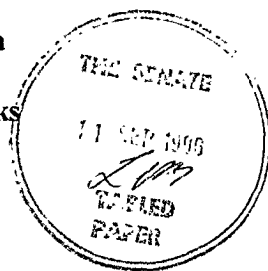


**The Parliament of the Commonwealth of Australia**  
**Parliamentary Standing Committee on Public Works**



DEPARTMENT OF THE SENATE	
PAPER No.	<del>408</del> 3131
DATE PRESENTED	11 SEP 1996
<i>Mary Evans</i>	

# **Fifty-ninth General Report**

(Covering the period  
1 January to 31 December 1995)

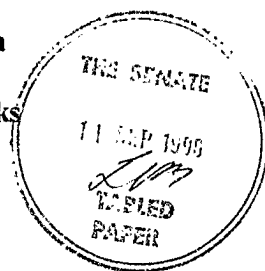


*Parliamentary Standing Committee on Public Works*

# **FIFTY-NINTH GENERAL REPORT**

**THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA  
1996**

**The Parliament of the Commonwealth of Australia**  
**Parliamentary Standing Committee on Public Works**



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ISBN 0 644 44261 1

Produced by the Australian Government Publishing Service

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# **PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS**

## **FIFTY-NINTH GENERAL REPORT**

Pursuant to section 16 of the *Public Works Committee Act 1969*, the Parliamentary Standing Committee on Public Works is required to report to Parliament on its proceedings during the previous 12 months. This report, the Committee's Fifty-ninth, is for the period 1 January 1995 to 31 December 1995, and covers the proceedings of the Thirty-first Committee.

### **THE COMMITTEE**

#### **Membership**

1. Members of the Thirty-first Committee were appointed by the House of Representatives and the Senate on 12 May 1993 and comprised:

Mr Colin Hollis (Chair)  
Senator Paul Calvert (Vice-Chair)

Mr Neil Andrew MP	Senator Bryant Burns
Mr Ray Braithwaite MP	Senator John Devereux*
Mr Russ Gorman MP	
Mr Bob Halverson OBE, MP	
The Hon. Ben Humphreys MP	

\*Replaced by Senator Shayne Murphy on 10 February 1995

### **REFERENCES AND REPORTS**

#### **References**

2. At the end of 1994, 12 references remained to be reported on. With the exception of one reference, they were referred to the Committee late in the 1994 budget sittings. Public hearings into a number of them were held before the end of the year but it was not possible to prepare reports on them before the summer adjournment. Arrangements for inspections and public hearings into the remainder were well underway by the end of the year and the Committee commenced its program in mid-January 1995.

3. The references were:

- ☐ Decontamination of the former explosives factory, Albion, Vic
- ☐ Refurbishment of Australia House, London
- ☐ Construction of a new laboratory complex for CSIRO Division of Food Science and Technology, Werribee, Vic
- ☐ Refurbishment of Scarborough House and construction of Commonwealth offices, Phillip, ACT
- ☐ Redevelopment of Defence office accommodation at Russell, ACT
- ☐ Redevelopment of housing for service families at HMAS *Cerberus*
- ☐ Redevelopment of housing for service families at Land Warfare Centre, Canungra, Qld
- ☐ Construction of a multi-level carpark for the Federal Airports Corporation at Melbourne Airport
- ☐ Increased Army presence in the North (APIN) Stage 2
- ☐ Maralinga rehabilitation project, SA
- ☐ Construction of a new building complex for the Australian Geological Survey Organisation at Symonston, ACT
- ☐ Housing development at HMAS *Coonawarra*, NT

**New references**

4. The Committee received 23 new references during the year and reported on 20. They were:

- ☐ Redevelopment works for CSIRO Division of Wildlife and Ecology, Gungahlin, ACT
- ☐ RAAF Base Richmond replacement medical centre



- ☐ Construction of a laboratory complex for the CSIRO Division of Minerals, Clayton, Vic
- ☐ Maintenance dredging of Kedron Brook floodway, Brisbane
- ☐ Golf Course Estate development, Palmerston, NT
- ☐ Joint venture development with Delfin Property Group of the Willows, Townsville, for defence housing.
- ☐ Development of facilities for 10 Terminal Regiment and the Army Maritime School, Townsville
- ☐ Air traffic control facilities for Darwin International Airport
- ☐ Construction of new chancery, Geneva
- ☐ Refurbishment of Australian Embassy, Washington
- ☐ Development of 1 Field Hospital at Holsworthy, NSW
- ☐ Development of Ready Reserve (49th Battalion, Royal Queensland Regiment and 6th Brigade Administrative Support Battalion) working accommodation at Enoggera, Qld
- ☐ Provision of living-in accommodation at HMAS *Harman*, ACT
- ☐ Construction of Commonwealth Law Courts Building, Melbourne
- ☐ Development of facilities for the Artillery Centre, Puckapunyal
- ☐ Construction of 20 apartments for Australian High Commission staff, Kuala Lumpur
- ☐ Construction of 10 apartments for Consulate-General staff, Shanghai
- ☐ York Park North Office Construction, Barton, ACT
- ☐ Redevelopment of Hinkler Building site, Barton, ACT
- ☐ Redevelopment of Woolshed site, Barton, ACT

## **Cost of projects examined**

5. The cost of projects examined during the year was a record \$1.5 billion - eclipsing the previous record of \$1.486 billion established in 1992. Details of reports tabled, including recommendations and conclusions are at Appendix A.

## **Unreported references**

6. At the end of the year, there were four references on which the Committee had not reported. These were:

- ☐ Decontamination of the former explosives factory, Albion, Vic (referred 23 March 1994) estimated cost - up to \$57m
- ☐ Construction of 45 apartments for embassy staff, Jakarta (referred 29 June 1995) - estimated cost \$25.73m
- ☐ National Film and Sound Archive headquarters accommodation, Canberra (referred 24 October 1995) - estimated cost \$12.4m
- ☐ Construction of rockfall defences and relocated housing on Christmas Island (referred 20 December 1995 by Executive Council) - estimated cost \$20m

## **Albion decontamination**

7. During 1994, the Committee undertook an extensive site inspection and held two public hearings into this proposal. In December 1994, the Committee wrote to the Minister for Defence, requesting that an independent audit be carried out of the extent of the proposed decontamination. The Minister for Defence responded to the Committee in February, indicating that the Department of Defence (Defence) would initiate an independent study of the project and provided an Outline Task Statement for the review. The Minister agreed with the Committee that the consultant chosen to undertake the review will need to be totally independent of the current auditor employed on the project.

8. In August, the Committee was advised that an independent auditor had been appointed to undertake the review, which was expected to be completed in September.

