
The Parliament of the Commonwealth of Australia

SIXTY-NINTH ANNUAL REPORT

March 2006
Canberra

© Commonwealth of Australia 2006

ISBN 0 642 78769 7 (printed version)

ISBN 0 642 78770 0 (HTML version)



Contents

Membership of the Thirty-fifth Public Works Committee at December 2005	xii
--	-----

REPORT

1 Introduction	1
Role	2
Establishment.....	2
References to the Committee.....	3
The Committee's Operations	3
Conduct of Inquiries	3
Government Responses	5
2 The Year in Review	7
Overview of Activities.....	7
Committee Inquiries.....	7
Works Exempt from Committee Scrutiny.....	8
New Chancery for the Australian Embassy in Baghdad, Iraq.....	8
Urgent Security Upgrade of the Australian Embassy in Jakarta, Indonesia	9
Construction of Extension to ASIO Central Office, Canberra, ACT	9
Defence Airfield Maintenance Works at RAAF Bases Richmond, NSW; Townsville, Qld; Darwin, NT and Amberley, Qld.....	9

Concurrent Documentation	10
Proposed Fit-out of New Leased Premises for the Department of Industry, Tourism and Resources in Civic, ACT	10
Provision of Facilities for Maribyrnong Immigration Detention Centre Additional Accommodation and Related Works, Maribyrnong, Victoria.....	11
New Consulate-General Building, Bali, Indonesia.....	11
Reserve Bank Business Resumption Site, Baulkham Hills, NSW	11
Operational Upgrade, Darwin Detention Facility, Berrimah, NT	12
RAAF Base Amberley Redevelopment Stage Two, Qld.....	12
3 Summary of Reports and Government Responses	13
Sixty-eighth Annual Report	13
Fit-out of New Leased Premises for the Department of Industry, Tourism and Resources in Civic, ACT (First Report of 2005)	14
Referral	14
Need	14
Purpose.....	14
Scope.....	14
Cost.....	15
Issues Raised.....	15
Recommendations	15
Tabling	15
Government Response	15
New Housing for Defence Housing Authority at McDowall, Brisbane, Queensland (Second Report of 2005)	16
Referral	16
Need	16
Purpose.....	16
Scope.....	16
Cost.....	16
Issues Raised.....	16
Recommendations	17
Tabling	17
Government Response	17

Provision of Facilities for Maribyrnong Immigration Detention Centre Additional Accommodation and Related Works, Maribyrnong, Victoria (Third Report of 2005)	17
Referral	17
Need	18
Purpose.....	18
Scope.....	18
Cost.....	19
Issues Raised.....	19
Recommendations	20
Tabling	21
Government Response	21
Development of On-Base Housing for Defence at Puckapunyal, Victoria (Fourth Report of 2005).....	21
Referral	21
Need	21
Purpose.....	22
Scope.....	22
Cost.....	22
Issues Raised.....	22
Recommendations	22
Tabling	22
Government Response	23
Defence Science and Technology Organisation Ordnance Breakdown Facility, Port Wakefield, South Australia (Fifth Report of 2005)	23
Referral	23
Need	23
Purpose.....	23
Scope.....	23
Cost.....	24
Issues Raised.....	24
Recommendations	24
Tabling	24
Government Response	24
Australia House Defence and Lightwells Refurbishment, Australian High Commission, London (Sixth Report of 2005)	25

Referral	25
Need	25
Purpose.....	25
Scope.....	25
Cost.....	26
Issues Raised.....	26
Recommendations	26
Tabling	27
Government Response	27
Mid-Life Upgrade of Existing Chancery at the Australian High Commission, Singapore (Seventh Report of 2005).....	27
Referral	27
Need	27
Purpose.....	27
Scope.....	28
Cost.....	28
Issues Raised.....	28
Recommendations	29
Tabling	29
Government Response	29
New Consulate-General, Bali, Indonesia (Eighth Report of 2005).....	29
Referral	29
Need	29
Purpose.....	30
Scope.....	30
Cost.....	30
Issues Raised.....	30
Recommendations	31
Tabling	31
Government Response	31
Construction of Chancery, Vientiane, Laos (Ninth Report of 2005).....	31
Referral	31
Need	31
Purpose.....	32

Scope.....	32
Cost.....	32
Issues Raised.....	32
Recommendations	33
Tabling	33
Government Response	33
Reserve Bank of Australia Business Resumption Site (Tenth Report of 2005).....	33
Referral	33
Need	33
Purpose.....	33
Scope.....	34
Cost.....	34
Issues Raised.....	35
Recommendations	35
Tabling	35
Government Response	35
Holsworthy Program – Special Operations Working Accommodation and Base Redevelopment Stage 1 (Eleventh Report of 2005).....	35
Referral	35
Need	35
Purpose.....	36
Scope.....	36
Cost.....	37
Issues Raised.....	37
Recommendations	37
Tabling	37
Government Response	38
Proposed CSIRO Entomology Bioscience Laboratory at Black Mountain, Canberra, ACT (Twelfth Report of 2005)	38
Referral	38
Need	38
Purpose.....	38
Scope.....	38
Cost.....	39

Issues Raised.....	39
Recommendations	39
Tabling	40
Government Response	40
Operational Upgrade, Darwin Detention Facility, Berrimah, NT (Thirteenth Report 2005)	40
Referral	40
Need	40
Purpose.....	41
Scope.....	41
Cost.....	41
Issues Raised.....	41
Recommendations	42
Tabling	43
Government Response	43
Upgrade Patrol Boat Facilities, HMAS Coonawarra, Darwin, NT (Fourteenth Report of 2005)	43
Referral	43
Need	43
Purpose.....	44
Scope.....	44
Cost.....	44
Issues Raised.....	44
Recommendations	45
Tabling	45
Government Response	46
Redevelopment of Kokoda Barracks, Canungra, Queensland (Fifteenth Report of 2005)	46
Referral	46
Need	46
Purpose.....	46
Scope.....	46
Cost.....	47
Issues Raised.....	47
Recommendations	47
Tabling	47

Government Response	47
Redevelopment of Willis Island Meteorological Office, Coral Sea (Sixteenth Report of 2005).....	48
Referral	48
Need	48
Purpose.....	48
Scope.....	49
Cost.....	49
Issues Raised.....	50
Recommendations	50
Tabling	50
Government Response	50
Proposed Refurbishment of the Royal Australian Mint, Canberra, ACT (Seventeenth Report of 2005).....	51
Referral	51
Need	51
Purpose.....	51
Scope.....	51
Cost.....	53
Issues Raised.....	53
Recommendations	54
Tabling	54
Government Response	54
RAAF Base Amberley Redevelopment Stage 2, Queensland (Eighteenth Report of 2005)54	
Referral	54
Need	54
Purpose.....	55
Scope.....	55
Cost.....	56
Issues Raised.....	56
Recommendations	56
Tabling	56
Government Response	57

Relocation of RAAF College; RAAF Base East Sale, Victoria and RAAF Base Wagga, New South Wales (Nineteenth Report of 2005)	57
Referral	57
Need	57
Purpose.....	57
Scope.....	58
Cost.....	59
Issues Raised.....	60
Recommendations	60
Tabling	60
Government Response	61
CSIRO Minerals Laboratory Extensions at Waterford, Perth, WA (Twentieth Report of 2005)	61
Referral	61
Need	61
Purpose.....	61
Scope.....	62
Cost.....	62
Issues Raised.....	62
Recommendations	63
Tabling	63
Government Response	64
Fit-out of New Leased Premises for AusAID at London Circuit, City, ACT (Twenty-first Report of 2005)	64
Referral	64
Need	64
Purpose.....	64
Scope.....	65
Cost.....	65
Issues Raised.....	65
Recommendations	66
Tabling	66
Government Response	66
Fit-out of New Leased Premises for the Australian Customs Service at 1010 LaTrobe Street, Melbourne Docklands (Twenty-second Report of 2005)	66

Referral	66
Need	66
Purpose.....	67
Scope.....	67
Cost.....	67
Issues Raised.....	67
Recommendations	68
Tabling	68
Government Response	68
4 Other Activities.....	69
Australian Government Solicitor Property and Infrastructure Seminar	69
National Conference of Parliamentary Environment and Public Works Committees	70
5 Issues	73
Introduction	73
Public Private Partnerships.....	73
Workload.....	75
Changes to the Act	75
Timeliness of Referrals.....	76
Quality of Evidence	77
Support	78

APPENDICES

Appendix A – List of Inquiries.....	79
Appendix B – Committee Meetings and Hearings for the Year ended 31 December 2005	81

Membership of the Thirty-fifth Public Works Committee at December 2005



Hon Judi Moylan MP
Chair



Mr Brendan O'Connor MP
Deputy Chair



Mr John Forrest MP



Senator Michael Forshaw



Mr Harry Jenkins MP



Senator Stephen Parry



Mr Bernie Ripoll MP



Senator the Hon Judith Troeth



Mr Barry Wakelin MP

Introduction

- 1.1 Section 16 of the *Public Works Act 1969* (the Act) requires that the Parliamentary Standing Committee on Public Works report to the Parliament annually on its proceedings during the preceding calendar year. This is the Sixty-ninth Annual Report and covers the work of the Thirty-fifth Committee for the period 1 January to 31 December 2005.
- 1.2 This report has four chapters, the contents of which are as follows:
 - an overview of the Committee's role and functions;
 - a summary of reports tabled by the Committee in the year ended 31 December 2005, and the Government responses to each report;
 - details of Committee activities other than inquiries; and
 - key issues raised in Committee reports and meetings during 2005.

Role

- 1.3 The role and operation of the Public Works Committee are defined in the Act. The Committee's primary duty is to consider each public work referred to it in accordance with the terms of the Act and to report its recommendations and conclusions to both Houses of the Parliament.
- 1.4 Under the Act, the Committee is required to consider all public works estimated to cost over six million dollars¹ and to 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.²
- 1.5 In reporting upon a work, the Committee may make any recommendations that it believes will deliver better value for the Commonwealth's dollar.

Establishment

- 1.6 In accordance with Section 7 of the Act, the Committee comprises nine members, including a Chair and Deputy Chair. In 2005 the Chair was the Hon Judi Moylan MP and the Deputy Chair was Mr Brendan O'Connor MP.
- 1.7 The Thirty-fifth Committee was appointed by the Parliament on 6 December 2004.
- 1.8 The Committee is supported by a secretariat with staff employed by the Department of the House of Representatives. Throughout 2005 the secretariat also supported the Parliamentary Standing Committee on ASIO, ASIS and DSD. Staff who supported the Public Works Committee were:

¹ *Public Works Committee Act 1969*, Part III, Section 18 (8)

² *Public Works Committee Act 1969*, Part III, Section 17

- Secretary - Mrs Margaret Swieringa;
- Inquiry Secretaries – Ms Vivienne Courto and Mr Raymond Knight, with assistance from Ms Peggy Danaee and Ms Cathryn Oliff;
- Administrative Officer – Mr Peter Ratas.

References to the Committee

- 1.9 Public works are referred to the Committee by means of a motion moved in either House of Parliament³. Works may also be referred by order of the Governor-General, at any time when the Parliament is not in session or when the House of Representatives is adjourned for a period exceeding one month.⁴
- 1.10 In 2005 all works examined by the Committee were referred in the House of Representatives on a motion moved by the Parliamentary Secretary to the Minister for Finance and Administration.
- 1.11 A public work referred to the Committee under Section 18 of the Act cannot be commenced before the Committee has investigated the proposal and made its report to both Houses of Parliament.⁵ Commencement, as interpreted under the Act, includes entering into a contract for the execution of the work or part of the work.⁶

The Committee's Operations

Conduct of Inquiries

- 1.12 Upon referral of a public work, the proponent Commonwealth agency provides the Committee with a statement of evidence (submission), which contains comprehensive details of the works proposal. Referring agencies are required to describe in full all elements substantially affecting the cost of the project.

3 *Public Works Committee Act 1969*, Section 18 (1).

4 *ibid*, Section 18 (4).

5 *ibid* 9, Section 18 (5).

