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<i>J.R. Odgers</i>
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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

*Parliamentary Standing Committee on Public Works*

## REPORT

relating to the proposed construction of a

# COMMONWEALTH CENTRE (FIRST STAGE)

at

## Woolloomooloo, New South Wales

(TWENTIETH REPORT OF 1972)

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PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

COMMONWEALTH CENTRE (FIRST STAGE),  
WOOLLOOMOOLOO, NEW SOUTH WALES

R E P O R T

On 30 June 1972, His Excellency the Administrator in Council referred to the Parliamentary Standing Committee on Public Works for investigation and report to the Parliament, the proposal to construct a Commonwealth Centre at Woolloomooloo, Sydney, New South Wales.

The Committee have the honour to report as follows:

THE REFERENCE

1. The proposal referred to the Committee is for the erection of a multi-storey block of air-conditioned office space on Commonwealth owned land at Woolloomooloo to accommodate 3,200 officers and ancillary services. It would have twelve levels comprising two basements, a ground floor and nine upper levels of office space. The proposed building is the first part of a five stage plan to provide three major buildings in the one complex to accommodate ultimately up to 15,000 officers.
2. The estimated cost of the stage 1 work in this reference is \$10 million. It was noted that the estimated cost of the total complex at March 1971 prices is \$50 million.

THE COMMITTEE'S INVESTIGATION

3. The Committee received written submissions and drawings from the Departments of Interior and Works and took evidence from their representatives at public hearings in Sydney between 24 and 27 July 1972. The Committee also took evidence from State and local government authorities, professional, business and community organisations and private witnesses. We received a number of written submissions.

4. The Committee inspected the site in Woolloomooloo proposed for the offices complex.

5. The Committee's proceedings will be published in printed form as Minutes of Evidence.

OFFICE ACCOMMODATION OCCUPIED BY THE COMMONWEALTH

6. The Commonwealth occupies space in 69 buildings in the city and North Sydney of which 23 are Commonwealth owned and 46 are privately owned. The total space occupied is 2.72 million square feet and we were told that it is conservatively estimated that an additional 0.17 million square feet will be required by mid 1975 to keep pace with expansion of departments currently located in the city. The requirement is expected to continue to increase.

7. Leased Premises In June 1967 the Commonwealth occupied 0.9 million square feet of leased office space in Sydney. Because Commonwealth office construction has not kept pace with public service growth there has been an increasing trend to lease space in privately owned buildings. The Commonwealth now occupies 1.55 million square feet in leased premises and it is expected that the further space required by 1975 will need to be leased if no new Commonwealth owned office space is provided.

The Committee were told that much of the accommodation in leased buildings is unsuitable for Commonwealth needs. Lift and air-conditioning services are often inadequate for the large staffs working in the buildings, floor sizes and configurations tend to be unsuitable for proper disposition of staff and some buildings do not have adequate floor loadings. Of necessity, larger departments tend to be uneconomically dispersed through the central business district and North Sydney.

8. Accommodation Costs The rents currently being paid by the Commonwealth range from under \$3.00 per square foot per annum up to \$7.00 per square foot per annum, depending on location, standard and area leased. Since 1967, the annual cost of renting privately owned space has risen from \$3.3 million to \$7.4 million and is expected to rise to \$9.4 million by mid 1975 if no additional Commonwealth owned buildings are provided.

9. The Department of the Interior has concluded that generally it is more economical for the Commonwealth to own office accommodation than to lease it. From a study of the proposal in this reference it has been estimated that the cost of ownership of the office component of the first stage would be \$3.73 per square foot per annum whereas the rental value of equivalent privately owned space would be about \$6.50 per square foot per annum. The total cost advantage of at least \$2.77 per square foot per annum, over a 12 month period would be some \$0.9 million. On this basis it is calculated that the provision of the work in this reference represents a return on the investment to the Commonwealth of up to 12%.

10. Commonwealth Office Construction The Committee were advised that after an investigation of alternative ways of meeting the Commonwealth office requirements in capital cities the Government adopted recommendations that planning proceed for new Commonwealth owned buildings on the following bases:

- departments with no special scientific or technical requirements currently occupying high cost leased accommodation or unsatisfactory Commonwealth buildings are to be progressively relocated in standard general purpose office buildings.
- office construction standards should be similar to those of better class investment buildings.
- a limit of cost of \$2,500 (based on 1968 prices) per 100 square feet of net usable office space should apply unless varied by specific approval.
- building sites should generally be on the fringes of city central business districts to take advantage of more economic construction yet be within reasonable proximity to the central business districts and public transport.