9. The objectives of the review were to:

- ☐ assess past contamination investigations to determine their technical validity and the veracity of the inferred contamination status of the site
- ☐ review the currently adopted risk-based response to the clean-up; in particular to assess the risk assessment methodologies used and the risk acceptability levels adopted for the site and its proposed land uses
- ☐ review the redevelopment planning for the site and consider alternative options relative to a range of possible clean-up responses and attendant contamination risks
- ☐ assess potential remediation options to achieve a range of site clean-up levels with attendant variations in potential risk and land use.

10. At the end of 1995, the results of the review had not been presented to the Committee.

#### **Apartments for embassy staff, Jakarta**

11. The Committee planned to hold a public hearing into this proposal concurrently with two similar proposals involving the construction of staff accommodation for diplomatic/consular staff in Kuala Lumpur and Shanghai. The inquiry was deferred at the request of the Overseas Property Group (OPG) pending further development of designs and consultations with embassy staff in Jakarta.

#### **Film and Sound Archive, Canberra**

12. The Committee carried out an inspection and held a public hearing into this proposal on 20 December 1995.

#### **Christmas Island**

13. Inspections and a public hearing were scheduled for late January 1996, but were cancelled due to the dissolution of the House of Representatives for the election on 2 March 1996.

## MEETINGS

14. The Committee and Sectional Committees met on 98 occasions during 1995. There were 26 private meetings, 40 inspections/briefings, and 32 public hearings.



*The Committee undertook 40 inspections/briefings during the year, some to remote locations such as Trimouille Island in the Monte Bello group off the Western Australian Coast. Shown above are members of the Committee at the Ground Zero of the British G-1 (Operation Mosaic) nuclear weapons test conducted in 1956. The purpose of the inspection was to examine early rehabilitation works undertaken on the Monte Bello islands prior to inspecting former British atomic test sites at Maralinga. Pictured from left to right: The Hon B C Humphreys MP, Mr Neil Andrew MP, Senator Paul Calvert (Vice Chairman), Mr Alan Savage (Hansard), Mr Colin Hollis MP (Chairman), Mr Pat Daveron (Department of Primary Industries and Energy), Mr Ray Braithwaite MP, Mr Peter Roberts (Secretary), Senator Bryant Burns.*

15. Meetings and inspections were held in the following locations:

<b>Location</b>	<b>Main Committee</b>	<b>Sectional Committees</b>
Canberra	36	13
Sydney	4	
Darwin	2	5
Townsville	2	3
RAAF Base Richmond	3	
Puckapunyal	3	
Christmas Island	3	
Cocos (Keeling) Islands	2	
HMAS <i>Cerberus</i>	2	
Monte Bello Islands	1	
Maralinga	1	
Ceduna	1	
Melbourne		7
Brisbane		5
Canungra		2
Holsworthy		2
RAAF Base Williamtown		1

Further details are at Appendix B.

## **MATTERS RAISED IN REPORTS**

16. There was considerable diversity in projects examined by the Committee during the year. Projects ranged from office construction, laboratory complexes, operational and support facilities for the Australian Defence Force as well as Defence housing, to overseas embassies and accommodation for Australian diplomatic staff. The projects were wide ranging in purpose, location and design and the Committee's observations and recommendations made in reports were similarly wide-ranging. The vast majority of the Committee's recommendations were accepted by the Government. As in previous years, themes common to a number of inquiries continued to be raised or emerged during the year and these are summarised below.

## **Energy conservation**

17. During the past five years, the Committee has devoted considerable attention to the need for buildings to be designed to minimise the use of energy for heating, cooling and ventilation. Energy minimisation reduces recurrent operational costs as well as the use of power. Both are important from the point of view of financial savings and the need for the Commonwealth to take the lead in demonstrating a real commitment to reducing greenhouse gas emissions. The Committee believes that for each project, energy targets should be established early in the planning stages and, where appropriate, more radical measures designed to reduce energy consumption should be adopted.

## **Energy standards**

18. The Committee is able to report on satisfactory progress being made in the setting of energy consumption standards in Commonwealth buildings. During the year, the Government agreed that the Minister for Primary Industries and Energy, in consultation with the Minister for Administrative Services, should approve standards for energy consumption in new and refurbished buildings. The Government also decided that it would adopt the Commercial Buildings Energy Code being developed under the aegis of the Australian and New Zealand Minerals and Energy Council.

19. In the mid-1980s the then Department of Housing and Construction (DHC) developed standards for energy use in Commonwealth buildings which were applied to new building and refurbishment projects. Management responsibilities of DHC were devolved to departments and agencies following the establishment of Australian Construction Services (ACS) which diminished the status of the primary energy conservation standards developed by DHC. The primary reference point for the setting of energy standards remained ACS document *Energy Targets and Energy Performance Assessment for Buildings (TI 186)*. Devolution of design and construction responsibilities to departments and agencies has changed the role of ACS from being a design and construction coordinator, with responsibilities for setting and adhering to standards, to a service provider in direct competition with the commercial sector.

20. An expert study reviewed existing energy standards to:

- ☐ determine their adequacy
- ☐ assess the range of technical developments since the standards were developed and the extent to which they would influence the setting of new standards
- ☐ determine changes which might be needed to content and process in order to bring the standards up to date.

21. The study found that whilst there had been some developments in building technology, the energy standards developed by ACS are still relevant.

22. Given the wide variety of climatic conditions, a series of standards has been set - one for each capital city, which provides sufficient coverage of climatic zones. The standards represent a 'base' case of moderate energy use and specifies that their application is not absolute. Innovative design concepts and modifications must be considered, especially when a net energy benefit is obtained.

23. There is now a requirement that the standards be incorporated into the design/construction specifications as the reference energy performance required. There is also a requirement that tenderers or contractors demonstrate that the energy efficiency obtained matches the level prescribed by the standard.

24. As part of annual reporting requirements, departments and agencies are also obliged to report on:

- ☐ the use of energy efficient features in new building design and building refurbishment
- ☐ the extent to which energy efficiency standards adopted by the Commonwealth are applied in the construction and major refurbishment of Commonwealth-owned buildings.
- ☐ the steps being taken to meet the Government's target of reducing energy in Commonwealth-occupied buildings by 15% within five years and 25% within 10 years (base year of 1992/93), and the extent to which these targets are being addressed.

## Energy efficiency

25. The Committee continued to focus attention on the need for new or refurbished buildings to be more energy efficient and made a number of recommendations in reports during the year as follows:

- the report into the proposed refurbishment of the Australian Embassy, Washington (*Committee's 21st report of 1995, Parliamentary Paper 192/95*) recommended that OPG undertake an energy audit twelve months after the refurbishment is completed
- the report into the proposed development of Ready Reserve working accommodation at Enoggera, Qld, (*Committee's 23rd report of 1995, Parliamentary Paper 278/95*) recommended that Defence undertake an energy audit of the existing energy management system at Enoggera.