6 *ibid*, Section 5

- 1.13 The works inquiry is then advertised by the Committee, usually by newspaper, and submissions are sought from organisations and individuals who may have an interest in the proposed work. In order to assist members of the public in making a submission, the complete evidence supplied by the referring agency, any other submissions received, and general information on the Committee's function and procedures are made available on the Internet.
- 1.14 Following the receipt of submissions, the Committee conducts a public hearing into the proposed work. The public hearing provides an opportunity for the proponent agency to elaborate on points made in its submission and to respond to any concerns raised by other stakeholders. Other parties who have made written submissions may also be invited to give oral evidence at the hearing. In order to facilitate the participation of local stakeholders, the public hearing is usually held at or near the site of the proposed works. This also gives Committee members the chance to inspect the works site at first-hand.
- 1.15 Having completed an inquiry, the Committee presents its findings in a report to Parliament, in which it makes recommendations on the works proposal. As a scrutineer of public expenditure, the Committee may make any recommendations it deems necessary to ensure that the proposed works deliver the best possible value for money. This may include recommending that a work does not proceed, or recommending that it proceed pending the fulfilment of certain conditions. The Committee's reports are available through:
- legal deposit libraries;
 - the Committee's secretariat; and
 - the Committee's webpage: www.aph.gov.au/house/committee/pwc
- 1.16 While the Government will normally consider recommendations made by the Committee as soon as reports are tabled, the Committee has adopted the practice of forwarding reports to the Ministers of portfolios responsible for the implementation of the Committee's recommendations and the Members of the electorates in which the works are to take place. Reports are also forwarded to relevant Commonwealth agency heads for information and, when appropriate, for response to recommendations.
- 1.17 Each report is forwarded to the Minister for Finance and Administration as the relevant portfolio Minister for public works.

Government Responses

- 1.18 The Government usually responds to each report by way of a motion in the House of Representatives, to the effect that it is expedient for the work to proceed. Current practice is for the Parliamentary Secretary to the Minister for Finance and Administration to move the expediency motion and in doing so, to detail the Government's response to the Committee's recommendations. When the expediency motion has been passed by the House, a public work may proceed.

The Year in Review

Overview of Activities

- 2.1 Committee activities during 2005 comprised:
- 20 private meetings;
 - 26 public hearings; and
 - 19 inspections.
- 2.2 In March the Chair addressed the Australian Government Solicitor's Property and Infrastructure Seminar and in September the Committee was represented at the National Conference of Environment and Public Works Committees held in Canberra, ACT. These activities are discussed in Chapter 4 of this report.

Committee Inquiries

- 2.3 During 2005 the Committee completed inquiries into 22 public works to the value of \$990.853 million. Summaries of the issues raised and conclusions

reached during the Committee's investigations are provided in Chapter 3. Public hearings were conducted into three further works estimated to cost a total of \$124.8 million. The reports on these works were tabled early in February 2006.

Works Exempt from Committee Scrutiny

- 2.4 The Act provides that certain works and organisations may be exempt from scrutiny by the Committee. Such exemption may be granted because:
- the work is urgent;
 - the work is being undertaken for defence purposes and scrutiny of the work would be contrary to the public interest;
 - the Governor-General is satisfied that the proponent agency is engaged in trading or competition with another body; or
 - the work is repetitive; that is, substantially similar to other works that have been, or are being, carried out.
- 2.5 In 2005 four works were exempt from Committee scrutiny. The circumstances of each exemption are briefly outlined below.

New Chancery for the Australian Embassy in Baghdad, Iraq

- 2.6 On 16 February 2005 the House of Representatives voted in favour of the motion that it would be expedient to carry out the construction of a new Australian Embassy in Baghdad, Iraq, without the works being referred to the Committee for consideration.
- 2.7 The works comprised the fit-out and of a leased building in Baghdad's international zone, estimated to cost \$4 million; and the provision of appropriate security measures at approximately \$9 million. The Parliamentary Secretary to the Minister for Finance and Administration, the Hon Dr Sharman Stone, informed the House that the dangerous environment prevailing in Iraq necessitated the expeditious execution and completion of the works to ensure the effective functioning of the embassy and the safety of staff and visitors.¹

1 House of Representatives, Hansard, 16 February 2005, pages 59 – 60

Urgent Security Upgrade of the Australian Embassy in Jakarta, Indonesia

- 2.8 Later the same day, the House of Representatives voted that it would also be expedient for repairs to, and an urgent security upgrade of, Australia's embassy in Jakarta, Indonesia, to be carried out without referral to the Committee.
- 2.9 In moving the expediency motion, Dr Stone noted that urgent construction works were required to repair the damage sustained by the embassy in the bomb attack of 9 September 2004. She reported that, given the high degree of urgency associated with the works, the Government had concluded that it would not be feasible for the project undergo full Committee consideration. She added that this was an unusual step, as the Government is supportive and appreciative of the work done by the Committee in respect of value-adding to works proposals.²

Construction of Extension to ASIO Central Office, Canberra, ACT

- 2.10 On 15 April 2005 the Attorney-General, Hon Philip Ruddock MP, requested the Committee's advice on the proposed exemption from referral of an extension to the Central Office of the Australian Security Intelligence Organisation (ASIO) in Canberra, ACT.
- 2.11 The works, intended to supply an additional 10,500 square metres of office space, would comprise both construction and fit-out, including a significant protective security component to meet agency requirements. Mr Ruddock expressed the view that, given the nature of intelligence agency facilities, it would not be in the national interest to review the details of the proposal through the Committee's inquiry process. He suggested, however, that officers from the Department of Finance and Administration (DoFA), ASIO and the Office of National Assessment (ONA) brief the Committee on the project in private.
- 2.12 On 15 June 2005 the Governor-General ordered that, as the proposed works were for defence purposes, the reference of the works to the Committee would be contrary to the public interest.

Defence Airfield Maintenance Works at RAAF Bases Richmond, NSW; Townsville, Qld; Darwin, NT and Amberley, Qld

- 2.13 In June 2005 the Department of Defence (Defence) notified the Committee of its intention to undertake maintenance of aircraft pavements and lighting at

four RAAF bases and requested that the works be exempt from Committee scrutiny due to their repetitive nature.

- 2.14 The Committee reviewed the detailed information provided by Defence and recommended that the proposal be declared a repetitive work by notification in the *Gazette*. Notification of the work was published in the *Gazette* by the Hon Dr Sharman Stone MP on 7 September 2005.³

Concurrent Documentation

- 2.15 Concurrent documentation is the preparation of contract documentation before the Committee has completed its inquiry and reported to Parliament.
- 2.16 In its 2004 Annual Report the Committee recorded its concern at the marked increase in the number of agencies requesting concurrent documentation. The Committee stated that the commencement of project documentation prior to the completion of its inquiry into a work unnecessarily pre-empts the outcome of its deliberations and thereby inhibits appropriate parliamentary scrutiny. The report stressed that agencies should incorporate sufficient time into project schedules to accommodate full Committee consideration, and that concurrent documentation should only be requested when essential project deadlines could not be met by any other means.⁴
- 2.17 In 2005 requests for concurrent documentation were made in respect of six of the twenty-two works reported upon by the Committee. The Committee was pleased to note that this figure represented a significant reduction in the percentage of works subject to such a request, which exceeded 66 per cent in 2004. Details of the works for which concurrent documentation was granted in 2005 are provided below.

Proposed Fit-out of New Leased Premises for the Department of Industry, Tourism and Resources in Civic, ACT

- 2.18 On 11 February 2005 the Department of Primary Industry and Resources (DITR) requested the Committee's approval to proceed with documentation for several critical fit-out elements concurrent with parliamentary consideration of the project. DITR's request was based on:
- the expiry in 2006 of its current accommodation lease;

³ *Commonwealth of Australia Gazette*, No. GN35, 7 September 2005

⁴ *Commonwealth of Australia Joint Standing Committee on Public Works, Sixty-eighth Annual Report*, Canberra, March 2005; pages 35 - 36

- the project completion date agreed between DITR and the property developer;
- the initial referral of the project for Committee consideration in August 2004, prior to the prorogation of Parliament for the 2004 Federal Election, and associated delays in the project.

2.19 The Committee considered the Department's request and granted approval for concurrent documentation on 17 February 2005.

Provision of Facilities for Maribyrnong Immigration Detention Centre Additional Accommodation and Related Works, Maribyrnong, Victoria

2.20 Upon conclusion of the public hearing on 23 February 2005 the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) requested the Committee's approval to finalise design documentation for the expansion of facilities at the Maribyrnong Immigration Detention Centre (MIDC) prior to the tabling of the Committee's report on the work. DIMIA advised that no tenders would be advertised or construction commenced prior to parliamentary approval of the project.

2.21 On 28 February, the Committee requested that DIMIA attend a further public hearing into the MIDC work to be held on 7 March, and agreed that final design could proceed on the condition that no contracts be entered into prior to consideration of all additional information supplied by the Department.

New Consulate-General Building, Bali, Indonesia

2.22 In a letter to the Committee dated 27 May 2005 the Department of Foreign Affairs and Trade (DFAT) sought permission to commence preparation of contract documentation and short-listing activities concurrent with the Committee's consideration of the proposed construction of new consulate-general offices in Bali, Indonesia. The request was made in view of the urgent need to address security concerns at the post and to ensure that the project would be completed, as planned, in October 2006.

2.23 The Committee approved the request on 2 June 2005.

Reserve Bank Business Resumption Site, Baulkham Hills, NSW

2.24 On 3 June 2005 the Reserve Bank of Australia (RBA) requested approval for concurrent documentation in order to expedite the establishment of its business continuity arrangements, the early completion of which would also result in significant rental savings.

2.25 The Committee gave approval for documentation to proceed.

Operational Upgrade, Darwin Detention Facility, Berrimah, NT

2.26 Immediately following the public hearing conducted on 18 July 2005, DIMIA sought approval to invite proposals for project managers to oversee completion of the Darwin Detention Facility upgrade. DIMIA stated that recent death and injury among boat-based detainees had increased the urgency of the project.

2.27 The Committee notified its approval of the request on 22 July.

RAAF Base Amberley Redevelopment Stage Two, Qld

2.28 In a letter dated 7 October 2005 Defence sought the Committee's approval to commence procurement of certain equipment and services infrastructure works required for the Amberley project, and to advertise for Registrations of Interest in trade works packages, prior to the tabling of the completed report. Defence noted that the latter process would not commit the Commonwealth to any contracts.

2.29 The Committee agreed to Defence's request on 13 October 2005.

Summary of Reports and Government Responses

- 3.1 The year 2005 was an exceptionally busy one for the Committee with twenty-three reports addressing works to the value of \$990.853 million.
- 3.2 A brief summary of each report and the Government response is given below. Copies of all reports are available on-line at <http://www.aph.gov.au/house/committee/pwc/reports.htm> or in hard-copy from the Committee Secretariat.

Sixty-eighth Annual Report

- 3.3 In accordance with Section 16 of the Act, the Committee tabled its sixty-seventh Annual Report on 16 March 2005. A list of the twenty-two works reported on in 2005, and their estimated costs, is provided at Appendix A. Summaries of the reports tabled in 2005 follow, together with the Government response to each report.

Fit-out of New Leased Premises for the Department of Industry, Tourism and Resources in Civic, ACT (First Report of 2005)

Referral

3.4 The work was referred to the Committee on 6 December 2004. The proponent agency was DITR.

Need

3.5 The need for the work, as reported by the proponent agency, was the condition of its current premises and the imminent expiry of all existing leases. In addition, DITR stated that its current premises were inefficient, difficult to secure and did not provide an acceptable standard of accommodation.

Purpose

3.6 The stated purpose of the work was to:

- enhance operational efficiency and cohesiveness;
- create greater flexibility and more efficient management of internal staff movements;
- reduce environmental impact;
- provide better staff facilities;
- improve security arrangements;
- increase space efficiency; and
- improve visitor access and facilities.

Scope

3.7 The referring agency submitted that the works would comprise:

- integration of electrical, ventilation, communications, security, fire and hydraulic services into base-building construction;
- office accommodation, including meeting and training rooms, IT/communications rooms, storage; workstations and loose furniture; and

- staff facilities, including amenities room, parenting rooms, carer's room, first-aid rooms, break-out areas and a prayer room.

Cost

3.8 The estimated cost of the proposed work was \$19.4 million, including contingency and escalation; project management; and design documentation.

Issues Raised

3.9 The following issues were raised by the Committee and addressed in its report:

- future rental costs;
- the size of the building;
- re-use of existing furniture;
- energy conservation issues;
- child-care facilities;
- consultation; and
- the construction program and contingency arrangements.

