

**Senate Standing Committee on Education Employment and Workplace  
Relations**

**QUESTIONS ON NOTICE  
Budget Estimates 2010-2011**

**Outcome 2 - Schools**

**DEEWR Question No.EW0394\_11**

**Senator Mason asked on 3/06/2010, Hansard page 110.**

**Question**

**BER - INDUSTRY BENCHMARKS**

Senator MASON—.....Does the department compare the internal benchmarks of states against industry standards? The answer is no; is that right? Ms Paul—Let me tell you one of the things we can say— Senator MASON—Hold on, please. Senator Carr—You have asked the question. You are not giving the officers a chance to answer. Senator MASON—I do want to ask the questions. Senator Carr—Give them a chance to answer. CHAIR—You have asked the question. It is an important question. Senator MASON—It is. Ms Paul—I think we have done it and I will explain why. Of course we have had the same interest. We looked, for example, at what was in some of the per-square-metre inclusions in, say, New South Wales, which is clearly a state of interest in this matter with Rawlinsons, for example. Senator MASON—You did. Ms Paul—Yes, we have. And we found that there was quite a difference between what was included, so it is back to that apples-and-oranges issue that I raised at the inquiry. We found that Rawlinsons, for example, in its industry standard does not include a whole lot of stuff that New South Wales is including in its estimates, and of course what it has on its website are only estimates anyway. But, for example, one of the things not included is fit-out and furnishings. The other thing is that there is the internal standards issue. That is just an example. I cannot remember the full set, but I certainly have seen that comparison that we did. Senator MASON—This is against all state benchmarks? Ms Paul—I think we were just looking at New South Wales in particular, but we can check that. We may have looked across the board.

**Answer**

The Department is aware of the various methodologies that all Education Authorities across all jurisdictions use in their assessment of BER building costs. Some have their own internal benchmark prices whereas others rely on advice from independent Quantity Surveyors. None of the Education Authorities make direct reference to Rawlinsons Australian Construction Handbook (Rawlinsons), although those who use independent Quantity Surveyors may be doing so indirectly and without their knowledge of the Education Authority.

The Department is also aware of the various value for money checks and measures that Education Authorities from all jurisdictions use in their BER procurement processes.

With respect to comparisons between Rawlinsons inclusions and estimated pricing that NSW Department of Education and Training (NSW DET) has published for their

BER Projects, Rawlinsons state on page (vii) of their handbook “*It should be noted that, as the figures given are for a typical building on a flat site, adjustments must be made for such factors as sloping sites, ground conditions, unusual shape and other design considerations*”. NSW DET estimated pricing makes allowance for additional site expenses as well as compliance with their internal building standards.

Rawlinsons pricing for fit out of a building is limited to built-up fitments and fixed items such as benches and cupboards that would typically be included in the main building contract. It specifically excludes loose furniture and furnishings, including window curtains and blinds, whereas the NSW DET estimated pricing is for the entire project.