26. In 1992, the Committee examined and reported on the proposed refurbishment and fitout of Juliana House, Phillip, ACT (*Committee's 4th report of 1992, Parliamentary Paper 161/92*). The report recommended that Australian Estate Management (AEM) report back to the Committee on the results of an energy audit after the refurbished building has been occupied for twelve months.

27. The Department of Human Services and Health commenced occupation of the refurbished building in November 1993 and the building was fully occupied by December. The audit recommended by the Committee was conducted in early 1995. In July the Committee was advised that the stated energy target was not achieved, although measures were being taken to bring energy usage levels within the draft standard promulgated by the Department of Primary Industries and Energy.

## Environmental clearances

28. For many years, the Committee has taken the view that heritage and environmental issues relating to site selection should be clarified before proposals are referred. The risks associated with inadequate environmental impact assessment were demonstrated during the Committee's inquiry into the proposed construction of a new building complex for the Australian Geological Survey Organisation at Symonston, ACT (*Committee's 13th report of 1995, Parliamentary Paper 116/95*). This project was referred to the Committee on 7 December 1994 and the public hearing was held on 14 February 1995. A further public hearing was held on 29 May 1995. The complex was planned to be constructed on a site in Narrabundah Lane, Symonston. It was subsequently



established that the site is one of a handful of natural habitats of the earless dragon lizard (*Tympanocryptis lineata pinguicolla*). The building was to be constructed subject to the preparation of a plan for the management of the species. Further surveys of the site and environmental clearances were required which could not be completed in time for construction to commence in early 1996. These constraints necessitated forgoing the original site and locating the complex about 300 metres away, on the corner of Jerrabomberra Avenue and Hindmarsh Drive. The change of site resulted in \$650,000 of additional expenditure

29. Similarly, projects in Canberra which require amendments to the National Capital Plan should not be referred to the Committee until the changes have been approved by relevant authorities. During the year, two Canberra projects were referred to the Committee before statutory planning approval for them to proceed was obtained. The projects were:

- Redevelopment of Defence office accommodation at Russell, ACT (*Committee's 3rd report of 1995, Parliamentary Paper 54/95*)
- Redevelopment of Woolshed site, Barton, ACT (*Committee's 29th report of 1995, Parliamentary Paper 310/95*)

30. Both proposals required amendments to the National Capital Plan. Steps in the approval process include the preparation of draft amendments, public comments on the amendments and consideration of the amendments by the Joint Standing Committee on the National Capital and External Territories before Parliamentary approval. Planning clearances required for the two projects to proceed had not been given at the time of referral. In the case of the Russell redevelopment, this prompted the Committee to recommend that future projects in Canberra which require amendments to the National Capital Plan not be referred to the Committee until those amendments have been formally approved. In the case of the Barton development, the Committee rejected the proposal to redevelop the former Woolshed site and recommended that alternative locations, including Civic, be examined.

## Site contamination

31. Two references involving the remediation of contaminated sites were considered by the Committee during the year. The first, involving land occupied by the Albion explosives factory, has already been mentioned. The second involved the rehabilitation of nuclear test sites at Maralinga, South Australia at an estimated cost of \$104.4m. A notable feature of the Maralinga rehabilitation is the proposed use of in situ vitrification of the plutonium-contaminated contents of a number of burial pits. The technology to be used will subject the pits to 3.5MW of power which will melt the soil and encapsulate the contents. It was proposed to conduct trials at Maralinga of the process before commencing fullscale treatment.



*The Committee and experts from the Department of Primary Industries and Energy, Australian Construction Services and the Maralinga Rehabilitation Technical Advisory Committee at the Taranaki nuclear test site at Maralinga. Contaminated surface soil will be buried and plutonium contaminated material will be stabilised by vitrification.*



*The Committee and experts at the Ground Zero (concrete plinth on left) of one of the nuclear weapons test sites at Maralinga. The countryside is typical of the forward areas at Maralinga.*

32. The Committee's report recommended that an independent audit of the results of the trials should be undertaken by competent experts not associated with the project. If the results of the audit indicated the in situ vitrification provides encapsulation and mixing of material to prescribed standards, the process could be extended to fullscale treatment of burial pits. The Committee also recommended that if the results of the in situ vitrification trials are inconclusive, or do not provide results to prescribed standards, the further direction of the project should be reviewed.

33. The Committee also sought assurances from a number of other departments and agencies that the sites proposed for various works were uncontaminated. In the wider community, site contamination has been a problem for many years, which in a number of cases has resulted in costly remediation and even more costly litigation.

34. The Committee's reports during 1995 made a number of recommendations concerning site contamination:

- proposed housing development at Golf Course Estate, Palmerston, NT (*Committee's 16th report of 1995, Parliamentary Paper 120/95*) - the report recommended that the project proceed subject to confirmation that any contamination has been remediated to the satisfaction of expert advisers to the Defence Housing Authority (DHA). In September 1995, the Committee received advice that the Palmerston site had been declared free from contamination. DHA claimed that it would be difficult to provide an assurance in future that sites proposed for housing development are contamination-free at the time of referral to the Committee. The Committee believes that certification by a vendor that land is free of contamination should be included in any purchase contracts entered into by the authority and/or any joint venture partners.
- proposed laboratory complex for CSIRO Division of Minerals, Clayton, Vic (*Committee's 14th report of 1995, Parliamentary Paper 117/95*) - the division is currently housed in a complex at Port Melbourne. The land is owned by the Victorian Government; the site was formerly occupied by a paint manufacturer. The report noted that CSIRO consultants had assessed contamination as minimal. The Committee nevertheless recommended that the CSIRO should clarify its responsibility for decontaminating the site as a matter of urgency. The Committee was subsequently advised that the CSIRO has sought legal advice on its responsibilities for decontamination of the site.

#### **Site contamination - follow-up**

35. During the year, the Committee received advice from the OPG about the results of surveys undertaken at the request of the Committee of sites for possible contamination. The two sites were for:

- Proposed construction of an Australian Embassy complex in Hanoi, Socialist Republic of Vietnam (*Committee's 5th report of 1994, Parliamentary Paper 116/94*). The Committee's report recommended that as a precaution against the possible presence of unexploded ordnance (UXO), OPG arrange for a survey of the site before construction commences. In May, the Committee was advised by the OPG that a survey was undertaken which indicated that to the best abilities of the experts the site is free of UXO.

- Proposed construction of a new chancery at Port Moresby, Papua New Guinea (*Committee's 8th report of 1994, Parliamentary Paper 412/94*) The Committee's report expressed concern about the possibility of UXO being buried at the proposed site. An extensive survey was subsequently undertaken. During the year, the Committee was advised that the results of the survey indicated that no known UXO existed on the site and consultants (Australian Defence Industries) have certified that the Chancery site is free of ferrous items of military ordnance and explosives.