Recommendations

3.10 The Committee recommended that the proposed work proceed at the estimated cost of \$19.4 million.

Tabling

3.11 The report was tabled on 16 March 2005.

Government Response

3.12 The expediency motion permitting this work to proceed was passed by the House of Representatives on 17 March 2005.

New Housing for Defence Housing Authority at McDowall, Brisbane, Queensland (Second Report of 2005)

Referral

3.13 The work was referred to the Committee on 6 December 2004. The proponent agency was the Defence Housing Authority (DHA).

Need

3.14 The need for the work, as reported by the proponent agency, was to reduce reliance by Brisbane Defence personnel on Rental Assistance. DHA reported that 24 per cent (336 houses) of the Defence housing requirement in Brisbane was provided through Rental Assistance.

Purpose

3.15 The stated purpose of the work was to provide 50 houses to meet the operational requirements of Defence, mainly to service the nearby Enoggera Army Base.

Scope

3.16 The referring agency submitted that the works would comprise:

- 40 conventional and ten small housing lots;
- 2 two park areas with a total area of 6,170 square metres;
- internal roads and footpaths;
- access roads; and
- stormwater, drainage, sewerage, communications and electrical services.

Cost

3.17 The estimated cost of the proposed work was \$17.5 million.

Issues Raised

3.18 The following issues were raised by the Committee and addressed in its report:

- Defence housing requirements;
- the site selection process;
- environmental considerations including, contamination, biofiltration, water usage, trees and shrubs, and transient koalas;
- consultation;
- the nature of the development in respect of layout, design, gas supply and integration into the surrounding community; and
- traffic management issues.

Recommendations

- 3.19 The Committee made the following recommendations in respect of the proposed work:
- that the DHA continue to engage in close consultation with owners of neighbouring properties and the wider McDowall community; and
 - that the work proceed at the estimated cost of \$17.5 million.

Tabling

- 3.20 The report was tabled on 25 May 2005.

Government Response

- 3.21 The expediency motion permitting this work to proceed was passed by the House of Representatives on 26 May 2005.

Provision of Facilities for Maribyrnong Immigration Detention Centre Additional Accommodation and Related Works, Maribyrnong, Victoria (Third Report of 2005)

Referral

- 3.22 The work was referred to the Committee on 6 December 2004. The proponent agency was DIMIA.

Need

- 3.23 The need for the work, as reported by the proponent agency, was to provide additional accommodation at the MIDC with improved amenity and regard to the personal needs and dignity of residents.

Purpose

- 3.24 The stated purpose of the work was to:
- separate different detainee groups;
 - accommodate approximately 50 more residents;
 - improve amenity for residents, particularly women and children;
 - improve resident recreation and access to outdoor facilities;
 - provide improved reception and visitors facilities;
 - improve disabled facilities for residents and facilities;
 - increase privacy for detainees;
 - install security cameras;
 - improve occupational health and safety (OH&S) provisions for staff; and
 - provide some self-catering facilities.

Scope

- 3.25 The referring agency submitted that the works would comprise additions and/or improvements to the following facilities:
- accommodation;
 - processing;
 - visiting;
 - food preparation;
 - dining; and
 - general storage.

Cost

3.26 The estimated cost of the proposed work was \$7 million.

Issues Raised

3.27 The following issues were raised by the Committee and addressed in its report:

- Purpose
 - ⇒ ensuring humane and non-punitive detention; and
 - ⇒ the separation of categories of detainees.
- Need
 - ⇒ the requirement for 50 additional places;
 - ⇒ detainee numbers;
 - ⇒ detainees with ties to the Melbourne community;
 - ⇒ the transfer of detainees to Melbourne for medical reasons;
 - ⇒ other detention facilities;
 - ⇒ the proposed Broadmeadows facility; and
 - ⇒ the refurbishment of existing facilities.
- Scope
 - ⇒ the project delivery schedule;
 - ⇒ proposed security measures;
 - ⇒ the use of portable buildings;
 - ⇒ building codes and standards;
 - ⇒ space per capita;
 - ⇒ room occupancy levels;
 - ⇒ privacy for detainees;
 - ⇒ access to outdoor recreation areas;
 - ⇒ medical facilities;
 - ⇒ ablutions and laundry facilities;
 - ⇒ the provision of self-catering facilities;
 - ⇒ the disparity in quality between existing and new accommodation;
 - and
 - ⇒ proposed configuration of detainee areas.
- Value for Money

⇒ related works.

Recommendations

3.28 The Committee made the following recommendations in respect of the proposed work:

- that, in order to maintain a reasonable level of amenity, the current maximum occupancy of the MIDC be increased by no more than 20 places, with a total maximum occupancy in surge periods of not more than 100 detainees.
- that the portable accommodation units used in the proposed works be of an acceptable standard to ensure a reasonable level of comfort and amenity for detainees.
- that, in respect of building codes and standards, DIMIA consult with appropriate government and professional bodies to establish a national benchmark for the construction and fit-out of Immigration Detention Centres and Immigration Reception and Processing Centres.
- that in order to fulfil DIMIA's objective of providing "humane and non-punitive detention infrastructure", the Department reduce the number of detainees accommodated in the existing double-bunk rooms at the MIDC to two persons per room. Moreover, the Committee recommended that, wherever possible, occupancy of new ensuite rooms should be kept below the maximum of four, especially in cases where the detention period is prolonged.
- that in order to fulfil DIMIA's objective of providing "humane and non-punitive detention infrastructure which provides a clear regard for the personal needs and dignity of residents", the Department install bedroom doors or bed-curtaining in all rooms at the MIDC to ensure an appropriate level of privacy for detainees.
- that, in respect of the ratio between living/recreation space, amenities and occupancy, DIMIA consult with appropriate government and professional bodies with a view to establishing a national benchmark for room occupancy and related indoor and outdoor recreation areas, ablutions, kitchen and laundry facilities at Immigration Detention Centres and Immigration Reception and Processing Centres.
- that in order to meet the stated project objective in terms of the provision of "humane and non-punitive" detention facilities, DIMIA expedite the proposed routine maintenance and upgrade of existing ablutions and accommodation facilities in order to reduce the disparity

in quality of accommodation between the old and new wings of the MIDC.

- that DIMIA give consideration to using the proposed new Zone A of the extended MIDC for the accommodation of families in order to allow children greater access to the centre's largest outdoor recreation area.
- that on the basis of the evidence presented, and subject to the acceptance of recommendations 1, 2, 4, 5 and 7, the proposed provision of facilities for MIDC Additional Accommodation and Related Works proceed at the estimated cost of \$7 million.
- that DIMIA provide a response to the Committee in respect of the Department's intention to adopt the recommendations made in the report.

Tabling

3.29 The report was tabled on 25 May 2005.

Government Response

3.30 DIMIA agreed to implement the Committee's recommendations and the expediency motion permitting this work to proceed was passed by the House of Representatives on 23 June 2005.

Development of On-Base Housing for Defence at Puckapunyal, Victoria (Fourth Report of 2005)

Referral

3.31 The work was referred to the Committee on 9 February 2005. The proponent agency was DHA.

Need

3.32 The need for the work, as reported by the proponent agency, was based upon a Defence Housing Forecast (DHF) indicating that Puckapunyal would have a steady requirement over the next 5 years to house 412 Defence Families, 80% on base. DHA added that this number would increase should the School of Military Engineering and School of Infantry be relocated to Puckapunyal in the future. DHA reported that, due to

Puckapunyal's remote location, off-base housing is limited, and the sourcing of additional suitable properties at short notice is difficult.

Purpose

3.33 The stated purpose of the work was to provide 80 on-base houses to meet the operational requirements of the Australian Defence Force (ADF).

Scope

3.34 The referring agency submitted that the works would comprise:

- 80 houses; and
- stormwater drainage, communications, sewerage reticulation, gas and electrical services.

Cost

3.35 The estimated cost of the proposed work was \$19.6 million.

Issues Raised

3.36 The following issues were raised by the Committee and addressed in its report:

- Defence housing requirements;
- previous works at Puckapunyal;
- site selection;
- the nature of the development;
- a range of environmental considerations; and
- consultation.

Recommendations

3.37 The Committee recommended that the proposed work proceed at the estimated cost of \$19.64 million.

Tabling

3.38 The report was tabled on 1 June 2005.

Government Response

- 3.39 The expediency motion permitting this work to proceed was passed by the House of Representatives on 2 June 2005.

Defence Science and Technology Organisation Ordnance Breakdown Facility, Port Wakefield, South Australia (Fifth Report of 2005)

Referral

- 3.40 The work was referred to the Committee on 9 February 2005. The proponent agency was Defence.

Need

- 3.41 Defence reported that prevailing safety requirements at its existing ordnance testing sites at Edinburgh, SA and Port Wakefield, SA limited investigation to small-size ordnance. The proposed work would address this deficiency by enabling research into a wider range of explosive ordnance and weapons.

Purpose

- 3.42 The stated purpose of the work was to provide a facility that would enhance Defence research capability in respect of explosive ordnance and weaponry.

Scope

- 3.43 The referring agency submitted that the works would comprise the following elements:
- control room;
 - cutting building;
 - disassembly building;
 - two explosive ordnance storehouses;
 - storage building;
 - engineering services; and

- security provisions.

Cost

3.44 The estimated cost of the proposed work was \$8.4 million.

Issues Raised

3.45 The following issues were raised by the Committee and addressed in its report:

- security and safety;
- environmental and heritage issues, including soil contamination, flora and fauna, waste disposal and cultural heritage;
- building standards and energy use ratings;
- associated works at the site;
- the land acquisition procedure;
- consultation; and
- local employment opportunities.

Recommendations

3.46 The Committee recommended that the proposed work proceed at the estimated cost of \$8.4 million.

Tabling

3.47 The report was tabled on 1 June 2005.

Government Response

3.48 The expediency motion permitting this work to proceed was passed by the House of Representatives on 16 June 2005.

Australia House Defence and Lightwells Refurbishment, Australian High Commission, London (Sixth Report of 2005)

Referral

3.49 The work was referred to the Committee on 9 February 2005. The proponent agency was DFAT.

Need

3.50 DFAT reported that Australia House is some 90 years old and required the replacement of the original 'Crittal' window frames and glazing in the three building lightwells, and repairs to the drainage systems and brickwork.

3.51 The refurbishment of Level Four, occupied by Defence, was required due to changes in Defence staffing, access and functions, and the ageing of the current fit-out, which is had become dysfunctional and no longer met OH&S requirements.

Purpose

3.52 The stated purpose of the work was to refurbish lightwells and Level Four to modern standards, to ensure:

- compliance with current OH&S regulations;
- the continuation of an acceptable standard of amenity for tenants;
- the ongoing viability of the aspect in respect of income generation; and
- to redress degradation of lightwell areas.

Scope

3.53 The referring agency submitted that the works would comprise:

- construction of temporary accommodation and the relocation (to Levels 5 and 6) of the existing Level 4 tenant (Defence) to facilitate proposed works;
- demolition and removal of the existing Level 4 fit-out;
- refurbishment of base building finishes and services;
- new office fit out for Defence;

- additional toilet and shower facilities;
- high pressure cleaning of lightwells;
- repairs to damaged lightwell areas;
- replacement of damaged cast iron drainage pipework;
- replacement of glazing facing into the lightwells; and
- removal of old and non-used surface ductwork and other miscellaneous pipework, services and fittings in the lightwells.

Cost

3.54 The estimated cost of the proposed work was \$11.98 million, including

- construction costs;
- consultants' fees;
- project management and supervision;
- travel expenses; and
- British Government Value Added Tax (VAT) of 17.5 per cent.

Issues Raised

3.55 The following issues were raised by the Committee and addressed in its report:

- the program of works at Australia House, including previous refurbishments and the proposed concurrent execution of security works;
- heritage issues;
- local government approvals;
- codes and standards, including OH&S and access equity requirements; and
- energy conservation measures.

