parliament.

## Public Works Committee Act 1969

- 4.13 In his speech opening the 2001 Conference of Public Works Committees, the Hon Peter Slipper MP, Parliamentary Secretary to the Minister for Finance and Administration, noted that the method of delivery of Commonwealth public works has undergone a considerable change in recent years. In this situation, the Committee has for sometime been considering how its role and functions can be adapted to the realities of the present situation.
- 4.14 The *Public Works Committee Act 1969* was last reviewed and amended in 1989 and the Committee believes that the time has come for a thorough review of the Act and also the functions of the Committee. The Committee has agreed to refer the matter of review to the relevant Minister, but would specify the referral of annual reports and the examination of leasing as matters of concern.

- 4.15 The Committee believes that it has an important role to play in the oversight of major Commonwealth public works and it believes that this role should continue. Major public works represent a considerable outlay of taxpayers' funds and continue to have a considerable impact on the communities in which they are constructed. The Committee believes that these projects should be subjected to public scrutiny.
- 4.16 However, the Committee believes that the current provisions of the Act, which only allow it to examine projects prior to construction, are unnecessarily restrictive. The Committee is of the view that it should have:
- an ongoing monitoring role in examining the efficiency of project delivery, particularly in relation to issues such as energy efficiency and heritage and environmental issues;
  - a capacity to look at the final cost of delivery; and
  - a capacity to follow-up projects to ensure that what was projected was what was done.
- 4.17 The Committee is of the view that the Department of Finance and Administration should undertake a thorough review of the Act and that the Committee should have an opportunity to contribute to such a review.

## **Mr Colin Hollis**

- 4.18 The Committee wishes to take this opportunity to pay tribute to the former member for Throsby, Mr Colin Hollis for his great contribution to the work of the Public Works Committee. He served on the Committee continuously from February 1985 to October 2001 and was Chair from October 1987 to January 1996 and Vice Chair from May 1996 to August 1998.
- 4.19 Mr Hollis was Chair during a number of very busy periods for the Committee, including 1995 when 29 reports were tabled. He was also Chair when the Committee conducted a number of particularly complex inquiries including:
- Badgerys Creek airport
  - Decontamination of the Albion Explosive Factory and
  - the Australian Advanced Air Traffic Control System

- 4.20 Mr Hollis always worked in a totally bipartisan manner with the sole aim of ensuring that the expenditure on public works was necessary and that the Commonwealth was obtaining value for money. His knowledge of the workings of the Committee and of projects was extremely valuable to the Chairs under whom he served following the 1996 and 1998 elections.
- 4.21 The Public Works Committee will miss Mr Hollis for his knowledge of the work of the Committee, his ability to quickly get to the substance of the issues being considered, his bipartisan approach and most importantly his good humour and camaraderie.

## Support

- 4.22 The Committee's ability to fulfil its statutory obligations is in large measure attributable to the support provided by the secretariat. The Committee therefore wishes to record its appreciation for the work of the Secretariat staff during 2001.
- 4.23 As noted in Chapter 1, the secretariat is required to support another parliamentary committee. The Committee continues to observe that this presents certain challenges but commends the secretariat for continuing to provide a high level of support.
- 4.24 The Committee also wishes to record its appreciation for other staff in the Parliament, who provide services to the Committee and its secretariat, and those officers in the Department of Finance and Administration, who play an integral role in facilitating parliamentary action in relation to the Committee. In this regard the Committee again thanks Mr Jeff Kite for his support during 2001.

**Hon Judi Moylan, MP**

Chair

21 March 2002