
The Parliament of the Commonwealth of Australia

Seventy-Fourth Annual Report

Parliamentary Standing Committee on Public Works

March 2011
Canberra

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Membership of the Committee

43rd Parliament Membership

Chair Ms Janelle Saffin MP

Deputy Chair Senator the Hon Judith Troeth

Members	Mrs Karen Andrews MP	Mr John Forrest MP
	Senator Michael Forshaw	Mr Steve Georganas MP
	Senator Gavin Marshall	Mr Bernie Ripoll MP
	Hon Malcolm Turnbull MP	

42nd Parliament Membership

Chair Senator Jan McLucas

Deputy Chair Senator the Hon Judith Troeth

Members	Mr Nick Champion MP	Mr John Forrest MP
	Senator Michael Forshaw	Ms Jill Hall MP
	Hon Peter Lindsay MP	Hon Roger Price MP
	Hon Peter Slipper MP	

Committee Secretariat

Secretary	Sharon Bryant
Inquiry Secretary	Anthony Overs
Senior Research Officer	Thomas Gregory
Administrative Officers	Shaun Rowe Claire Young

Annual Report

- 1.1 Under Section 16 of the *Public Works Committee Act 1969* (the Act), the Parliamentary Standing Committee on Public Works must table in each House of the Parliament a report of its proceedings during the calendar year just ended.
- 1.2 All public works that have an estimated cost exceeding \$15 million must be referred to the Committee and cannot be commenced until the Committee has made its report to Parliament and the House of Representatives receives that report and resolves that it is expedient to carry out the work.¹
- 1.3 During 2010 the Committee conducted inquiries into nine works which had a combined cost of \$491.5 million. A list of the works and their individual costs is at Appendix A. A list of 'medium works' (those valued between \$2 million and \$15 million) notified to the Committee can be found at Appendix B.
- 1.4 The Committee's inquiries into three works referred during the 42nd Parliament lapsed when the House of Representatives was dissolved on 19 July 2010. These works were re-referred in the 43rd Parliament, and the Committee completed its inquiries and tabled reports regarding each work.
- 1.5 The Committee's reports, submissions to each inquiry and transcripts of associated public hearings are available on the Committee's website.² The Committee's website also provides previously tabled reports and the procedure manual, which assists agencies to prepare projects for

1 The Act, Part III, Section 18 (8). Exemptions from this requirement are provided for work of an urgent nature, defence work contrary to the public interest, repetitive work, and work by prescribed authorities listed in the *Regulations*.

2 <www.aph.gov.au/pwc>.

Committee review. A list of all the Committee's meetings and hearings held during 2010 is at Appendix C.

Inquiries and Reports

- 1.6 The Act requires the Committee to consider and report on each referred work 'as expeditiously as is practicable'.³ The Committee ensures that all inquiries are completed as quickly as possible. In 2010, the average time from referral of works to report tabling was nine weeks.
- 1.7 The inquiry process allows time for public comment on proposed works, allows the Committee to inspect the proposed work site(s) and to hold public and private hearings to take evidence about the works. The Committee also considers the parliamentary calendar when planning its inquiry timetable to ensure that reports can be finalised and tabled promptly when both Houses of Parliament are sitting.⁴
- 1.8 As noted above, federal elections can also delay projects: it is essential that agencies consider such possible delays in their project planning, and include appropriate contingencies. Agencies should note that provisions of the Act should be adhered to irrespective of circumstances.

New procedure manual

- 1.9 In March 2010, the Committee adopted a new edition of its Procedure Manual. The most important changes to the previous edition are additional details to be submitted confidentially with the project costings, such as whole-of-life costings, confidence levels and a risk register. Whilst the Committee had previously sought this information in individual inquiries, the requirement for all proposals to include this information gives the Committee a greater capacity to scrutinise projects that come before it.
- 1.10 When agencies do not provide all necessary information in the first instance, supplementary submissions must be made to the inquiry. This can cause delays in the inquiry timetable, and the Committee reiterates the importance of all agencies providing full information at the time of referral.

3 The Act, Section 17(1)

4 In any event, a work cannot commence until after the Committee has reported to both Houses and the House of Representatives has resolved that the work can commence – the latter of which can only occur when the House is sitting.