Recommendations

3.56 The Committee recommended that the proposed work proceed at the estimated cost of \$11.98 million.

Tabling

3.57 The report was tabled on 22 June 2005.

Government Response

3.58 The expediency motion permitting this work to proceed was passed by the House of Representatives on 23 June 2005.

Mid-Life Upgrade of Existing Chancery at the Australian High Commission, Singapore (Seventh Report of 2005)

Referral

3.59 The work was referred to the Committee on 16 February 2005. The proponent agency was DFAT.

Need

3.60 The need for the work, as reported by the proponent agency, was that the existing Chancery building is inadequate for its purpose because:

- it does not meet current Australian and Singaporean Building Requirements;
- it requires upgrades to comply with OH&S and Building Code of Australia standards;
- entrance, reception and representational areas do not meet DFAT (and occupying agencies) standards;
- current workplace layout is not functional;
- service provision and core environmental services require upgrading to increase amenity; and
- the current arrangement of tenant agencies is not cost-effective.

Purpose

3.61 DFAT stated that the proposed refurbishment would:

- maintain the High Commission as the primary owner/occupier of the building;

- provide efficient, high quality accommodation and representational facilities that meet the current requirements of the High Commission;
- provide an opportunity for the consolidation of current tenant accommodation within the building and the potential for the accommodation of other functions within building.

Scope

- 3.62 The referring agency submitted that the works would comprise:
- upgrade of building mechanical, electrical, hydraulic, and fire engineering services and removal of hazardous materials;
 - refurbishment of existing and new Access Control, Security and Secure Communication systems;
 - refurbishment of mail, drivers' and cleaners' rooms;
 - new office fit-outs for tenant agencies, including consolidation of tenant operations to four of the five floors, leaving the third floor vacant; and
 - minor modification of the entry driveway and resealing of bitumen surfaces.

Cost

- 3.63 The estimated cost of the proposed work was \$12.7 million based on August 2003 prices.

Issues Raised

- 3.64 The following issues were raised by the Committee and addressed in its report:
- previous works at the Chancery;
 - building occupancy levels;
 - environmental issues, including energy conservation measures and hazardous materials;
 - building codes and standards; and
 - building services.

Recommendations

- 3.65 The Committee recommended that the proposed work proceed at the estimated cost of \$12.7 million.

Tabling

- 3.66 The report was tabled on 22 June 2005.

Government Response

- 3.67 The expediency motion permitting this work to proceed was passed by the House of Representatives on 23 June 2005.

New Consulate-General, Bali, Indonesia (Eighth Report of 2005)

Referral

- 3.68 The work was referred to the Committee on 15 March 2005. The proponent agency was DFAT.

Need

- 3.69 The need for the work, as reported by the proponent agency, was that the former Consulate-General building in Bali is no longer suitable to fulfil its consular and representative role. Specifically:
- the building does not meet minimum standards for security, functionality or OH&S;
 - building structure and services have aged to the point where maintenance is impracticable; and
 - the floor area is inadequate to meet the requirements of the tenant agencies.
- 3.70 Following the bombing of the Australian Embassy in Jakarta in September 2004, the Consulate-General was relocated, initially to a hotel and, in November 2004, to a townhouse complex. Whilst providing a higher level of security than the original premises, the temporary offices still fall short of DFAT's security requirements. DFAT added that the proposed new Consulate-General building would redress this shortcoming.

Purpose

3.71 The stated purpose of the work was to provide a new building to house the Australian Consulate-General in Bali. The building will serve as Australia's ongoing representative office in Bali and will house DFAT, DIMIA and the Australian Federal Police (AFP).

Scope

3.72 The referring agency submitted that the works would comprise:

- construction of 1,000 square metre, single storey Consulate-General building to meet Australian codes and standards;
- controlled pedestrian and vehicular access;
- attached services wing;
- controlled access carparking;
- fully landscaped surrounds within fenced and walled compound, including publicly accessible commemorative garden;
- installation of new engineering services infrastructure including mains electricity and on-site substation, stand-by generator, water reticulation/storage and treatment, storm water drainage, on-site sewage treatment and telecommunications; and
- integrated fit-out to tenant specifications, including security measures, transformer and generator, air-conditioning, electrical switchgear, water pumps and purifiers, fixed partitions and doors, floor coverings, ablutions and tea rooms.

Cost

3.73 The estimated cost of the proposed work was \$7.15 million.

Issues Raised

3.74 The following issues were raised by the Committee and addressed in its report:

- building design, including, floor space, staffing levels, use of imported materials and seismic and climatic considerations;
- security and access to the Memorial Garden;
- energy conservation measures; and

- building codes and approvals.

Recommendations

- 3.75 The Committee recommended that the proposed work proceed at the estimated cost of \$7.15 million.

Tabling

- 3.76 The report was tabled on 22 June 2005.

Government Response

- 3.77 The expediency motion permitting this work to proceed was passed by the House of Representatives on 23 June 2005.

Construction of Chancery, Vientiane, Laos (Ninth Report of 2005)

Referral

- 3.78 The work was referred to the Committee on 15 March 2005. The proponent agency was DFAT.

Need

- 3.79 The need for the work, as reported by the proponent agency, was the dysfunctional and poor condition of the existing Chancery. Specifically:
- the premises do not provide adequate facilities in respect of security, access, services, layout, amenity or space;
 - ad hoc accommodation of operational functions has resulted in a layout which is dysfunctional and does not fulfil modern office requirements;
 - the building does not meet Building Code of Australia (BCA) or OH&S standards.
- 3.80 Further, DFAT added that Australia's relationship with Laos will continue to grow, placing additional demands upon the embassy.

Purpose

- 3.81 The stated purpose of the work was to provide a new building to house Australia's permanent mission to Laos. The building will house DFAT, DIMIA, the Australian Agency for International Development (AusAID), Defence, the AFP and a new facility for the Australian Medical Clinic.

Scope

- 3.82 The referring agency submitted that the works would comprise:
- construction of 1,645 square metre, two-storey Chancery;
 - controlled pedestrian and vehicular access;
 - services enclosure at rear of site;
 - carparking;
 - security wall;
 - engineering services including mains electricity and on-site substation, stand-by generator, water reticulation/storage and treatment, storm water drainage, on-site sewage treatment and telecommunications;
 - integrated fit-out to tenant specifications, including security measures, fixed work-stations, fixed partitions and doors, compactus storage units, window treatments and floor coverings, ablutions, tea rooms, and tenant-specific modifications to building services.

Cost

- 3.83 The estimated cost of the proposed work was \$11 million.

Issues Raised

- 3.84 The following issues were raised by the Committee and addressed in its report:
- project costs;
 - building codes and standards;
 - environmental considerations, including climate, the proposed basket catchment facility and the impact of the works upon neighbours;
 - floor space;
 - leases;

- the use of imported materials;
- staffing;
- access equity; and
- OH&S requirements.

Recommendations

3.85 The Committee recommended that the proposed work proceed at the estimated cost of \$11 million.

Tabling

3.86 The report was tabled on 22 June 2005.

Government Response

3.87 The expediency motion permitting this work to proceed was passed by the House of Representatives on 23 June 2005.

Reserve Bank of Australia Business Resumption Site (Tenth Report of 2005)

Referral

3.88 The work was referred to the Committee on 11 March 2005. The proponent agency was the RBA.

Need

3.89 The need for the work, as reported by the referring agency, is the requirement for the RBA to continue to function in the event of disaster or emergency. As Australia's central bank, with responsibility for monetary policy and the maintenance of financial system stability, the RBA oversees elements critical to the operation of Australia's financial system and to the implementation of monetary policy.

Purpose

3.90 The purpose of the proposed work was to provide a resilient and secure secondary site that would enable the RBA to sustain all critical business

and information technology and communications functions if access to the Head Office should be lost due to malfunction or disruption of essential infrastructure.

Scope

- 3.91 The referring agency submitted that the works would comprise a two-storey building of approximately 4,850 square metres, including:
- office accommodation for 55 permanent staff;
 - emergency work stations for 165 staff;
 - enclosed offices, meeting rooms and ancillary spaces;
 - a 240 square metre data centre and 20-seat dealing room at the core of the ground floor;
 - intensive and resilient data communications;
 - 65 permanent and 100 additional car-parking spaces;
 - robust security measures;
 - landscaping;
 - electrical, mechanical, hydraulic and fire services; and
 - fit-out of interior office areas.

Cost

- 3.92 The estimated cost of the proposed work was \$38 million, including:
- loose furniture;
 - fittings;
 - office equipment;
 - landscaping;
 - professional fees;
 - contingencies;
 - escalation; and
 - GST payable.

Issues Raised

- 3.93 The following issues were raised by the Committee and addressed in its report:
- revenue and cost matters including relocation costs and GST;
 - staff issues such as relocation of personnel, child-care facilities, space per employee and access equity;
 - the use of the facility;
 - energy consumption and Green Building initiatives;
 - electricity supply; and
 - the quality of evidence.

Recommendations

- 3.94 The Committee recommended that the proposed work proceed at the estimated cost of \$38 million.

Tabling

- 3.95 The report was tabled on 22 June 2005.

Government Response

- 3.96 The expediency motion permitting this work to proceed was passed by the House of Representatives on 23 June 2005.

Holsworthy Program – Special Operations Working Accommodation and Base Redevelopment Stage 1 (Eleventh Report of 2005)

Referral

- 3.97 The work was referred to the Committee on 11 May 2005. The proponent agency was Defence.

Need

- 3.98 The need for the work, as reported by the proponent agency, was prompted by the Government's approval in December 2001 of the establishment of a permanent counter terrorist capability.

Purpose

3.99 The stated purpose of the work was:

- the establishment of Army's Full time Commando Capability, based upon the 4th Battalion, the Royal Australian Regiment (Commando);
- the establishment of the Tactical Assault Group (East), to become an organic element of the 4th Battalion, the Royal Australian Regiment (Commando);
- the establishment of the Incident Response Regiment;
- the establishment of Special Operations Command, including the Master Planning of the Special Operations Combat Services Support Company; and
- the first stage of the redevelopment of Holsworthy Barracks.

Scope

3.100 The referring agency submitted that the works would comprise:

4th Battalion, the Royal Australian Regiment (Commando)

3.101 Works associated with the establishment of the 4th Battalion Royal Australian Regiment (Commando) would comprise:

- new refurbished facilities for the 4th Battalion, the Royal Australian Regiment (Commando), including working and logistic accommodation, vehicle hardstands and security infrastructure; and
- working and logistic facilities for the Tactical Assault Group (East), are incorporated within the 4th Battalion, the Royal Australian Regiment (Commando) works.

Incident Response Regiment

3.102 Works associated with the Incident response regiment would comprise:

- new working accommodation for the Incident Response Regiment, including working and logistic accommodation, vehicle hardstands and security infrastructure; and
- laboratories for the Incident Response Regiment at the Defence Science and Technology Organisation's Fishermans Bend, Vic, establishment.

Holsworthy Base Redevelopment Project

3.103 Associated engineering and services infrastructure works would include:

- upgrading of electrical communications links;
- upgrading of street and pedestrian lighting;
- upgrading of the water supply system to dual supply for domestic and fire usage; and
- environmental and storm water remediation works.

Cost

3.104 The estimated cost of the proposed work was \$207.7 million.

Issues Raised

3.105 The following issues were raised by the Committee and addressed in its report:

- associated works at Fishermans Bend;
- building services including air-conditioning, child-care facilities and access equity provisions;
- fire protection services;
- consultation;
- environmental considerations such as water usage, removal of hazardous materials and ecologically sustainable development (ESD) initiatives;
- siting options;
- project delivery; and
- local impacts.

Recommendations

3.106 The Committee recommended that the proposed work proceed at the estimated cost of \$207.7 million.

Tabling

3.107 The report was tabled on 17 August 2005.

Government Response

3.108 The expediency motion permitting this work to proceed was passed by the House of Representatives on 18 August 2005.

Proposed CSIRO Entomology Bioscience Laboratory at Black Mountain, Canberra, ACT (Twelfth Report of 2005)

Referral

3.109 The work was referred to the Committee on 11 May 2005. The proponent agency was Commonwealth Scientific Industrial Research Organisation (CSIRO).

Need

3.110 The need for the work, as reported by the proponent agency, was that ageing buildings at the CSIRO Black Mountain Campus:

- do not meet contemporary research standards;
- have, in some instances, structural constraints which prevent them being refurbished to a level commensurate with current and evolving laboratory standards;
- do not meet current OH&S standards; and
- cannot accommodate anticipated Division growth.

Purpose

3.111 The stated purpose of the work was to provide international standard accommodation to meet CSIRO Entomology research requirements.

