

PROPERTY MANAGEMENT IN THE AUSTRALIAN PUBLIC SERVICE

1 INTRODUCTION

Terms of Reference

1.1 On 17 November 1994, the Senate referred the following matter to the Committee:

The management of real property within the Australian Public Service (APS), with particular reference to:

- (1) the process undertaken, including the criteria used, by Commonwealth government departments and agencies in deciding to lease, purchase, or build commercial accommodation;
- (2) the extent of, and rationale for, Commonwealth participation in the ongoing management of commercial property; and
- (3) the extent to which overall efficiency in the use of office accommodation and other commercial properties by the Commonwealth is achieved.

Background to the Inquiry

1.2 The Committee agreed to inquire into the overall efficiency of property management in the APS following issues raised by the Auditor-General's report on the Casselden Place Building in Melbourne and the report of the Royal Commission of Inquiry into *The Leasing by the Commonwealth of Accommodation in Centenary House* by the Honourable T R Morling QC.

Conduct of the Inquiry

1.3 On 19-20 November 1994 the Committee advertised the inquiry nationally in *The Weekend Australian*. Interested persons and organisations were invited to lodge submissions by 6 January 1995, although later submissions were accepted. A total of 21 submissions and supplementary submissions from both the public and private sectors was received. A list of submissions is included at Appendix 1.

1.4 The Committee held two public hearings - on 20 February 1995 and 29 March 1995. Evidence was provided by eight departments and organisations. A list of witnesses is included at Appendix 2.

Structure of the Report

1.5 This section provides an introduction to the inquiry, including its background and the manner in which it was conducted.

- 1.6 Section 2 provides information on the extent of Commonwealth owned property.
- 1.7 Section 3 addresses the Committee's first term of reference, describing the current arrangements, how decisions are made to lease, purchase or build, and comparing the proportion of owned to leased space. Attention is also drawn to the situation in other countries and the special requirements of the ACT.
- 1.8 Section 4 addresses the Committee's second term of reference by considering the role of the Commonwealth in the management of commercial property. It also addresses private sector proposals for reform, as well as commenting on the training and qualifications necessary to provide efficient property management in the APS.
- 1.9 The final section addresses the Committee's third term of reference by considering issues relating to efficiency in the use of office accommodation and other commercial properties, as well as other issues such as vacancy rates, refurbishment and heritage buildings.