THE WOOLLOOMOOLOO PROPOSAL

11. Town Planning Aspects Under the master plan prepared for the Sydney City Council by the State Planning Authority of N.S.W. it is envisaged that the Woolloomooloo basin will be redeveloped to provide major commercial and tourist facilities, recreation areas and limited residential development.

Substantial private projects are already under construction in nearby William Street and proposals have been put to the authorities by private developers for large scale works in areas near the Commonwealth's site. These developments could include hotels, motels, office buildings and entertainment and shopping facilities. The plans for a large Commonwealth office complex in the area were accepted as an integral part of the scheme and as being generally compatible with the strategic plan for the city of Sydney.

12. Site The proposed site covers 5 acres in Woolloomooloo bounded by Cathedral, Forbes, Fring and Dowling Streets. It was acquired in 1950 at a cost of \$0.67 million for the development of a naval stores complex. However the Government has since decided that the site would be better used for office development.

13. The site is within a short walking distance of the William Street commercial development, the residential areas of Kings Cross and the Kings Cross railway station now being constructed as part of the new Eastern Suburbs Railway which will pass nearby. The site is generally about a mile from the city central business district and from Town Hall railway station. Rail passengers from Woolloomooloo other than those travelling further east on the Eastern Suburbs branch, or terminating their journeys in the city will need to change trains at Town Hall Station to connect with other services.

14. It is proposed that a major road, the Eastern Suburbs distributor will pass nearby.

15. Master Plan Basically the Commonwealth's master plan is for a complex of three office buildings providing 1.5 million square feet of net office space designed to be capable of erection in five distinct but integrated stages.

The first of nine stories which would be built in three stages, is planned to accommodate 9,000 officers. Subsequent stages would be two 25 storey towers each taking 3,000 officers. Office accommodation would be provided for some 15,000 officers on the basis of an average of 100 square feet of net office area per officer. Facilities included in the total scheme are cafeterias, amenities areas, a conference centre, a theatre, commercial areas, an information centre, central document storage, areas for computers and provision for official car parking. A major proportion of the concept at street level would be developed as open plazas and colonnades.

16. The architectural character of the buildings and their arrangement on the site is determined by consideration of physical, geographical, climatic, environmental and town planning considerations and generally incorporates the requirements of the State and local government authorities.

17. Stage 1 The stage 1 proposal would comprise about one third of the nine storey building and provide 320,000 square feet of net office space. Other areas provide for a cafeteria, an amenities area, basement car parking for official vehicles and central document storage. It would cover about one acre of land on the south-western corner of the site at Forbes and Cathedral Streets. A portion of the nine storey building was selected for the first stage because it could be constructed relatively quickly to provide a substantial amount of bulk office space. Also it could be constructed as an independent unit yet could be extended in stages without undue interference to occupants.



18. Non Official Evidence At the public hearings and in written submissions there was a considerable expression of opposition to the scheme by non official witnesses. A common objection was concern with the suitability of the site from the point of view of its convenience to public transport, existing and planned, and the pressures expected to be placed on the suburban rail system by staff, particularly in the city area at peak periods. There was a questioning on town planning grounds of the suitability of the area for further significant office development and particularly its relationship to the centre of gravity of metropolitan Sydney.

THE COMMITTEE'S DELIBERATIONS

19. The result of our close consideration of the evidence is expressed in the following extract from the minutes of the Committee meeting held on 17 August 1972.

"It was moved by Mr. Johnson, seconded Mr. James -

That whilst

- (a) conceding the need for additional large scale Commonwealth owned office accommodation for use by Commonwealth departments in Sydney; and
- (b) appreciating the quality of the submissions made by representatives of the Department of the Interior and the Department of Works;

the Committee is of the opinion that

- (i) there is evidence that the implementation of the proposal would contribute to a scale of workforce in excess of the desirable level in the Woolloomooloo basin;

- (ii) staff and public utilisation of the complex will strain road, transport and other services beyond capacity and cause serious long term inconvenience to commuters and the public;
- (iii) public interest would be better served if the Commonwealth used its current need for large scale office accommodation as an occasion to take a significant initiative towards the principle of decentralisation;
- (iv) the project should be disapproved and consideration given to decentralising the proposed office complex and future complexes.

Debate ensued.

The Committee divided.

Ayes

Mr. Johnson

Mr. James

Mr. Fulton

Senator Jessop

Noes

Mr. Kelly

Mr. Corbett

Senator Webster

and so it was resolved in the affirmative."

20. Recommendation In accordance with this resolution therefore, it is the recommendation of the Committee that it is not expedient to proceed with the proposed work as submitted by the sponsoring authorities.

  
(C.R. KELLY)  
Chairman.

Parliamentary Standing Committee on Public Works,  
Parliament House,  
CANBERRA, ACT.

29 August 1972.