Scope

3.112 The referring agency submitted that the works would comprise:

- construction of a new two-storey, 2,313 square metre Entomology Bioscience Laboratory (Building 179) including laboratories, roof-top plant room, ablutions, staff areas, lifts, stairs and workstations;
- refurbishment of existing Building 101, including conversion of existing laboratories to office accommodation, new reception, exhibition,

seminar and meeting spaces, new registry, new staff canteen, upgrade of ablutions, and new disabled access;

- refurbishment of existing Building 135, including new laboratories on level one, selective refurbishment, new floor treatments, repainting and new services as required;
- construction of covered walkways to link the new Building 179 with Buildings 101 and 135; and
- associated site works and landscaping, including demolition of redundant buildings and sheds.

Cost

3.113 The estimated cost of the proposed work was \$14.5 million including escalation costs, contingencies, professional fees and authorities charges.

Issues Raised

3.114 The following issues were raised by the Committee and addressed in its report:

- heritage issues;
- geotechnical issues;
- amenity for occupants including barrier-free access, space per employee and parking facilities;
- consultation;
- removal of hazardous materials;
- ESD initiatives;
- statutory approvals, including those from the Commonwealth Department of Environment and Heritage (DEH) and the National Capital Authority (NCA);
- the project schedule; and
- costs.

Recommendations

3.115 The Committee made the following recommendations in respect of the proposed work:

- that the CSIRO take all necessary steps to identify and ensure the safe removal and disposal of hazardous materials from the site of the proposed works;
- that the CSIRO continue discussions with the National Capital Authority to resolve outstanding design issues; and
- that the proposed construction of a new entomology bioscience laboratory for the CSIRO at Black Mountain, Canberra, ACT proceed at the estimated cost of \$14.5 million.

Tabling

3.116 The report was tabled on 17 August 2005.

Government Response

3.117 The expediency motion permitting this work to proceed was passed by the House of Representatives on 18 August 2005.

Operational Upgrade, Darwin Detention Facility, Berrimah, NT (Thirteenth Report 2005)

Referral

3.118 The work was referred to the Committee on 26 May 2005. The proponent agency was DIMIA.

Need

3.119 The need for the work, as reported by the proponent agency, was the urgent requirement to provide appropriate accommodation for illegal foreign fishers (IFFs), who were being apprehended in Australian waters in increasing numbers. DIMIA explained that the existing practice of detaining IFFs on their vessels was becoming increasingly difficult to manage and had been criticised by the Indonesian Consulate in Darwin, public scrutiny bodies and a Northern Territory coronial inquiry.

Purpose

3.120 The stated purpose of the work was to establish a safe and secure land-based detention facility for IFFs apprehended in Australia's northern waters.

Scope

3.121 DIMIA proposed an upgrade of the existing contingency immigration detention accommodation at Defence Establishment Berrimah, to serve as a permanent detention centre. This would require a range of new and additional facilities, including:

- additional buildings or modification of existing demountables to support delivery of Immigration Detention Standards;
- refurbishment of existing administration building;
- provision of improved amenity and safety for detainees, including illumination of pathways, cyclone provisions and recreational equipment;
- improved security, including monitoring and additional fencing; and
- upgrade and modification of existing site services.

Cost

3.122 The estimated cost of the proposed work, based on preliminary designs, was \$8.215 million.

Issues Raised

3.123 The following issues were raised by the Committee and addressed in its report:

- Project Costs
 - ⇒ cost of existing facilities; and
 - ⇒ undetermined costs.
- The Need for the Work
 - ⇒ use of existing facilities; and
 - ⇒ detainee numbers.
- Scope of Works
 - ⇒ provision for families and women with children;

- ⇒ use of demountable buildings;
- ⇒ parking facilities; and
- ⇒ project delivery.
- Present and Prospective Public Value of Works
 - ⇒ public consultation;
 - ⇒ consultation with NT and local government;
 - ⇒ proposed name change;
 - ⇒ visual impact;
 - ⇒ shared use of Defence land; and
 - ⇒ opportunities for local business and industry.

Recommendations

3.124 The Committee made the following recommendations in respect of the proposed work:

- that in order to ensure appropriate scrutiny of expenditure, DIMIA should supply the Committee with regular updates on project costs throughout the operational upgrade of the detention facility;
- that in view of the inadequacy and inappropriateness of the plans for the proposed family zone at the detention facility, the Committee strongly recommends that families including women and children are not detained at the facility;
- in the event that there is a demonstrated need for the short-term detention of families at the detention facility, in order to ensure appropriate provision of security, amenity and space for families, women and children, DIMIA better utilise available space to enlarge the proposed family zone, which should include appropriate separation of all facilities, adequate indoor recreation space and a secure outdoor area of a suitable size to accommodate the relocated play equipment from the existing large, grassed recreation area;
- that in order to ensure appropriate scrutiny of the proposed works, DIMIA should supply the Committee with an update on the proposed delivery methodology and the application of Commonwealth Procurement Guidelines to this process, when this information becomes available;
- that DIMIA conduct a public meeting in respect of the proposed works to provide the local community members with the opportunity to learn about, and comment upon, the proposal;

- that in recognition of the importance of appropriate local consultation on Commonwealth developments, DIMIA undertake consultation with the relevant NT Government agencies throughout the execution of the proposed works to ensure an acceptable outcome for all parties;
- that DIMIA continue to consult with the office of the NT Chief Minister to find an appropriate alternative name for the upgraded detention facility; and
- that the proposed operational upgrade of the detention facility at Berrimah, NT, proceed at the estimated cost of \$8.125 million.

Tabling

3.125 The report was tabled on 17 August 2005.

Government Response

3.126 The expediency motion permitting this work to proceed was passed by the House of Representatives on 18 August 2005.

Upgrade Patrol Boat Facilities, HMAS Coonawarra, Darwin, NT (Fourteenth Report of 2005)

Referral

3.127 The work was referred to the Committee on 11 May 2005. The proponent agency was Defence.

Need

3.128 Defence reported that the proposed work was necessitated by a Government decision to replace the existing FREMANTLE Class Patrol Boats with new ARMIDALE Class Patrol Boats (ACPBs), which is a larger vessel and therefore requires the extension of existing wharf infrastructure. In addition, Defence stated its intention to enhance ACPB capability by the construction of a Standby Crew facility and upgraded facilities and equipment for the Port Services Organisation, which is responsible for the management of Darwin Naval Base (DNB) harbour.

Purpose

- 3.129 The stated purpose of the work was to provide:
- facilities at DNB for the berthing and effective operation of eight ACPBs; and
 - more suitable facilities for the DNB Port Services Organisation.

Scope

- 3.130 The referring agency submitted that the works comprised two elements approved by the Committee in July 2004 as a separate medium work, estimated to cost \$5.53 million, namely the:
- extension of the southern wharf to 197.8 metres to provide three alongside berths for the ACPBs, stairs and platforms and service connections; and
 - modification of service connections at the northern wharf to allow for emergency berthing of two additional ACPBs.
- 3.131 The remainder of the works would entail:
- extension of synchrolift (vertical ship lift) by 12 metres;
 - extension of three existing land berths to provide hardstand storage;
 - modification of existing support cradles to accommodate ACPB hull size and shape;
 - construction of an additional 250 kilolitre fuel tank to increase fuel holding capacity;
 - construction of a Standby Crew facility to provide working accommodation for two standby patrol boat crews; and
 - provision of a new facility for the DNB Port Services Organisation.

Cost

- 3.132 The estimated cost of the proposed work was \$19.17 million.

Issues Raised

- 3.133 The following issues were raised by the Committee and addressed in its report:
- Environmental Considerations

- ⇒ *Environment Protection and Biodiversity Conservation Act 1999*;
- ⇒ environmental management plan;
- ⇒ excavation of hardstand area;
- ⇒ dredging; and
- ⇒ ESD and energy management.
- Zoning and Approvals
- Scope of Works
 - ⇒ support cradles;
 - ⇒ synchrolift;
 - ⇒ working accommodation; and
 - ⇒ fire protection services.
- Economic Considerations
 - ⇒ construction workforce; and
 - ⇒ economical design solutions.

Recommendations

- 3.134 The Committee made the following recommendations in respect of the proposed work:
- that Defence maintain close consultation with the NT Department of Lands, Planning and Environment to ensure minimisation of damage to the marine environment occasioned by dredging activities at HMAS *Coonawarra*;
 - that in view of the importance of fire protection and evacuation measures, Defence supply it with details of the fire protection system proposed for the Standby Crew and Port Services Organisation building, including any departures from the requirements of the BCA, when these have been determined; and
 - that the proposed upgrade of patrol boat facilities at HMAS *Coonawarra*, Darwin, proceed at the estimated cost of \$19.2 million.

Tabling

- 3.135 The report was tabled on 17 August 2005.

Government Response

3.136 The expediency motion permitting this work to proceed was passed by the House of Representatives on 18 August 2005.

Redevelopment of Kokoda Barracks, Canungra, Queensland (Fifteenth Report of 2005)

Referral

3.137 The work was referred to the Committee on 11 May 2005. The proponent agency was Defence.

Need

3.138 The need for the work, as reported by the proponent agency, was that

- buildings at the Barracks had aged to the point where their efficient use is no longer feasible; and
- most of the facilities, particularly those used for training delivery are equipped with outdated technology, do not meet OH&S standards, and require high levels of maintenance.

Purpose

3.139 The stated purpose of the work was to provide the working and domestic accommodation and engineering services infrastructure required for the ongoing delivery of effective training at the Canungra Military Area.

Scope

3.140 The referring agency submitted that the works proposed for the redevelopment of Kokoda Barracks would comprise:

- correction of working and training accommodation deficiencies;
- rationalisation of messing facilities;
- improvements to living-in accommodation for trainees;
- upgrading of the engineering services infrastructure; and
- disposal of redundant, high maintenance facilities.

Cost

3.141 The estimated cost of the proposed work was \$86.7 million.

Issues Raised

3.142 The following issues were raised by the Committee and addressed in its report:

- Barracks services, including living-in accommodation, medical and child-care facilities, sewage treatment and power supply;
- building design issues such as climatic considerations, air-conditioning, roofing and workstations;
- removal of asbestos;
- heritage issues; and
- traffic management.

Recommendations

3.143 The Committee made the following recommendations in respect of the proposed work:

- that Defence continue consultation with the DEH regarding any heritage issues that may arise from the redevelopment of Kokoda Barracks; and
- that the proposed redevelopment of Kokoda Barracks, Canungra, Queensland, proceed at the estimated cost of \$86.7 million.

Tabling

3.144 The report was tabled on 17 August 2005.

Government Response

3.145 The expediency motion permitting this work to proceed was passed by the House of Representatives on 18 August 2005.

Redevelopment of Willis Island Meteorological Office, Coral Sea (Sixteenth Report of 2005)

Referral

3.146 The work was referred to the Committee on 2 June 2005. The proponent agency was Bureau of Meteorology (BOM).

Need

3.147 The need for the work, as reported by the proponent agency, was that the existing facilities are either nearing the end of their useful lives, or have already exceeded it. The BOM's assessment of Willis Island identified a need for redeveloping the facilities, based on:

- substantial damage to the structural support of existing facilities, with some areas no longer able to be made safe for operational use;
- health and safety hazards for stationed staff, visitors and maintenance staff as a result of the presence of asbestos in the buildings and ageing services infrastructure;
- the considerable cost of maintaining the existing facility, which is expected to increase over time; and
- the need to enhance the station's desirability as a staff posting.

3.148 The BOM added that it wished to maintain a presence at Willis Island due to its unique maritime location, its long climatological history and its front-line warning capability for tropical cyclones approaching north-east Queensland. The BOM had also been asked to include Willis Island in a global meteorological network, which would assist in understanding global climate change.

Purpose

3.149 The stated purpose of the work was to replace facilities on Willis Island — including facilities required by the BOM to staff, operate and house their meteorological office — that have significantly deteriorated and exceeded their economic lives, and that also present potential health and safety hazards.

Scope

3.150 The referring agency submitted that the works would comprise the demolition and removal of the following facilities:

- meteorological office, accommodation, messing and recreational structures;
- power house and paint store;
- balloon filling and hydrogen storage building;
- cyclone shelter and flammable storage bunkers;
- fresh water storage tanks;
- external paths and paving; and
- underground services.