### Solar hot water heaters

36. Housing projects for Defence personnel continued to be examined by the Committee during the year. Five projects sponsored by the DHA, with an estimated cost of more than \$232m, were reported. They were:

- Redevelopment of housing for service families at Land Warfare Centre, Canungra, Qld (*Committee's 2nd report of 1995, Parliamentary Paper 49/95*) - cost \$7.86m
- Redevelopment of housing for service families at HMAS *Cerberus*, Vic (*Committee's 6th report of 1995, Parliamentary Paper 77/95*) - cost \$14.2m
- Housing development at HMAS *Coonawarra*, Northern Territory (*Committee's 8th report of 1995, Parliamentary Paper 85/95*) - cost \$6.8m
- Golf Course Estate development, Palmerston, NT (*Committee's 16th report of 1995, Parliamentary Paper 120/95*) - cost \$144.02m
- Joint venture development with Delfin Property Group of the Willows, Townsville, for defence housing (*Committee's 17th report of 1995, Parliamentary Paper 121/95*) - cost \$59.8m

37. DHA advised the Committee during the hearings into the Canungra and Townsville projects that the houses to be constructed would not be provided with solar hot water heaters. DHA provides solar hot water heaters in centres where they are the community standard - such as in Darwin. DHA is obliged to provide community standard housing and indicated that solar hot water heaters have yet to become the community standard Australia-wide. The report on the Townsville project indicated a belief, by the Committee, that the stance taken by DHA is at

variance with the national policy to reduce greenhouse gas emissions. The Committee therefore recommended that the houses should be provided with solar hot water heaters. In response the Minister for Administrative Services advised Parliament that the DHA, "together with the joint venturer, is acutely aware of the Committee's position on solar hot water systems and is reviewing these systems in the houses." The Committee was subsequently advised that DHA is continuing to explore innovative ways that solar hot water heaters might be used, but until this can be done cost effectively, it is not intended to provide solar hot water heaters in Townsville.

## **BRIEFINGS**

38. The Committee has private meetings in Canberra when Parliament is sitting at which draft reports, correspondence and the program of inspections and hearings are considered. At these meetings, departments and agencies briefed the Committee on a number of issues which included:

### **Defence Housing Authority**

- ☐ issues raised by the Australian National Audit Office (ANAO) report into an efficiency audit of Australian Defence Force Living-in Accommodation

### **Department of Defence**

- ☐ the basis of a request for approval to proceed with registrations of interest from construction contractors to undertake Stage 1 of the Russell redevelopment and from project consultants and managing contractors for the remaining stages of the project before the Committee tabled its report
- ☐ the process of 'partnering' which had proven to be very successful on the RAAF Base Tindal project
- ☐ the medium works program
- ☐ the basis of a request to declare 'urgent' the proposed construction of Air Traffic Control facilities at Darwin Airport

## **Overseas Property Group**

- ☐ the forward program and progress on the construction of the new chancery in Hanoi.

## **Australian Federal Police**

- ☐ the reasons for cost over-runs on the Barton Police College project

## **Department of Primary Industries and Energy**

- ☐ whilst on a visit to Australia, Mr Bruce Church (former Assistant Manager of the Nevada Test Site) on the adequacy of the rehabilitation measures proposed by the Department of Primary Industries and Energy for the rehabilitation of the British atomic test sites at Maralinga.



*Members of the Committee were given the opportunity to inspect a number of Army vehicles. Shown above from left to right are Mr Colin Hollis MP (Chairman) and Mr Neil Andrew MP.*

## **INSPECTIONS OF PROJECTS**

39. During the year the Committee inspected a number of projects which had been examined previously. These were:

- ☐ January - *HMAS Cerberus* - Seamanship training school and damage control facility
- ☐ February - Melbourne - extensions to Tullamarine airport terminal
- ☐ April - Darwin - Larrakeyah and Robertson Barracks
- ☐ May - RAAF Bases Williamtown, Amberley, Townsville and Lavarack Barracks
- ☐ May - Brisbane - Air Traffic Services Centre, International Terminal at Brisbane Airport, Terrica Place
- ☐ July - Christmas Island - rebuilding program
- ☐ September - Brisbane - Commonwealth law courts building.

## **PUBLIC WORKS COMMITTEES CONFERENCE**

40. The fourth conference of Commonwealth and State Public Works Committees was held in Adelaide in November. Representatives of the Commonwealth, Queensland, Tasmanian, South Australian, New South Wales, Western Australian, Northern Territory and the Australian Capital Territory legislatures attended the conference. The conference provides a forum in which legislators and staff are able to compare the operations of the various committees and the scrutiny of, the basis for, and the funding of public works.

41. At the Adelaide conference guest speakers presented papers covering:

- ☐ the need for public consultation to achieve a balance between competing economic, social and environmental interests
- ☐ the need for regional development plans
- ☐ public works committees as a model for corporate governance



- ☐ the impact of changes brought about by competition policy and privatisation on investment in the development of infrastructure.

42. A paper presented by Mr David Klingberg, Managing Director of Kinhill Engineers Pty Ltd suggested that a feature in recent corporate governance has been the establishment by many large public companies of audit committees. This follows the devastating company collapses of the 1980s, which some believe did not collapse for reasons beyond their control. Mr Klingberg stated:

Usually where you find corporate failure you will find poor management. The essential task for the future of all companies is to establish systems of checks and balances which avoid shocks and disasters and in the long term ensures that those companies are better run. An important step in that direction has been the establishment of audit committees formally appointed by company boards. These committees are based on the principle that a group that plays no direct part in the financial functions of the company should independently monitor, scrutinise and assess financial reporting practices, business ethics, accounting policies and internal management controls. As I said, there are very strong analogies between these developments and the purposes and functions of the committee system of Parliaments in general and public works committees in particular.

43. The Committee believes these conferences provided an excellent forum for legislators to exchange views on a wide range of issues concerning committee operations.

## **COST OVERRUNS AND DELAYS**

### **Australian Federal Police College**

44. In June, the Committee considered a request from the Australian Federal Police (AFP) to approve an increase in the budget for the refurbishment of the Australian Federal Police College, Barton, ACT by \$750,000. The refurbishment was examined by the Committee in 1994 (*Committee's 2nd report of 1994, Parliamentary Paper 66/94*) and the report recommended the project proceed at an estimated cost of \$10.5m. The AFP submitted that additional funds were required for the following components of the refurbishment:

- ☐ higher costs for electrical, mechanical and hydraulic services contracts

- ☐ additional work to repair floor and wall surfaces
- ☐ installation of more up to date computer cabling
- ☐ asbestos removal, removal of classroom bulkheads.

