

Introduction

Referral of Work

- 1.1 On 29 March 2007 a proposal for the fit-out of new leased office accommodation at Brisbane Airport for the Australian Customs Service (ACS) was referred to the Public Works Committee for consideration and report to the Parliament in accordance with the provisions of the *Public Works Committee Act 1969* (the Act).¹ The proponent agency for this work is the ACS.
- 1.2 The Hon Peter Lindsay MP, Parliamentary Secretary to the Minister for Defence, informed the House that the estimated cost of the proposed work was \$15.84 million inclusive of GST. Subject to Parliamentary approval the fit-out procurement process could begin during the period September to November 2008. The ACS anticipates occupying the building from January 2009 to complete the fit-out and will progressively occupy the building from May 2009.

¹ Extract from the Votes and Proceedings of the House of Representatives, No. 164, Thursday 29 March 2007.

Background

- 1.3 The ACS office in Brisbane is currently located at 140 Creek Street, in the central business district (CBD). These premises have been occupied since 1999. In addition, the ACS also has office accommodation at other sites within the Brisbane environs, including the Brisbane airport precinct and the Fishermans Island port precinct.
- 1.4 Over the past 10 years ACS has expanded to additional sites to meet operational requirements and house increased staff numbers. This has resulted in a number of dispersed leases.
- 1.5 In October 2005, the ACS appointed a property manager, United Group Services, to conduct a market assessment of the Brisbane commercial and leasing market with a view to obtaining a site that would offer the opportunity to collocate staff and that would also coincide with the expiration of some existing leases including the lease on 140 Creek Street.²

Site of the Proposed Works

- 1.6 The proposed building site is located within the Number 1 Airport Drive precinct at the entrance to Brisbane Airport on the south-western perimeter of Brisbane Airport Corporation's (BAC) lease area. The site is to the north of the Direct Factory Outlet (DFO) centre, to the northwest of the BAC Administration Building and northwest of a potential future Airtrain station, and is bounded by Airport Drive and the Gateway Motorway.³

Inquiry Process

- 1.7 The Committee is required by the Act to consider public works over \$15 million⁴ and report to Parliament on:
- the purpose of the work and its suitability for that purpose;
 - the need for, or the advisability of, carrying out the work;

2 Appendix C, Submission No.1, paragraphs 1.3.1 – 1.3.4.

3 *ibid.*, paragraph 2.1.1.

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

- 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.⁵

1.8 The Committee called for submissions by advertising the inquiry in *The Weekend Australian* and the *Brisbane Courier Mail* on Saturday, 7 April 2007. The Committee also sought submissions from relevant government agencies, local government, private organisations and individuals, who may be materially affected by or have an interest in the proposed work. The Committee subsequently placed submissions and other information relating to the inquiry on its web site in order to encourage further public participation.

Inspection and Hearing

1.9 On Wednesday 25 July 2007, the Committee inspected the proposed site and environs of the proposed works. Later a confidential hearing was conducted, attended by officials of the ACS, on the costs of the proposed Fit-Out of New Leased Premises for the ACS at the Circuit, Brisbane Airport, Queensland project followed by a public hearing both of which were held at The Boardroom, Aviation Australia, Brisbane Airport, Queensland.⁶

5 *ibid.*, Section 17.

6 See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Wednesday, 25 July 2007 at Brisbane Airport, Qld.