3.151 The following existing system elements were proposed for reuse:

- desalination plant;
- fire and salt water pumps;
- enviro-cycle sewage treatment plant; and
- fuel storage tanks and refilling pump.

3.152 The proposal included the construction of the following new facilities and services:

- meteorological office, messing area, accommodation, recreational area, powerhouse;
- hydrogen generator building and gas storage, including associated site works;
- relocation of fuel storage tanks to new fuel area;
- new underground services including communications, power distribution, water, sewage and fire hose services;
- relocation of satellite dishes and radar tower; and
- refurbishment of the salt water pump building.

Cost

3.153 The estimated cost of the proposed work was \$7.691 million.

Issues Raised

- 3.154 The following issues were raised by the Committee and addressed in its report:
- procedural issues;
 - alternatives considered;
 - the future requirement for the office;
 - hazardous materials;
 - environmental issues including the Environmental Management Plan, hybrid power generations and desalination;
 - the project schedule and its impact on operations; and
 - costs issues relating to shipping and logistics and elements unknown at the time of referral.

Recommendations

- 3.155 The Committee made the following recommendations in respect of the proposed work:
- that the BOM provide the Committee with updates of the project schedule and costs as the works progress;
 - that the BOM supply the Committee with budgetary details of items omitted from the commercial-in-confidence quantity surveyor estimate for the project when such information becomes available; and
 - that the proposed redevelopment of Willis Island Meteorological Office, Coral Sea, proceed at the estimated cost of \$7.691 million.

Tabling

- 3.156 The report was tabled on 13 September 2005.

Government Response

- 3.157 The expediency motion permitting this work to proceed was passed by the House of Representatives on 14 September 2005.

Proposed Refurbishment of the Royal Australian Mint, Canberra, ACT (Seventeenth Report of 2005)

Referral

3.158 The work was referred to the Committee on 16 June 2005. The proponent agency was DoFA.

Need

3.159 The need for the work, as reported by the proponent agency, was that consolidating operations into a single building would allow the Mint to enhance visitor experience through the introduction of new interpretive galleries. DoFA added that the two Mint buildings (Process and Administration) had not had any major upgrade works undertaken since they were built in 1965. Certain non-structural elements of the buildings had passed their useful economic life resulting in OH&S, BCA and fire safety non-compliance issues that could only be rectified by major refurbishment.

Purpose

3.160 The stated purpose of the work was to:

- preserve the heritage value and make best use of the Mint buildings;
- address code non-compliance issues;
- provide a more efficient use of space by the Mint, thereby providing the opportunity to lease the additional available space (3,000 square metres) to another agency, thereby increasing the revenue and return on investment on the asset;
- improve overall energy efficiency usage;
- enable the Mint to fulfil its charter by providing a building that meets its functional requirements more efficiently; and
- extend the life of the building by at least another 25 years.

Scope

3.161 The referring agency submitted that the works would comprise refurbishment of both the Process and Administration buildings as follows:

Administration Building

3.162 Works required to the Administration Building would comprise:

- internal demolition to create an open floor plate;
- new building mechanical, electrical and fire services;
- new male, female and disabled access toilets;
- new commercial quality carpet to office areas;
- new suspended acoustic tiled ceilings and new light fittings;
- new lift located adjacent to the main entrance;
- roof painting and safety system;
- new staff parking arrangements;
- refurbishment of existing stone flooring to lobby; and
- stairs upgraded to comply with the BCA.

Process Building

3.163 Works for the Process Building would comprise:

- new floor coverings to office, public and exhibition areas;
- new ceilings to office, public and exhibition areas;
- refurbishment of existing concrete and timber floors in process areas;
- new amenities including staff toilets and showers, public toilets, and tea room;
- new building entry at ground floor;
- new public and staff parking arrangements;
- new public forecourt and entry courtyard providing access into the Mint;
- new basement tunnel link to vault;
- new goods delivery security gates to southern end of Process Building;
- new public lift to foyer area to serve the ground and first floor and;
- refurbishment of existing concrete and timber floors in process areas.

Cost

3.164 The estimated cost of the proposed work was \$41.2 million budgeted over three years from 2005 to 2008.

Issues Raised

3.165 The following issues were raised by the Committee and addressed in its report:

- Project Cost Estimate
 - ⇒ cost-benefit analysis.
- Options Considered
- Heritage Considerations
 - ⇒ heritage impact statement;
 - ⇒ architectural context; and
 - ⇒ NCA concerns.
- Building Design
 - ⇒ office configuration;
 - ⇒ sound attenuation;
 - ⇒ provision for persons with a disability;
 - ⇒ landscaping; and
 - ⇒ car parking.
- Environmental Considerations
- Air-Conditioning
- Removal of Hazardous Material
 - ⇒ previous projects; and
 - ⇒ cost of removing hazardous materials.
- Project Delivery
- Consultation
- Tenancy of Administration Building
- Revenue Derived from the Project
 - ⇒ increase in visitor numbers; and
 - ⇒ cafeteria.
- Post-Refurbishment Operation.

Recommendations

- 3.166 The Committee made the following recommendations in respect of the proposed work:
- that DoFA advise the Committee of the project delivery strategy to be employed, and the reasons for the specific strategy, once this has been determined; and
 - that the proposed refurbishment of the Royal Australian Mint building, Canberra, proceed at the estimated cost of \$41.2 million

Tabling

- 3.167 The report was tabled on 11 October 2005.

Government Response

- 3.168 The expediency motion permitting this work to proceed was passed by the House of Representatives on 12 October 2005.

RAAF Base Amberley Redevelopment Stage 2, Queensland (Eighteenth Report of 2005)

Referral

- 3.169 The work was referred to the Committee on 23 June 2005. The proponent agency was Defence.

Need

- 3.170 The need for the work, as reported by the proponent agency, was prompted by:
- the relocation to RAAF Base Amberley of No 33 Squadron, elements of the 9th Force Support Battalion, and the arrival of new Multi Role Tanker Transport (MRTT) aircraft at the end of 2008, all of which will require the provision of new facilities as there are no suitable existing facilities at the Base; and
 - the need to replace or upgrade existing Base services infrastructure, which will also address shortcomings in the existing communications and trunk road systems.

Purpose

3.171 The stated purpose of the work was to ensure that RAAF Base Amberley can operate effectively as a Defence base over a thirty year planning horizon.

Scope

Facilities for the MRTT

3.172 Works for the MRRT would comprise:

- new aircraft parking apron with an aircraft washpoint;
- new Squadron Headquarters, Maintenance Complex and Ground Support Equipment shelter;
- extension of the refuelling system with hydrant points on the apron;
- upgrade of the main runway and parallel taxiway;
- new office facility for the Logistic Management Unit; and
- simulator facility.

Facilities for the 9th Force Support Battalion

3.173 Works for the 9th Force Support Battalion would comprise:

- new combined Battalion Headquarters and Logistic Supply Company office and stores building;
- new office, stores and maintenance facilities;
- new are fuel and vehicle washpoint; and
- new office and stores facilities and a separate Petrol Platoon complex.

Base Engineering Services Infrastructure

3.174 Associated services infrastructure and engineering works would comprise:

- upgrade of electrical reticulation, central emergency power station and service supervisory systems;
- upgrade of water, sewerage and stormwater reticulation, including rehabilitation of the sewage treatment plant;
- upgrade of communications infrastructure and networks; and

- provision of new link roads and upgrade of existing roadway.

Cost

3.175 The estimated cost of the proposed work was \$285.6 million.

Issues Raised

3.176 The following issues were raised by the Committee and addressed in its report:

- Options Considered
 - ⇒ MRTT Location on Base.
- Project Delivery
 - ⇒ contracting methodology.
- Consultation
- Local Impact
 - ⇒ workforce; and
 - ⇒ traffic considerations.
- Hazardous Materials
 - ⇒ building services;
 - ⇒ building management systems;
 - ⇒ air-conditioning; and
 - ⇒ water reticulation.
- Security
- Future Projects.

Recommendations

3.177 The Committee recommended that the work proceed at the estimated cost of \$285.6 million.

Tabling

3.178 The report was tabled on 2 November 2005.

Government Response

3.179 The expediency motion permitting this work to proceed was passed by the House of Representatives on 3 November 2005.

Relocation of RAAF College; RAAF Base East Sale, Victoria and RAAF Base Wagga, New South Wales (Nineteenth Report of 2005)

Referral

3.180 The work was referred to the Committee on 23 June 2005. The proponent agency was Defence.

Need

3.181 The need for the work, as reported by the proponent agency, was prompted by:

- the Defence Efficiency Review, which found that cost efficiencies could be achieved through the closure of Point Cook Base Vic;
- Defence policy, which seeks to decrease the number of bases; and
- the inadequacy of No 1 Recruit Training Unit facilities at RAAF Base Edinburgh, SA.

Purpose

3.182 The stated purpose of the work was to:

- replace aged facilities and infrastructure;
- ensure compliance with current OH&S standards;
- produce cost efficiencies;
- address deficiencies associated with overcrowding and dysfunctional layout of existing facilities.

3.183 Defence added that the proposed work would also support the Government's commitment to regional Australia.

Scope

- 3.184 The referring agency submitted that the works would involve the relocation of:
- RAAF College Headquarters from Point Cook to RAAF Base Wagga;
 - The Officer Training School from Point Cook to RAAF Base East Sale; and
 - No. 1 Recruit Training Unit from RAAF Base Edinburgh to RAAF Base Wagga.

RAAF Base East Sale

- 3.185 Works to provide for the RAAF Officer Training School would comprise:
- purpose-built Staff and Administration Headquarters;
 - purpose-built Officer Training School facilities;
 - purpose-built external and physical training facilities;
 - purpose-built living-in accommodation for the Officer Training School, comprising four two-storey buildings with 30 beds each;
 - new combined all-ranks mess; and
 - domestic support facilities, including upgraded clothing store and additional car-parking.

RAAF Base Wagga

- 3.186 Works to provide for the Headquarters RAAF College and No 1 Recruit Training Unit will comprise:
- refurbishment of existing building to provide administrative facilities for the Headquarters RAAF College;
 - administration and training facilities for the No 1 Recruit Training Unit, including Staff and Administration Headquarters, classrooms and an indoor physical training area;
 - purpose-built external training facilities;
 - purpose-built living-in accommodation for No 1 Recruit Training Unit, consisting of three two-storey buildings and a single-storey building for Specialised Training Section recruits and the Military Skill Instructor course, communal recreation facility and minor refurbishment of

existing living-in accommodation for senior non-commissioned officers;
and

- base domestic support, including refurbishment of airmen's mess kitchen and servery, extension and refurbishment of medical and dental facilities, new psychological unit accommodation, new ground training equipment store, minor upgrades to registry and stores, and some additional car-parking.

Engineering Services

3.187 The works would also include associated upgrades to engineering services to provide for the new and expanded facilities.

Demolition

3.188 The relocation project would leave vacant some facilities at RAAF Base Edinburgh which may be available for demolition following the conduct of an asbestos survey. Specific buildings to be demolished had not been identified as RAAF Base Edinburgh was undergoing a comprehensive heritage survey.

Cost

3.189 The estimated cost of the proposed work was \$133.4 million. This figure comprises:

- \$65.6 million for RAAF Base East Sale;
- \$66.7 million for RAAF Base Wagga; and
- \$1.1 million for demolition, and furniture and fittings relocation costs at RAAF Base Edinburgh and Point Cook Base.

3.190 The cost estimate included:

- construction costs;
- professional fees;
- furniture and fittings;
- escalation; and
- contingency.

Issues Raised

3.191 The following issues were raised by the Committee and addressed in its report:

- the consolidation of RAAF College;
- planning considerations;
- environmental considerations including ESD and protection of native flora and avifauna;
- impact upon Base population;
- accommodation standards;
- messing arrangements;
- traffic management;
- OH&S;
- demolition works;
- consultation; and
- the economic and social impact of the works upon the local communities.

Recommendations

3.192 The Committee made the following recommendations in respect of the proposed work:

- that Defence supply it with a comprehensive list of all buildings to be demolished at RAAF Base Edinburgh, together with all associated demolition and asbestos removal costs, as soon as practicable following completion of the necessary surveys; and
- that the proposed works associated with the relocation of selected RAAF College Units to RAAF Base East Sale and RAAF Base Wagga proceed at the estimated cost of \$133.4 million

Tabling

3.193 The report was tabled on 2 November 2005.

Government Response

3.194 The expediency motion permitting this work to proceed was passed by the House of Representatives on 3 November 2005.