45. Before agreeing with the request, the Committee asked the AFP to provide additional information and a detailed briefing on variations in cost estimates and tenders received for various components of the proposed refurbishment. Following the briefing, the Committee agreed with the request. It should be noted that refurbishment projects are often fraught with risks; extreme care should be taken in the preparation of cost estimates. The Committee gives notice that it will carefully monitor the cost-confidence of future refurbishment proposals.

### **National Transmission Agency**

46. In June, the Committee considered a report from the National Transmission Agency (NTA) on the status of the upgrading of Mount Wellington broadcast facilities, Hobart (*Committee's 8th report of 1993, Parliamentary Paper 265/93*). The Committee's report recommended an expenditure of \$13.095m. The NTA advised the Committee of delays in completing the project. The Committee inspected the project in November and was briefed by NTA officials on the extent of the problems experienced during the construction which caused a significant delay.

### **MEDIUM WORKS**

47. The Committee is aware that some departments may be disposed to divide a single project, costing more than \$6m into two or more components to avoid the need for them to be referred. Accordingly, the Committee continued the practice of obtaining information from departments on medium works projects, that is, those estimated to cost between \$2-6m.

### **Department of Defence**

48. In March, Defence provided the Committee with details of the medium works program for 1995/96 and the indicative program for 1996/97. The Committee was also provided with aggregations of medium works projects at Lavarack Barracks, RAAF Bruce, Townsville, RAAF Base Williamtown and RAAF Base Amberley.

49. Following the briefing, the Committee inspected the three RAAF Bases and Lavarack Barracks, Townsville and was given detailed briefings on medium works projects.

### **Fitout**

50. In March, the Committee was advised of a Commonwealth-funded fitout of a building under construction in Civic, Canberra for the Department of Employment, Education and Training (DEET). The lease of the proposed redevelopment will allow DEET to vacate the remainder of substandard accommodation and will complete collocation of the national office in the Mort Street precinct. The fitout, estimated to cost \$3.8m, will be undertaken by the developer concurrently with construction of the new building which is scheduled for completion by early 1997.

### **Sydney airport**

51. In February, the Federal Airports Corporation (FAC) advised the Committee of the proposed construction of the Qantas Seamless Transfer facility at Sydney (Kingsford-Smith) Airport international terminal. The facility would provide a more rapid and efficient means of transferring passengers between the Qantas international and domestic terminals. The scope of the work, estimated to cost \$5.32m, would involve:

- ☐ demolition of part of the arrival level adjacent to the baggage claim hall and construction of a new inward and outward baggage handling system
- ☐ transfer lounge for arriving passengers
- ☐ access to departures immigration areas
- ☐ in-filling at the gate 24 arrivals and departures levels
- ☐ use of existing office areas for the departing passenger lounge.

52. In June, the FAC advised the Committee of a \$3m project to extend Taxiway B11 West at the airport as part of the initiative to minimise aircraft noise impacts.

## OVERSEAS WORKS

### Site inspections

53. The Committee examined five overseas works during the year. They were:
- ☐ Refurbishment of Australia House, London (*Committee's 4th report of 1995, Parliamentary Paper 75/95*)
  - ☐ Construction of a new chancery, Geneva (*Committee's 20th report of 1995, Parliamentary Paper 191/95*)
  - ☐ Refurbishment of Australian embassy, Washington (*Committee's 21st report of 1995, Parliamentary Paper 192/95*)
  - ☐ Construction of 20 apartments for Australian High Commission staff, Kuala Lumpur (*Committee's 27th report of 1995, Parliamentary Paper 304/95*)
  - ☐ Construction of 10 apartments for Consulate-General Staff, Shanghai (*Committee's 28th report of 1995 - Parliamentary Paper 305/95*).

54. The Committee continued to highlight its inability to carry out inspections of overseas works. When tabling the Committee's report on the Geneva and Washington projects the Chairman said:

The Committee again draws attention to its inability to travel overseas to inspect existing premises and proposed sites and to have discussions with planners, designers and staff. The Committee regards this as a completely unsatisfactory situation.

55. Under existing arrangements, the Committee's 'inspections' are limited to models of proposed buildings and drawings and videos. The Committee is unable to gain knowledge of local conditions, including construction industries and the confidence of cost estimates on-site. These two factors can have an important bearing on the success of any large overseas work being delivered on time and within budget.

### Investment in residential accommodation

56. Two projects examined during the year involved the construction of accommodation for Australian staff of embassies and consulates. The Committee

believes a good case can be made for the Commonwealth investing further in the development of accommodation for Australian diplomatic staff overseas. The Committee's report on the Geneva chancery pointed to the high cost of leasing residential accommodation. Recurrent expenditure on leased accommodation in Geneva is \$2m per annum. The Committee recommended that:

- ☐ an urgent review be undertaken of residential accommodation in Geneva
- ☐ the review examine ways in which high recurrent expenditure for leased residential accommodation could be reduced
- ☐ the review include an assessment of the costs and benefits associated with the acquisition or new construction of official residences and accommodation for Australia-based staff.

### **Port Moresby concrete**

57. In 1994, the Committee examined and reported on the proposed construction of a new chancery at Port Moresby, Papua New Guinea at an estimated cost of \$22.26m (*Committee's 8th report of 1994, Parliamentary Paper 412/94*). The report confirmed the need for a new chancery and concluded that the site proposed was suitable. One reason for the need to construct a new building was the structure of the existing chancery not conforming with current design loads for seismic performance. The new chancery has been designed as a reinforced concrete structure which must meet the most stringent Australian and PNG building codes, especially in areas of structural and seismic adequacy.

58. The Committee was assured at the public hearing that Australian cement would be used on the project. Press reports in August revealed this was not to be the case and the Committee wrote to the Minister for Administrative Services (Hon Frank Walker QC, MP) expressing its concern about the possibility of poor quality cement being used on the project. The Minister's response confirmed that it was planned to use imported cement on the project. The Department of Administrative Services insisted that the contractor use imported cement because of concerns about the reliability of supply, strength and quality of locally produced cement. The first consignment of quality imported cement was impounded by PNG authorities as an 'illegal' import. Australia disputed this allegation and despite high level representations by Australia, the cement remained impounded. A number of options were examined to maintain a viable construction program and to avoid cost increases; these included:

- ☐ the substitution of a steel-framed building - this was determined as not cost effective
- ☐ close the site and awaiting a favourable change in PNG legislation - this was not expected in the near future
- ☐ use of local cement for all but part of construction - consultants determined that concrete produced from local cement would not satisfy reinforced floor and column requirements in terms of structural strength; however the consultants advised that local cement would meet sufficient quality standards for certain foundation and in-ground mass concrete work.

