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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

JOINT STANDING COMMITTEE ON THE NEW PARLIAMENT HOUSE

NEW PARLIAMENT HOUSE PROJECT -
STATEMENT ON COST SAVINGS



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STATEMENT BY JOINT STANDING COMMITTEE ON THE NEW PARLIAMENT HOUSE

1. In recent weeks there has been a great deal of public comment regarding cost savings on the new Parliament House project and, in particular, the effect of cost saving decisions on the landscaping for the building. The press articles have included a number of inaccuracies in respect of the role and responsibility of the Joint Standing Committee on the New Parliament House during the process which led to the final decisions.
2. The Committee has considered the press reports and has prepared this statement to provide factual information and clarify certain matters. The statement should be read in conjunction with the Committee's Report on Certain Aspects of the New Parliament House Project which was presented to Parliament on 27 November 1986. It is clear to the Committee that many of the inaccuracies in the press reports would not have occurred if the authors of the comments had taken the time to read the Committee's report.

Background

3. In the context of the Government's budget considerations in mid 1986 the Parliament House Construction Authority was directed by the Government to reduce planned expenditure on the new Parliament House by \$43.3 m. Savings were to be achieved in both construction and non-building items. This decision on project expenditure was reached after initial consideration by the Authority and a Government interdepartmental committee.
4. This initial decision not only identified the total by which the project budget should be reduced but also nominated particular items where savings should be achieved.
5. The Joint Standing Committee and the Parliamentary Departments were not involved in the original discussions on cost savings, nor were they represented on the interdepartmental committee which considered the issues. However, the Minister for Territories advised the Presiding Officers of the actions being taken by the Government and requested the involvement of the Joint Standing Committee in reaching decisions. As a result of correspondence between the Presiding Officers and the Prime Minister, the Prime Minister agreed to consider alternative savings put forward by the Joint Standing Committee provided the target of \$43.3 m was achieved.

6. Given that the project was at that stage less than two years from its programmed completion date the options for achieving cost savings were relatively limited. Contracts had already been let for all areas of the building except for the Parliamentary Library and the Media accommodation. Parts of the landscaping were also committed to contract but certain non-building items remained uncommitted. The Authority and the Parliamentary Departments were able to identify a range of items for consideration as possible cost savings. Some items involved a reduction in quality or standard of finishes and fittings and others necessitated the deletion or deferral of particular facilities, systems or user requirements.
7. Throughout its consideration of the issues the Committee took the view that the briefed user requirements for a completed building should be met as a priority over items such as the landscape and unbriefed facilities. Completion of functional accommodation for all elements of the Parliament was regarded as the highest priority. The Committee consistently took the view that no deletions should be made which could not be reversed if funds become available in the future.
8. At a Committee meeting in early September it did not appear that the Government savings target of \$43.3 m could be achieved unless certain areas of the building remained uncompleted. The Committee requested the Presiding Officers to advise the Prime Minister that it had not been possible to achieve the savings required unless the Parliamentary Library and media workrooms and bureaux were not fitted out, and that the Committee believed it would be impossible for Parliament to function effectively in the new building if this occurred. The Committee also concluded that further reductions could be achieved in landscaping. It requested the Authority to provide details of possible savings in areas of the landscape, including courtyards, not yet committed to contract.
9. Subsequently the Authority advised the Presiding Officers that in addition to the savings of \$3.4 m already identified from the landscape program a further \$6.2 m could be saved by severely reducing the remaining landscaping. The Joint Standing Committee accepted this proposal recognising that the savings reflected the Committee's earlier decision that construction of the building should be completed in priority of development of the landscape and unbriefed facilities.

Landscape

10. The Committee has always regarded the deletion or deferral of the landscape as a serious matter and has expressed this view in correspondence to the Prime Minister and in its November report to Parliament. The Committee regards the landscaping as essential and has stressed the need for it to be completed in accordance with the approved design as soon as funds become available. It should be noted that the reduced landscaping will allow for the building surrounds to be graded and grassed and will provide minimal tree plantings.

11. The relevant extract from the Committee's report to Parliament is as follows:

Of particular concern to the Committee is the severe reduction in the landscape and the significant impact which this decision will have on the building and its surrounds. Integration of the building within the landscape is one of the most important aspects of the design of the new Parliament House and completion of the landscape design in future years is regarded by the Committee as essential. Faced with the alternatives of a partly completed building with full landscaping or a functional building with minimum landscaping, the Committee considered that the provision of adequate functional accommodation must take priority. Given this decision to complete the building without impairing essential services or deleting basic accommodation requirements, it is inevitable that the landscape design must bear the brunt of the reduced funding. The decision is regrettable but unavoidable.

Tennis courts

12. The Committee regarded the provision of tennis courts as an important recreation and health facility for Members, Senators and all building occupants totalling approximately 3,000 people. Further, in relating the potential saving of \$600,000 on the tennis courts to the \$6.2 m which is the minimum required for landscaping the Committee concluded there was no strong argument for deleting the courts.

Summary

13. The Committee consistently involved the Authority, the Architects and the Parliamentary Departments in its considerations. The Authority attended all Committee meetings at which cost savings were discussed. With one exception, where the Authority apparently did not consider it necessary for the Architects to attend, the Authority and the Architects attended the Committee meetings at which final decisions were reached and at which the Committee agreed to the text of its report to Parliament.
15. The Committee recognised the severe impact which the deletion of landscape will have on the site but took the view that the first priority had to be completion of the building in accordance with the approved brief. Whilst landscape is an important part of the design it is not essential to the functioning of Parliament and can be completed later, either progressively or as one exercise, recognising that additional costs are likely to be involved.

26 February 1987