CSIRO Minerals Laboratory Extensions at Waterford, Perth, WA (Twentieth Report of 2005)

Referral

3.195 The work was referred to the Committee on 16 June 2005. The proponent agency was CSIRO.

Need

3.196 According to the proponent agency, the work was necessitated chiefly by the continued increase in staff numbers at the Waterford facility, WA. CSIRO attributed this increase to:

- the great success of hydrometallurgical research;
- increasing engagement with the Australian minerals industry and continued CSIRO investment;
- the growing demand for, and prominence of, minerals research in WA;
- the recent renewal of the Parker Centre for a further seven years; and
- future anticipated growth in staff numbers to meet the hydrometallurgical research needs of the minerals industry.

Purpose

3.197 The stated purpose of the work was to:

- provide accommodation for an additional 30 staff;
- provide improved amenities for staff, students, collaborators and visitors;
- replace existing sub-standard seminar and canteen facilities;
- redress current inadequacies in respect of storage and technical support amenities;

- improve efficiency and communication among staff students and collaborators; and
- create safe, consolidated and accessible accommodation for research instruments.

Scope

3.198 The referring agency submitted that the works would comprise:

- development of a new single-storey wing on the southern side of the Koch Building;
- a three-floor extension to the eastern side of the Koch Building;
- an extension to the western end of the Becher Building
- reconfiguration of and alterations to the interior of the existing buildings;
- associated landscaping and site works; and
- extension and upgrade of mechanical, electrical, hydraulic and fire services as required.

Cost

3.199 The estimated cost of the proposed work was \$12 million. This figure includes:

- escalation;
- contingencies;
- professional fees; and
- authorities' charges.

Issues Raised

3.200 The following issues were raised by the Committee and addressed in its report:

- Future Requirement
 - ⇒ collaborative master planning.
- Site Considerations

- ⇒ land ownership;
- ⇒ geotechnical considerations; and
- ⇒ Flooding
- Applications and Approvals
- Scope of Works
 - ⇒ design concept; and
 - ⇒ air-conditioning and ventilation.
- ESD
 - ⇒ consultation with the Australian Greenhouse Office (AGO);
 - ⇒ water use; and
 - ⇒ disposal of hazardous waste.
- Consultation
 - ⇒ organisations and authorities;
 - ⇒ local residents; and
 - ⇒ staff.
- Amenity for Staff
 - ⇒ workspace;
 - ⇒ child-care; and
 - ⇒ parking.
- Occupational Health and Safety and Access Equity
- Traffic Management
- Project Schedule
- Costs
 - ⇒ Sale of Demountables.
- Present and Prospective Public Value

Recommendations

3.201 The Committee recommended that the proposed work proceed at the estimated cost of \$12 million.

Tabling

3.202 The report was tabled on 9 November 2005.

Government Response

3.203 The expediency motion permitting this work to proceed was passed by the House of Representatives on 1 December 2005.

Fit-out of New Leased Premises for AusAID at London Circuit, City, ACT (Twenty-first Report of 2005)

Referral

3.204 The work was referred to the Committee on 10 August 2005. The proponent agency was AusAID.

Need

- 3.205 The need for the work, as reported by the proponent agency, was prompted by:
- the expiry on 31 July 2007 of AusAID's current lease;
 - ageing infrastructure and services in the current 30 year-old premises, which have exceeded their economically useful life;
 - the inability of the current premises to meet modern standards in respect of OH&S, disability access, security, building code requirements, ecological sustainability and energy efficiency, security and general amenity and presentation;
 - high ongoing maintenance and/or refurbishment costs associated with remaining in the current, ageing premises;
 - the low usable floor space efficiency ratio and inflexible floor plate of the current premises; and
 - the fact that the current leased area is slightly surplus to the agency's needs.

Purpose

- 3.206 The stated purpose of the work was to:
- provide improved security and operational efficiencies;
 - allow AusAID to relocate to new premises coincident upon expiry of the lease on its existing premises;

- provide a customised integrated fit-out designed to meet AusAID's needs;
- provide maximum flexibility for the accommodation of staff and operations; and
- ensure compliance with relevant building codes, meet modern environmental standards and deliver associated cost efficiencies.

Scope

3.207 The referring agency submitted that the works would comprise:

- integration of electrical, mechanical, communications, security, fire and hydraulic services into base-building works; and
- tenant fit-out above base building, including reception, executive offices, workstations, breakout and meeting spaces; computer room, storage, conference and training facilities, first aid room, amenities, parent/carer room, kitchens and ablutions, sick room, multi-denominational prayer room and ASIO T4-standard secure areas.

Cost

3.208 The estimated cost of the proposed work was \$10.45 million inclusive of GST; or \$9.5 million, exclusive of GST.

Issues Raised

3.209 The following issues were raised by the Committee and addressed in its report:

- Options Considered
- Location
- Scope of Works
 - ⇒ space requirements;
 - ⇒ proposed crisis centre; and
 - ⇒ system elements.
- Amenity for Employees
 - ⇒ car parking;
 - ⇒ bicycle and motorcycle parking;
 - ⇒ child-care;

- ⇒ work spaces; and
- ⇒ impact upon employee population.
- Access Equity
- ESD
 - ⇒ Australian Building Greenhouse Rating; and
 - ⇒ water conservation
- Project Delivery.

Recommendations

3.210 The Committee recommended that the proposed work proceed at the estimated cost of \$9.5 million.

Tabling

3.211 The report was tabled on 9 November 2005.

Government Response

3.212 The expediency motion permitting this work to proceed was passed by the House of Representatives on 10 November 2005.

Fit-out of New Leased Premises for the Australian Customs Service at 1010 LaTrobe Street, Melbourne Docklands (Twenty-second Report of 2005)

Referral

3.213 The work was referred to the Committee on 14 September 2005. The proponent agency was the Australian Customs Service (Customs).

Need

3.214 The need for the work, as reported by the proponent agency, was the imminent expiry of Customs' current lease at 414 LaTrobe Street, Melbourne.

Purpose

- 3.215 The stated purpose of the work was to relocate Customs headquarters to premises currently being constructed at 1010 LaTrobe Street, Melbourne Docklands, known as the Port 1010 Building.
- 3.216 Customs expected relocation to provide the following benefits:
- increased cost effectiveness, with lower energy consumption and improved environmental initiatives;
 - better building services;
 - greater infrastructure efficiencies in staff amenities, training facilities, conference/meeting facilities and floor layout;
 - integration of security and air-conditioning requirements into base building;
 - improved provision for public contact;
 - minimisation of internal churn costs; and
 - greater operational and resource utilisation efficiencies.

Scope

- 3.217 The referring agency submitted that the works would comprise:
- integration of services into the base building works;
 - fit-out to meet Customs' specific requirements; and
 - architecturally designed office accommodation.

Cost

- 3.218 The estimated cost of the proposed work was \$ 12.507 million

Issues Raised

- 3.219 The following issues were raised by the Committee and addressed in its report:
- Project Approval
 - Ministerial approval; and
 - State Government approval.
 - Security

- ⇒ proposed sky bridge;
- ⇒ other tenants;
- ⇒ access to roof; and
- ⇒ proposed incident room.
- Options Considered
 - ⇒ relocation to Melbourne Airport.
- National Monitoring Centre
 - ⇒ space; and
 - ⇒ air-conditioning.
- Staff Amenity
 - ⇒ access to public transport and services; and
 - ⇒ parking.
- Consultation
 - ⇒ staff; and
 - ⇒ Community and Public Sector Union.
- ESD
- Project Delivery
- Future Expansion

Recommendations

3.220 The Committee recommended that the proposed work proceed at the estimated cost of \$12.507 million.

Tabling

3.221 The report was tabled on 7 December 2005.

Government Response

3.222 The expediency motion permitting this work to proceed was passed by the House of Representatives on 8 December 2005.

Other Activities

Australian Government Solicitor Property and Infrastructure Seminar

- 4.1 On 16 March 2005, the Chair spoke at the Australian Government Solicitor Property and Infrastructure Seminar, held in Canberra, ACT. The seminar was aimed at property and asset managers and those involved in property and infrastructure funding. It addressed issues pertinent to Commonwealth Government property and infrastructure procurement, including sessions on:
- managing the Commonwealth's property;
 - an analysis of different procurement methods and associated risks; and
 - options for funding infrastructure.
- 4.2 The Chair addressed seminar attendees on the role of the Committee and the challenges facing it in the current property procurement environment.

National Conference of Parliamentary Environment and Public Works Committees

- 4.3 The Tenth Annual Conference of Parliamentary Environment and Public Works Committees was hosted by the Legislative Assembly for the Australian Capital Territory. It was held in Canberra from 28 to 30 September 2005.
- 4.4 The conference was attended by delegates from the relevant parliamentary committees of the Commonwealth, and of all Australian States and Territories. The Committee was represented at the conference by staff of the Secretariat.
- 4.5 The theme of the 2005 conference was *Sustainability and Bushfire Recovery*. The programme included addresses by:
- Mr John Stanhope MLA, ACT Chief Minister;
 - Mr Stuart Ellis AM, Chair, National Bushfire Inquiry;
 - Mr Sandy Holloway; Chair, Shaping Our Territory Working Group, ACT Government;
 - Mr John Mackay, Chief Executive Officer, ActewAGL;
 - Mr Jim Gould and Dr John Raison, CSIRO Forestry and Fire Project;
 - Ms Lyn Breuer, Presiding Member, Environment, Resources and Development Committee, Parliament of SA;
 - Mr Hilton Taylor, ACT Forests;
 - Mr Paul Lewis, ACT Planning and Land Authority;
 - Mr Barton Williams, VicUrban;
 - Mr Rod Hillman, Arts, Heritage and Environment;
 - Ms Mary Porter AM MLA, Member ACT Legislative Assembly Standing Committee on Planning and Environment;
 - Dr Susan Nicholls, University of Canberra;
 - Ms Chris Healy, ACT Chief Minister's Department; and
 - Mr Chris Stamford, The Phoenix Association.
- 4.6 In addition to the addresses listed above, the programme included a field trip to visit areas and infrastructure in and around the ACT, which are recovering from the 2003 bushfires. Commentary was provided by ACT Government officials and relevant experts.

- 4.7 At the conclusion of the conference, delegates expressed their gratitude to the Act Legislative Assembly for hosting a highly informative and successful event. The 2006 conference will be hosted by the Parliament of Queensland.

Issues

Introduction

- 5.1 This chapter highlights the following significant issues considered by the Committee in 2005:
- Public Private Partnerships (PPPs);
 - workload;
 - changes to the Act;
 - timeliness of referrals;
 - quality of evidence; and
 - support.

Public Private Partnerships

- 5.2 The Committee remains concerned at the absence of a valid legislative framework for the referral and scrutiny of Commonwealth works delivered through Public Private Partnership (PPP) arrangements. In the light of Government policy encouraging agencies to explore non-

traditional funding options,¹ the Committee expects that the referral of such projects will become increasingly common.

5.3 The first work of this type to be examined by the Committee was the Headquarters Joint Operations Command (HJOC) project, which was referred to the committee by Defence in March 2004 despite the lack of a clear-cut statutory requirement for referral.² The subsequent inquiry presented the Committee with a number of challenges.

5.4 Defence needed Committee approval of the HJOC project before proceeding to the tender stage. The Committee was required to examine the project and costs at a conceptual level only, as the design, construction and financing details were to be developed by the successful private tenderer. According to the Act however, a work should be referred to the Committee

...when all matters substantially affecting its cost have been determined.³

5.5 Effectively, the Committee was asked to approve the HJOC project well before all matters relevant to cost had been decided. In order to redress this problem, the Committee requested that Defence reappear to provide a further briefing on the project following the selection of the joint venture partner and recommended that the agency provide progress reports and budget updates at each stage of project completion.⁴

5.6 In view of these difficulties, the Committee was pleased to receive notification from the Parliamentary Secretary to the Minister for Finance and Administration that he had obtained legal advice to the effect that:

...where the Commonwealth, or an authority of the Commonwealth, arranges for the provision, and subsequent leasing of infrastructure to which it has set specific requirements that could not be met by the normal leasing of facilities on the open market, it could be expected that the provision of the Act

1 Department of Finance and Administration *Commonwealth Policy Principles for the Use of Private Financing* Commonwealth of Australia 2002

2 It is proposed, however, that the facility will revert to Commonwealth ownership at the conclusion of the 30-year agreement, which may justify referral under the definition of a work given by *Public Works Committee Act 1969*, Section 5 *public work* (c) (ii).