59. Accordingly, it was decided to proceed with the construction of the chancery using local cement for pouring of in-ground mass concrete applications where the local cement meets structural standards. It was established that the finished concrete meets required standards. The Minister assured the Committee that close quality control procedures were implemented during concrete pours. Australia has applied to PNG authorities for approval to import further shipments of Australian/New Zealand quality cement. At the same time, OPG is investigating ways of treating local cement for further applications. The Minister assured the Committee that the high standards set for construction have not been, and will not in future, be compromised in any way. Local cement will only be used if it meets Australian standards in quality and consistency and the resulting concrete meets the stringent structural requirements for a high quality building.

### **Shared premises**

60. A feature of the new chancery to be constructed in Geneva is the provision of a separate annex which will house the New Zealand mission. The Committee recommended that the concept of shared facilities with nations such as New Zealand could be extended to other projects when opportunities arise.

## **PUBLIC WORKS COMMITTEE ACT**

### **Projects not required to be referred**

61. The Committee was advised by the Attorney-General's Department of a number of proposals which the Department believes do not satisfy the definition of a "work" provided under the Public Works Committee Act. These proposals were:

- a sound reduction program associated with Sydney Airport
- the New Southern Railway project, which will provide rail transport from the Sydney CBD to Sydney Airport
- operation and maintenance services program for the national transmission network.

### **Clarification of definition**

62. In March, the Committee was advised by Australian Estate Management (AEM) of the need to undertake dredging maintenance of the Kedron Brook floodway in Brisbane, estimated to cost \$9.1m. The floodway, 8.5km in length, was constructed by the Commonwealth in 1980 as part of the new Brisbane Airport. AEM advised the Committee that the floodway required maintenance dredging to restore its capacity, which has been degraded over the years by siltation. The floodway drains about one-third of Brisbane suburbs as well as the airport.

63. AEM sought the Committee's advice regarding the need for the project to be referred to it. The Committee referred the matter to the Attorney-General's Department which advised that the proposal is a 'work' for the purposes of the Act. Attorney-General's Department also advised that because the Commonwealth will sell the floodway to Brisbane City Council after the proposed maintenance has been carried out, it is not possible for the proposal to be declared a 'repetitive work' under section 18(8) of the Act.

64. The proposal was subsequently referred to the Committee and the report recommending that the work proceed was tabled on 26 June, following an inspection and a public hearing.

### **Request for exemption on grounds of urgency**

65. In June, Defence sought the Committee's agreement to have a new control tower at Darwin Airport declared an 'urgent' work. Defence is responsible for providing Defence and civilian aircraft in the Darwin area with Air Traffic Control (ATC) services. Originally it was planned to include the relocation of air traffic and approach control in a wider project to be referred to the Committee in 1996. However, there emerged a more immediate need to advance the ATC works to meet delivery of radar equipment. Accordingly, the ATC works were included as a medium work in the 1994/95 Defence medium works program at an estimated cost of \$4.77m. In June, the Committee was advised by Defence that

more contemporary cost estimates for the project were \$8.4m. Increases in cost estimates reflected increase in control tower height, engineering services, the size of the approach control building and the inclusion of Civil Aviation Authority requirements. It was submitted that a requirement to refer the proposal to the Committee would delay completion of the tower in time for the installation of equipment and any consequential delays would exacerbate air traffic safety concerns at Darwin.

66. The Committee did not agree with the request. The proposal was referred to the Committee on 29 June and the Committee's report was tabled on 21 September (*Committee's 19th report of 1995, Parliamentary Paper 168/95*).

67. In August, the Committee received advice from the Federal Airports Corporation that work was about to commence on the Qantas portion of domestic terminal infrastructure at Sydney Airport. This project was part of proposed infrastructure works at a number of airports exempted on the grounds of urgency in 1988. The Attorney-General's Department advised the Committee that the scope of the project falls within the scope of works proposed in 1988 and exempted from referral on the grounds of urgency. The Committee wrote to the Minister for Administrative Services (the Hon. Frank Walker QC, MP) expressing the view that regardless of the reasons advanced for delay in proceeding with a project declared urgent in 1988, the Committee will always be reluctant to support motions declaring works to be urgent.

## **Exemptions**

68. The Public Works Committee Act provides limited scope for works to be exempted from referral to the Committee. The grounds for exemption relate to urgency, national security or by virtue of their repetitive nature. There were no works exempted on the grounds of urgency or national security. A number of works were exempted on the grounds of their repetitive nature in accordance with subsection 18(8A) of the Act which states:

(8A) The Minister for Administrative Services may, by notice published in the *Gazette*, declare a work to be a repetitive work for the purposes of subsection (8) if,

- (a) he is satisfied that the work is substantially similar to other works that have been carried out, or are being carried out or are likely to be carried out from time to time by or for the Commonwealth, or by or for an authority of the Commonwealth to which this Act applies; and



(b) the Committee has agreed to the work being so declared.

69. The Committee agreed with the following work being exempted by virtue of its repetitive nature following a briefing by officers of the Federal Airports Corporation:

- ☐ Construction of curfew changes works and a B747 standoff apron, Sydney Airport - approximate cost of \$10m

70. The Committee received a request from the DHA requesting that programs of house upgrading in Townsville and RAAF Base Darwin be declared 'repetitive'. The Committee did not agree with the request, but agreed to the letting of a tender package for the refurbishment of 45 houses at RAAF Base Darwin separately from the larger project.

## **CONSTRUCTION INDUSTRY**

### **Anti-competitive conduct**

71. The Committee continued to question sponsoring departments and agencies about the mechanisms which will be used to deter collusive tendering. At the public hearing into the proposed National Film and Sound Archives headquarters building, a senior officer of ACS advised the Committee:

We can give no guarantees as to the behaviour of the participants in the building construction industry in that regard. What we have had in place, since the royal commission in Sydney some five or six years ago, is the requirement that the tenderers give to us with their tender a statutory declaration that they have not colluded with any other participant in that tender process: they have not talked to one another, they have not exchanged any information whatsoever and they have been involved in no joint meetings with the Master Builders Association in any regard whatsoever in putting that tender together. We do not know where we could go after that situation. If they were found to be untruthful as a result of signing that statutory declaration, they would be subject to criminal action and civil action.

72. ACS has considerable expertise in assessing tender prices, and calculates its own tender figures for benchmark purposes.

73. The Committee noted that in December, record fines of \$6.6m each were imposed by the Federal Court on three major suppliers of premixed concrete. The penalties were imposed because the companies offered no defence to allegations by the Australian Competition and Consumer Commission that they had colluded to fix the base price of premixed concrete and had manipulated market share by an agreement as to certain tenders.