Medium Works

- 1.11 Over the course of 2010, the Committee considered 51 medium works proposals, with a combined value of \$416.8 million. A list of these works is available at Appendix B. The Committee has continued to publish the details of these works on its website: the current list includes all works approved since the beginning of the 43rd Parliament.
- 1.12 The Committee has become aware that some ‘portfolio agencies’ are not aware of their obligations under the Medium Works process. Whilst this process is not particularly onerous for agencies, it forms an important part of the Parliamentary scrutiny of Commonwealth public works expenditure.
- 1.13 Given the structure of the Australian Government, it is incumbent upon Commonwealth Departments to ensure that all agencies within the portfolio are aware of the Committee’s role and processes. Further, Departments must provide all necessary assistance so that smaller agencies may fulfil their obligations to the Committee and Parliament.
- 1.14 The Committee’s manual gives very simple instructions about the medium works process, and the Secretariat is always available to give additional information about the process to agencies. Agencies should contact the Secretariat well ahead of time, as the Parliamentary calendar has a significant impact on the Committee’s capacity to consider medium works proposals.

Works exempted from Committee consideration

- 1.15 Numerous works have recently been exempted from Committee consideration, on the basis of urgency. Exemption on this ground is provided for under the Committee’s Act: the House of Representatives must resolve that ‘by reason of the urgent nature of the work, it is expedient that it be carried out without having been referred to the Committee’⁵. The Committee reminds readers that it is not involved in the making of this decision: it is a matter for the House of Representatives only.
- 1.16 The Committee is well aware of the importance of this provision, as it allows for real urgency to be accounted for, and for such projects to

5 *Public Works Committee Act 1969*, Section 18A(8)(b).

proceed without breaching the Act. In the past such an exemption was rarely sought by proponent agencies, and was reserved for instances of real urgency – for cases where projects are developed at short notice, to meet an urgent need. In addition, the Committee can make special scheduling arrangements for projects that have particular urgency, without resorting to complete exemption.

- 1.17 Two projects have already been exempted from Committee scrutiny in the 43rd Parliament, and the Committee is concerned that these are not cases of real urgency, but rather cases where agencies have not properly planned their projects. The Committee's inquiry process is swift and efficient, and as noted above, the average total inquiry time is nine weeks. Agencies must take this relatively short process into consideration in planning, and failure to do so is not a reasonable ground on which to seek exemption.
- 1.18 Poor agency planning should not be remediated by the abuse of the urgency provisions in the *Public Works Committee Act 1969*.

Defence Housing Australia and accessible housing

- 1.19 As noted in Report 4/2010 (the Committee's final report of the year), Defence Housing Australia (DHA) agreed to construct its housing to meet the Silver level of the new *Livable Housing Design Guidelines*.⁶ The voluntary guidelines were developed to assist industry and government in making homes safer and more responsive to the changing needs of home occupants.
- 1.20 In particular, the Silver level provides some basic features (both visible and hidden) that provide safer access, and make modifications cheaper and easier in future. Houses built to this standard are more 'liveable' for people with disability, for parents with young children, for those with temporary injuries, for elderly or less mobile individuals: and these homes are likely to be so across more of an individual's life-span.
- 1.21 The Committee is very pleased with DHA's decision, particularly as it follows the Committee's own recommendations in this direction. Commonwealth agencies are rightly expected to adhere to the highest standards, and DHA's provision of accessible housing is a positive contribution to greater accessibility generally.

6 The guidelines are available online at
<www.fahcsia.gov.au/sa/housing/pubs/housing/Pages/LivableHousingDesignGuidelines.aspx>

Conclusion

- 1.22 The Committee thanks everyone who has assisted or participated in the Committee's inquiries in 2010. The Committee makes particular acknowledgement of the contribution made by the Special Claims and Land Policy Branch of the Department of Finance and Deregulation. This branch assists agencies with their preparation of proposals for consideration by the Committee, and assists the Minister in his management of the *Public Works Committee Act 1969*.
- 1.23 The Committee also thanks those members of the previous Committee who are no longer members, in particular the Committee's Chair at the end of 42nd Parliament, Senator the Hon Jan McLucas.