3 *Public Works Committee Act 1969*, Section 18 (8)

4 The Parliament of the Commonwealth of Australia Parliamentary Standing Committee on Public Works *Provision of Facilities for Headquarters Joint Operations Command*, NSW (Fourth Report of 2004) August 2004, paragraphs 3.66 – 3.68 and Recommendation 4

would apply, that is, the proposal would require referral to the Committee.⁵

- 5.7 However, the Committee believes that this advice would have much greater force and utility if it were to be incorporated into a revised Act, together with provisions for the optimum timing of PPP referrals and any additional progress reporting requirements.

Workload

- 5.8 Perhaps the most remarkable feature of 2005 from the Committee's viewpoint was the very heavy workload, which involved the conduct of twenty-six public hearings and the tabling of twenty-three reports. The Committee is of the opinion that the continuing increase in the number of referrals can be attributed largely to the \$6 million statutory limit for referral, which has not increased since 1985. The Committee notes that the current equivalent of the 1985 figure would be between \$12 and \$15 million.

Changes to the Act

- 5.9 The Committee remains the only body with a charter to scrutinise the details of public works proposals prior to the commitment and expenditure of public funds. The Joint Committee of Public Accounts and Audit (JCPAA) and the Senate Estimates Committees may examine public works costs as part of broader inquiries into audit reports or government expenditure; however they do so after the moneys have been committed and/or the project has been completed.⁶ The Committee is the only mechanism by which the Parliament can conduct focussed and detailed scrutiny of proposed government expenditure on real property and infrastructure and make recommendations about the value and probity of each proposal.
- 5.10 In December 2005 the Committee welcomed advice from the Hon Dr Sharman Stone, Parliamentary Secretary to the Minister for Finance and

5 The Parliament of the Commonwealth of Australia Parliamentary Standing Committee on Public Works *Sixty-eighth Annual Report*, paragraphs 5.7 – 5.8

6 For example, in 1991 the JCPAA tabled a report titled *Australian Government Procurement* which examined, among other matters, the devolution and decentralisation of government procurement of assets and real property (see especially Chapter 2); and in Chapter 3 of its *Review of the Auditor-General's Reports 2001-02: First, Second and Third Quarters* (tabled August 2002) the committee reviewed *Audit Report No. 4, 2001-02: Commonwealth Estate Property Sales*.

Administration to the effect that a review of the Act had been completed and had gone to Ministers for response. Members were pleased to learn that the review had covered issues of concern to the Committee, such as:

- the consideration of works delivered under PPP arrangements;
- consideration of accommodation leases;
- service delivery contracts; and
- the statutory limit.

5.11 The Committee looks forward to learning the detail of the proposed changes and their expeditious implementation in 2006.

Timeliness of Referrals

5.12 Whilst the Committee was pleased to note that requests from referring agencies for concurrent documentation had decreased significantly in 2005⁷, members remained concerned at the pressure placed upon the Committee and its staff by agencies seeking early consideration of works on the grounds of 'urgency'.

5.13 Throughout 2005, a number of Departments approached the Committee with requests for 'early' hearing dates or asked that the reporting process be shortened so that they might meet their desired project deadlines. In some cases, these requests were made through the relevant Minister.

5.14 In view of this, the Committee seeks to remind agencies that it is a legislative requirement that the Committee conduct an inquiry into any public work estimated to cost \$6 million or more. Moreover, the Committee cannot commit to a public hearing date until a work has been referred to it. It is, therefore, the responsibility of referring agencies to ensure that they have allowed sufficient time in project schedules for the full and proper execution of the inquiry process.

5.15 The Committee also wishes to stress that it has a charter under the Act to expedite consideration of public works proposals. It endeavours to do this whilst simultaneously fulfilling its requirement to ensure public involvement in the inquiry through advertising and the receipt of submissions; and subject to the constraints of the Parliamentary sitting pattern, as elements of the inquiry process – such as the initial referral motion – must be conducted in a sitting period.

7 See Chapter 2 of this Report, paragraphs 2.16 – 2.17

- 5.16 These factors notwithstanding, the Committee has, in recent years, significantly decreased the time required to complete an inquiry. In 1998/99, with the support of a Secretariat comprised of 4 dedicated staff, the Committee completed 10 inquiries, each of which was completed in an average timeframe of 7.75 months. Conversely, in 2005, with a Secretariat of 3 dedicated staff, the Committee completed 22 inquiries, each of which averaged only 3.6 months in length. Agencies should therefore allow at least three to five months for the inquiry process.
- 5.17 The Committee suggests that, when planning project schedules, agencies should give due consideration to the following:
- the time required to advertise the inquiry;
 - the time required to receive and analyse evidence;
 - the constraints imposed by the Parliamentary sitting pattern; and
 - the Committee's workload, which increases annually.

Quality of Evidence

- 5.18 The Committee noted a variance in the quality of evidence submitted by referring agencies throughout 2005. The importance of high quality evidence to the expeditious completion of an inquiry was expressed at one public hearing by the Chair, who observed that complete and comprehensive information:

...certainly helps us to conduct our inquiry speedily and efficiently.⁸

- 5.19 Members noted that the failure to supply adequate information was a particular problem in the area of project costs. In several cases, the financial information supplied by agencies was not sufficiently detailed to allow the Committee to judge the true value-for-money of the work to the Commonwealth. In such cases, the Committee was forced to request supplementary information in order to complete its deliberations, thereby delaying the scrutiny and reporting process.
- 5.20 In order to assist in the production of consistently high-quality evidence, the Committee recommends that agencies consult its *Manual of Procedures for Departments and Agencies*, which can be obtained on-line at <http://www.aph.gov.au/house/committee/pwc/index.htm>. In addition,

8 The Parliament of the Commonwealth of Australia Parliamentary Standing Committee on Public Works; *Reserve Bank of Australia Business Resumption Site at Baulkham Hills in Sydney*, NSW (Tenth Report of 2005) August 2004, paragraph 3.25

agencies are encouraged to contact the Secretariat staff, who can provide detailed advice on the Committee's requirements and the inquiry process.

Support

- 5.21 The Committee's ability to fulfil its statutory obligations is in large measure attributable to the support provided by its Secretariat. The Committee therefore wishes to record its appreciation for the work of its Secretary, Mrs Margaret Swieringa, and her staff.
- 5.22 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 DoFA, who play an integral role in facilitating references and expediency motions. In this regard the Committee thanks Mr Jeff Kite for his continued support throughout 2005.

Hon Judi Moylan MP

Chair

29 March 2004



Appendix A – List of Inquiries

Inquiry	Report number	Tabled	Cost (\$m)
Sixty-eighth Annual Report	n/a	16 March 2005	n/a1
Fit-out of New Leased Premises for the Department of Industry, Tourism and Resources in Civic, ACT	First Report of 2005	16 March 2005	19.4
New Housing for Defence Housing Authority at McDowall, Brisbane, Queensland	Second Report of 2005	25 May 2005	17.5
Provision of Facilities for Maribyrnong Immigration Detention Centre — Additional Accommodation and Related Works, Maribyrnong, Victoria	Third Report of 2005	25 May 2005	7
Development of On-base Housing for Defence at Puckapunyal, Victoria	Fourth Report of 2005	1 June 2005	19.6
Defence Science and Technology Organisation Ordnance Breakdown Facility, Port Wakefield, South Australia	Fifth Report of 2005	1 June 2005	8.4
Australia House Defence and Lightwells Refurbishment, Australian High Commission, London	Sixth Report of 2005	22 June 2005	11.98
Mid-life Upgrade of Existing Chancery at the Australian High Commission, Singapore	Seventh Report of 2005	22 June 2005	12.7
New Consulate-General Building, Bali, Indonesia	Eighth Report of 2005	22 June 2005	7.15
Construction of Chancery, Vientiane, Laos	Ninth Report of 2005	22 June 2005	11
Reserve Bank of Australia Business Resumption Site	Tenth Report of 2005	22 June 2005	38
Holsworthy Program — Special Operations Working Accommodation and Base Redevelopment Stage 1	Eleventh Report of 2005	17 August 2005	207.7

CSIRO Entomology Bioscience Laboratory at Black Mountain, Canberra, ACT	Twelfth Report of 2005	17 August 2005	14.5
Operational Upgrade, Darwin Detention Facility, Berrimah, Northern Territory	Thirteenth Report of 2005	17 August 2005	8.125
Upgrade Patrol Boat Facilities, HMAS Coonawarra, Darwin, Northern Territory	Fourteenth Report of 2005	17 August 2005	19.2
Redevelopment of Kokoda barracks, Canungra, Queensland	Fifteenth Report of 2005	17 August 2005	86.7
Redevelopment of Willis Island Meteorological Office, Coral Sea	Sixteenth Report of 2005	13 September 2005	7.691
Refurbishment of the Royal Australian Mint, Canberra, ACT	Seventeenth Report of 2005	11 October 2005	41.2
RAAF Base Amberley Redevelopment Stage 2, Queensland	Eighteenth Report of 2005	2 November 2005	285.6
Relocation of RAAF College — RAAF Base East Sale, Victoria and RAAF Base Wagga, New South Wales	Nineteenth Report of 2005	2 November 2005	133.4
CSIRO Minerals Laboratory Extensions at Waterford, Perth, Western Australia	Twentieth Report of 2005	9 November 2005	12
Fit-out of New Leases Premises for AusAID at London Circuit, City, ACT	Twenty-first Report of 2005	9 November 2005	9.5
Fit-out of New Leased Premises for the Australian Customs Service at 1010 LaTrobe Street, Docklands, Melbourne, Victoria	Twenty-second Report of 2005	7 December 2005	12.507
Total Cost			\$990.853 -

B

Appendix B – Committee Meetings and Hearings for the Year ended 31 December 2005

Type	Location	Date	Number
Private	Canberra, ACT	10 February	3
Public	Canberra, ACT	11 February	4
Private	Canberra, ACT	17 February	5
Public	Melbourne, Vic	23 February	6
Public	Brisbane, Qld	24 February	7
Private	Sydney, NSW	25 February	8
Public	Canberra, ACT	7 March	9
Private	Canberra, ACT	10 March	10
Private	Canberra, ACT	14 March	11
Private	Canberra, ACT	17 March	12
Public	Puckapunyal, Vic	20 April	13
Public	Port Wakefield, SA	21 April	14
Private	Canberra, ACT	12 May	15
Public	Canberra, ACT	13 May	16
Public	Canberra, ACT	13 May	17
Private	Canberra, ACT	26 May	18
Public	Canberra, ACT	27 May	19
Public	Canberra, ACT	27 May	20
Private	Canberra, ACT	2 June	21
Public	Sydney, NSW	3 June	22
Public	Holsworthy, NSW	10 June	23
Private	Canberra, ACT	16 June	24
Public	Canberra, ACT	17 June	25
Private	Canberra, ACT	23 June	26

Public	Darwin, NT	18 July	27
Public	Darwin, NT	19 July	28
Public	Canungra, Qld	20 July	29
Private	Canberra, ACT	11 August	30
Public	Canberra, ACT	12 August	31
Private	Canberra, ACT	18 August	32
Public	Canberra, ACT	19 August	33
Private	Canberra, ACT	8 September	34
Public	Amberley, Qld	9 September	35
Private	Canberra, ACT	15 September	36
Public	Sale, Vic and Wagga Wagga, NSW	16 September	37
Public	Perth, WA	22 September	38
Public	Canberra, ACT	7 October	39
Private	Canberra, ACT	13 October	40
Private	Canberra, ACT	3 November	41
Private	Canberra, ACT	10 November	42
Public	Melbourne, Vic	11 November	43
Private	Canberra, ACT	1 December	44
Public	Canberra, ACT	5 December	45
Public	Canberra, ACT	5 December	46
Private	Canberra, ACT	8 December	47
Public	Holsworthy, NSW	12 December	48
Total			46