74. Anti-competitive conduct engaged in by the companies extended from mid-1989 to mid-1994 and involved major projects in Brisbane, the Gold Coast and Toowoomba.

75. This anti-competitive conduct is a breach of section 45 of the *Trade Practices Act 1974*. That section deals with contracts, arrangements or understandings which restrict dealings or affect competition in the market place. Price fixing is generally regarded as the most serious trade practice violation.

76. The Committee understands that the previous Government was initiating a review of all Commonwealth public works projects that are likely to have been affected and that the Commonwealth was seeking legal advice on the feasibility of obtaining restitution.

#### **Payment of subcontractors**

77. The Committee continued to focus on ensuring that contract documents make provisions to ensure that subcontractors are paid for work undertaken. The Committee believes the Commonwealth must take a leading role in ensuring that head contractors pay for all work undertaken by subcontractors and has made recommendations in reports tabled during the year.

78. Contract documents drawn up by Defence have provisions requiring head contractors to certify that subcontractors have been paid before progress payments are made. Similarly, ACS have adopted procedures requiring a head contractor to certify creditors have been paid before monthly progress payments are made.

79. The Committee notes that these mechanisms are codified in Australian Standard 2124 paragraph 43 of which provides:

## **PAYMENT OF WORKERS AND SUBCONTRACTORS**

- (a) Before the Principal makes each payment to the Contractor, the Superintendent may, not less than 5 days before a Payment Certificate is due, in writing request the Contractor -
  - (i) to give the Superintendent a statutory declaration by the Contractor or, where the Contractor is a corporation, by a representative of the Contractor who is in a position to know the facts declared, that all workers who have at any time been employed by the Contractor on work under the Contract have at the date of the request been paid all moneys due and payable to them in respect of the employment on the work under the Contract; and
  - (ii) to provide documentary evidence to the Superintendent that at the date of the request all workers who have been employed by a subcontractor of the Contractor have been paid all moneys due and payable to them in respect of their employment on the work under the Contract.

80. The Committee's heightened concern was reflected in two other ways during the year. First, during debate on a private member's motion, moved and seconded in the House of Representatives by two members of the Committee - Mr Ray Braithwaite and the Hon. Ben Humphreys. The motion called on the Minister for Administrative Services (the Hon. Frank Walker QC, MP) to:

- ☐ take the necessary action to protect subcontractors on all Federal contracts
- ☐ entreat his State and Territory counterparts to take similar action to protect subcontractors on all State and Territory projects and enact legislation to protect subcontractors on private construction and building projects.

81. Secondly, by the foreshadowed introduction of a private member's bill by Mr Braithwaite - *Subcontractors (Commonwealth Departments and Authorities payment) Bill 1996*.

82. The bill seeks to rectify problems which occur when construction industry head contractors go into receivership. Subcontractors who have provided labour, services or materials to these builders have no way of collecting on debts owed

to them. Furthermore, if subcontractors or suppliers of material to a major contractor receives payment within six months of the bankruptcy, they are compelled to pay back the amount received as a preferred payment. As a result of this, subcontractors who often employ tradespeople and labourers may themselves be bankrupted.

83. The bill aims to provide an example to the States and Territories and the wider construction industry. It will require Commonwealth departments and authorities, in dealings with contractors, to retain a certain amount of the money payable to the contractor. If a contractor goes into bankruptcy or is liquidated, a charge will be created in favour of any subcontractors owed for work carried out. A court may need to decide to whom and in what manner monies are to be paid.

84. A number of States have attempted to rectify the problem identified by the bill. Not all States and Territories have statutory provisions and some of the State legislation has been found to be deficient. The Committee believes that as a first step uniform legislation, or legislation with the same intent, should be passed by the Commonwealth, States and Territories.

#### **VALE KEITH JOHNSON**

85. The Committee was saddened at the death, on 24 September, of Keith Johnson, Member of the House of Representatives for the Victorian Division of Burke from 1969 to 1980, member of the Committee from 1973 to 1980, Chair from 1974 to 1975 and Vice-Chair from 1976 to 1980. Keith was active in local government before entering federal politics. He was a councillor on the Broadmeadows Municipal Council from 1961 to 1973. In his maiden speech to Parliament, he drew on his experience as a city councillor, and highlighted the importance of the provision of adequate infrastructure services. His experience as a councillor was also used to considerable effect as a member of the Committee. Amongst many Public Works Committee inquiries in which he was involved, the one that stands out as demonstrating his tenacity and commitment to bipartisanship involved the lengthy inquiry into the proposed construction of the Australian Defence Force Academy in Canberra.

86. He will also be remembered for the private member's bill, passed by Parliament in 1974, which established Capital Hill as the site for the new and permanent Parliament House.

## SECRETARIAT

87. At the end of 1995 the Committee Secretariat comprised:

Secretary	Peter Roberts
Assistant Secretaries	Michael Fetter Denise Denahy
Secretarial Support	Helen Collins Suzanne Stanfield.

88. During the year Sue Whalan, Mahesh Wijeratne and Belynda Zolotto also provided secretarial support.

## ACKNOWLEDGMENTS

89. The Committee acknowledges the leadership of the former Chairman, Colin Hollis MP during 1995, which marked the tenth year of his appointment to the Committee and his eighth year as Chairman. Under his leadership, the Public Works Committee has earned an enviable reputation as a watchdog, and maintained its tradition of a bipartisan approach to all inquiries. Mr Hollis has been scrupulously fair in his decisions and tenacious in his questioning of all who appeared before the Committee at public hearings. This is reflected in the recommendations contained in the many reports tabled by the Committee from 1987.

90. The Committee also acknowledges with thanks the efforts of a number of members whose term of office expired. They were Mr Ray Braithwaite, Mr Russ Gorman, Mr Ben Humphreys and Senator Bryant Burns. They brought to the Committee a wide range of backgrounds and interests, many of which were reflected during the public examination of witnesses and in the Committee's reports. Again, the Parliament was well-served.

91. The Committee's secretariat, under the leadership of Peter Roberts, also deserves special thanks. The year in review was characterised by a large workload of references and attendant travel, inspections, public hearings, report consideration, private meetings and briefings. All members of the secretariat rose to the occasion and achieved the desired results.

92. The Committee also records its appreciation to Parliamentary staff and support agencies involved in facilitating various facets of its operations including:

- House of Representatives staff - the transport office, duplicating section, Bills and Papers and Table Office
- the Government Printing Office and Australian Government Publishing Service
- the Office of the Minister for Defence
- the Parliamentary Reporting Staff (*Hansard*) and the Sound and Vision Office
- the Parliamentary Library - Legislative Research Service.