Ms Janelle Saffin MP

Chair

3 March 2011



Appendix A – Reports presented and value of works in the year ending 31 December 2010

42nd Parliament

Report number	Report Title and/or works addressed	Tabled	Cost (\$m)¹
	Unauthorised disclosure of committee proceedings and evidence	9 February 2010	n/a
	Seventy-Third Annual Report	22 February 2010	n/a
1/2010	Fit-out of New Leased Premises for the Australian Taxation Office at 735 Collins St, Melbourne, Victoria	26 May 2010	50.9
2/2010	Proposed construction of Centre for Accelerator Science and extension to facilities for the Australian Nuclear Science and Technology Organisation, Sydney, New South Wales	21 June 2010	62.5
2/2010	Proposed fit-out of new leased premises for the Department of Climate Change and Energy Efficiency at the New Acton Nishi building, Edinburgh Avenue, Canberra City, ACT	21 June 2010	20.5
2/2010	Proposed construction of housing for Defence at Voyager Point, Liverpool, New South Wales	21 June 2010	45.1
2/2010	Construction of housing for Defence at Muirhead, Darwin, Northern Territory	21 June 2010	43.5
2/2010	Pawsey High Performance Computer Centre for SKA Science at Kensington, Western Australia	21 June 2010	66.0
3/2010	Extension of scope to the Australian SKA Pathfinder Telescope and the Pawsey High Performance Computing Centre for SKA Science	12 July 2010	47.3

1 Costs do not necessarily include GST; see relevant report for full details. Figures are rounded to the nearest one hundred thousand dollars.

43rd Parliament

Report number	Report Title and/or works addressed	Tabled	Cost (\$m)
4/2010	Proposed HMAS Penguin and Pittwater Annexe Redevelopment, Mosman and Clareville, New South Wales	23 November 2010	63.3
4/2010	Proposed development and construction of housing for Defence at Largs North (Bayriver), Port Adelaide, South Australia	23 November 2010	38.2
4/2010	Proposed integrated fit-out of new leased premises for the Australian Taxation Office at 12-26 Franklin Street, Adelaide, South Australia	23 November 2010	54.2
Total			491.5



Appendix B – Works between \$2 million and \$15 million notified to the Committee in the year ending 31 December 2010

42nd Parliament

Project Title	Agency Name	Date notified to Committee
On-Base Housing, Enoggera Army Base, Brisbane	Defence Housing Australia	21 January 2010
Beijing Apartments and HOM Residence, Australian Embassy Beijing, China	Department of Foreign Affairs and Trade	22 January 2010
National Office Accommodation Project at 134 Reed Street, Greenaway, ACT	Medicare Australia	1 February 2010
Australian Hearing Services Office Fit-out Project	Australian Hearing Services	2 February 2010
New Chancery in the Holy See	Department of Foreign Affairs and Trade	2 February 2010
Community Centre, West Island, Cocos (Keeling) Islands	Attorney-General's Department	2 February 2010
Integrated Waste Management Facility, Lucas Heights NSW	Australian Nuclear Science and Technology Organisation	12 February 2010
Physical Security Upgrade Works to the Carl Hall Site, Australian Embassy Baghdad, Iraq	Department of Foreign Affairs and Trade	24 February 2010
Adelaide Immigration Transit Accommodation project (55-65 Garland Avenue Kilburn)	Department of Immigration and Citizenship	24 February 2010
Kabul New Embassy project, Afghanistan	Department of Foreign Affairs and Trade	26 February 2010
Multi-Purpose Education and Public Programs Facility	Australian National Maritime Museum	12 March 2010
Physical Security Upgrade works to the Carl Hall Site, at the Australian Embassy in Baghdad, Iraq	Department of Foreign Affairs and Trade	12 March 2010

Project Title	Agency Name	Date notified to Committee
Retrofit Air-Conditioning project	Defence Housing Australia	16 March 2010
Poon Saan Road Apartment Accommodation Project, Christmas Island	Department of Immigration and Citizenship	16 March 2010
Townsville Residential Housing Project	Defence Housing Australia	24 March 2010
Fitout works to Leased Premises, Health Services Australia House, Phillip ACT	Department of Families, Housing, Community Services and Indigenous Affairs	1 April 2010
Refurbishment of the Hall of Valour	Australian War Memorial	12 April 2010
ANSTO Camperdown Facility Refurbishment	Australian Nuclear Science and Technology Organisation	1 April 2010
New Embassy project, Kabul, Afghanistan	Department of Foreign Affairs and Trade	5 May 2010 (delayed receipt)
Perimeter Security Works at the Australian High Commission, Islamabad, Pakistan	Department of Foreign Affairs and Trade	19 May 2010
Installation of air-conditioning in leased properties	Defence Housing Australia	21 May 2010
Molybdenum-99 Production Radioactive Waste Treatment Facility	Australian Nuclear Science and Technology Organisation	11 June 2010
Aviation Fire Vehicle Facilities Upgrade at RAAF Base Williamtown (NSW), RAAF Base Amberley (QLD) and RAAF Base Tindal (NT)	Department of Defence	11 June 2010
New Test Facility Project, Defence Science and Technology Organisation (DSTO), Fisherman's Bend, Melbourne (VIC)	Department of Defence	11 June 2010
Reinvestment of ADF Specific Nutritional Capability Project for DSTO, Scottsdale (TAS)	Department of Defence	11 June 2010
Provision of working accommodation at RAAF Base Holsworthy (NSW)	Department of Defence	11 June 2010
Mount Bunday Training Area Medical Facility (NT)	Department of Defence	11 June 2010
Flood mitigation, RAAF Base Darwin (NT)	Department of Defence	11 June 2010
Interim Living In Accommodation for 1 Bde at RAAF Base Edinburgh, Adelaide (SA)	Department of Defence	11 June 2010
Corrosion Control Facility Remediation, RAAF Base Tindal (NT)	Department of Defence	11 June 2010
Development of the intersection of ANZAC Parade and Constitution Ave, Canberra, ACT	National Capital Authority	21 June 2010
Three works, Middle East	Department of Defence	21 June 2010
Fitout of Level 13 and minor refurbishments to Levels 24-30, 120 Collins St, Melbourne	Australian Securities and Investments Commission	30 June 2010
Fitout of 311 High St, Penrith for the Defence Material Organisation (Munitions Branch)	Department of Defence	7 July 2010

43rd Parliament

Project Title	Agency Name	Date notified to Committee
Facilities at Broome Airport	Airservices Australia	14 July 2010
Fitout works at 240 Queen Street Brisbane	Australian Securities and Investments Commission	22 July 2010
Decommissioning of houses, RAAF Base Darwin	Defence Housing Australia	17 September 2010
Fitout of office accommodation, 175 Pitt Street Sydney	Australian Human Rights Commission	11 October 2010
Wharf Remediation Works, former HMAS Platypus site	Sydney Harbour Federation Trust	25 October 2010
Environmental Radioactivity Measurement Centre	Australian Nuclear Science and Technology Organisation	25 October 2010
Questacon at Deakin project	Department of Innovation, Industry, Science and Research	28 October 2010
40 Bed facilities at Kununurra, Mount Isa, Townsville and Port Hedland	Aboriginal Hostels Limited	1 November 2010
ANSTO Minerals Accommodation and Laboratory	Australian Nuclear Science and Technology Organisation	4 November 2010
Relocation of Sydney Central Office	Australian Communications and Media Authority	11 November 2010
Inverbrackie Immigration Detention Facilities	Department of Immigration and Citizenship	23 November 2010



Appendix C – Committee meetings and hearings in the year ending 31 December 2010

42nd Parliament			
Number	Date	Location	Type
55	04-Feb-10	Canberra, ACT	Private
56	08-Feb-10	Canberra, ACT	Private
57	09-Feb-10	Canberra, ACT	Private
58	25-Feb-10	Canberra, ACT	Private
59	11-Mar-10	Canberra, ACT	Private
60	18-Mar-10	Canberra, ACT	Private
61	19-Mar-10	Melbourne, VIC	Public
62	08-Apr-10	Sydney, NSW	Public
63	09-Apr-10	Sydney, NSW	Public
64	15-Apr-10	Darwin, NT	Public
65	16-Apr-10	Perth, WA	Public
66	10-May-10	Canberra, ACT	Public
67	13-May-10	Canberra, ACT	Private
68	17-Jun-10	Canberra, ACT	Private
69	24-Jun-10	Canberra, ACT	Private

43rd Parliament

Number	Date	Location	Type
1	28 October 2010	Canberra, ACT	Private
2	8 November 2010	Sydney, NSW	Public
3	9 November 2010	Adelaide, SA	Public
4	18 November 2010	Canberra, ACT	Private
5	19 November 2010	Canberra, ACT	Public
6	25 November 2010	Canberra, ACT	Private
7	26 November 2010	Canberra, ACT	Private
8	1 December 2010	Teleconference	Private
9	9 December 2010	Sydney	Public

The Committee held a short private meeting prior to some public hearings.

All public meetings included an inspection, public hearing and in-camera hearing.