Neil Andrew MP  
Chairman

27 June 1996

## APPENDIX A

### DETAILS OF THE COMMITTEE'S REPORTS PRESENTED DURING 1995

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## **Refurbishment of Scarborough House and construction of Commonwealth offices, Phillip, ACT**

<b>Referred</b>	20 October 1994
<b>Public hearing held</b>	12 December 1994
<b>Report dated</b>	9 March 1995
<b>Report presented</b>	27 March 1995
<b>Motion for expediency passed</b>	30 March 1995
<b>Report number</b>	1/95
<b>Proposed expenditure</b>	\$50.38 million at July 1994 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	48/95

### **Conclusions and Recommendations**

1. The general office areas of Scarborough House are in a poor condition and are well below current minimum standards for modern office accommodation.
2. The Scarborough House building services including fire, hydraulics, electrical and mechanical are well below current standards, do not meet current regulations and require major upgrading and refurbishment.
3. The Committee agrees that there is a need to provide upgraded office accommodation for AIPO to enable it to concentrate in the Woden area so that administrative and operational efficiencies can be achieved.
4. The Committee agrees that the option of refurbishing Scarborough House and the construction of an annex building on an adjacent site is the most cost effective option for providing upgraded office accommodation to meet the needs of AIPO.

5. The Committee is satisfied that the proposed annex building satisfies the planning requirements of both the National Capital Planning Authority and the ACT Planning Authority.
6. The site selected is suitable for the construction of the proposed annex building to provide office accommodation for AIPO.
7. The Committee recommends the refurbishment of Scarborough House and the construction of an annex building on an adjacent site to provide upgraded office accommodation for AIPO at a limit of cost estimate of \$50.38 million at July 1994 prices.

**Redevelopment of housing for service families at Land Warfare Centre,  
Canungra, Qld**

<b>Referred</b>	20 October 1994
<b>Public hearing held</b>	20 January 1995
<b>Report dated</b>	9 March 1995
<b>Report presented</b>	27 March 1995
<b>Motion for expediency passed</b>	27 June 1995
<b>Report number</b>	2/95
<b>Proposed expenditure</b>	\$7.6 million
<b>Expenditure recommended</b>	\$7.86 million
<b>Parliamentary Paper</b>	49/95

**Conclusions and Recommendations**

1. The existing timber frame houses clad with asbestos sheeting at the Land Warfare Centre, Canungra are substandard and in need of replacement.
2. A need exists to provide suitable accommodation for Defence personnel who are presently living in substandard accommodation at the Land Warfare Centre, Canungra.
3. The Committee notes that the Defence Housing Authority will investigate the possibility of increasing the width of hallways in defence housing in its review of design portfolios.
4. The Committee recommends that the Defence Housing Authority take into consideration recommendations from the Draft Standard for Adaptable Housing in its review of design portfolios.

5. Redevelopment of housing in the Boike Road and Corcoran Crescent precincts at Canungra will provide Defence personnel and their families with good quality housing consistent with community standards.
6. The Committee commends the Defence Housing Authority on its decision to retrofit existing houses with earth leakage circuit breakers and smoke detectors.
7. The Committee recommends that the Defence Housing Authority advise it of the outcome of its review of solar hot water systems which will be carried out later this year.
8. The Committee recommends that should the Defence Housing Authority review decide in favour of solar hot water systems, then these systems should be installed in the redevelopment at the Land Warfare Centre, Canungra.
9. The Committee recommends the redevelopment of housing for service families at Land Warfare Centre, Canungra, Qld at an estimated cost of \$7.86 million.

### **Minister's response**

In its report, the Committee made a number of recommendations to which the Defence Housing Authority provided the following response: the Authority agrees to take into consideration recommendations from the draft standard for adaptable housing in its review of design portfolios.

The Authority has already undertaken to advise the Committee of the outcome of its review of the solar hot water systems, which will be carried out later this year. Should the review decide in favour of solar hot water systems, these systems will be installed in the redevelopment of the Land Warfare Centre, Canungra.

## **Redevelopment of Defence office accommodation at Russell, ACT**

<b>Referred</b>	20 October 1994
<b>Public hearing held</b>	13 December 1994
<b>Report dated</b>	9 March 1995
<b>Report presented</b>	29 March 1995
<b>Motion for expediency passed</b>	22 June 1995
<b>Report number</b>	3/95
<b>Proposed expenditure</b>	\$212 million (outturn)
<b>Expenditure recommended</b>	\$205.53 million (limit of cost at December 1994 prices)
<b>Parliamentary Paper</b>	54/95

### **Conclusions and Recommendations**

1. There is a need to provide modern office accommodation for the Headquarters of the Australian Defence Force, service offices and program managers at Russell.
2. To meet current and forecast requirements for modern and functional office space there is a need to demolish eight of the older buildings, refurbish four existing buildings and to provide 54 000m<sup>2</sup> of new office space at Russell.
3. The extent of the proposed redevelopment of Russell will provide the Department of Defence with modern and functional office accommodation.
4. The redevelopment should proceed provided the agreed amendment of the National Capital Plan (Amendment No. 12 - Russell) does not require changes to the design and siting of roadworks and buildings.

5. If the agreed amendment of the National Capital Plan (Amendment No. 12 - Russell) requires changes to the proposed redevelopment, these changes will need to be considered by the Committee.
6. Future projects in Canberra which require amendments to the National Capital Plan should not be referred to the Public Works Committee until they have been formally approved.
7. The provision of space for a senior officers suite should be reallocated for more essential services.
8. The Department of Defence should proceed with the study of the impact on staff efficiency and productivity of open office space and other forms of office accommodation as a matter of urgency.
9. Further value management studies should be undertaken to reduce the cost of the project.
10. The Committee recommends the construction of the redevelopment of Defence office accommodation at Russell, ACT, at a limit of cost estimate of \$205.53 million at December 1994 prices subject to the agreed amendment of the National Capital Plan (Amendment No. 12 -Russell) being consistent with the scope and siting of building elements which constitute the redevelopment as examined by the Committee.

### **Minister's response**

The Department of Defence agrees to all of the above recommendations and will institute measures to conform and, where appropriate, report back to the Public Works Committee. A draft amendment to the national capital plan was prepared to create sites for the new buildings proposed. It was considered by the joint Standing Committee on the National Capital and External Territories which reported to the parliament on 5 June 1995. The report recommends that the draft amendment be approved, subject to several recommendations. The Defence development is affected only by some of the recommendations, and Defence accepts these recommendations.

## **Refurbishment of Australia House, London**

<b>Referred</b>	21 September 1994
<b>Public hearing held</b>	2 November 1994
<b>Report dated</b>	30 March 1995
<b>Report presented</b>	11 May 1995
<b>Motion for expediency passed</b>	6 June 1995
<b>Report number</b>	4/95
<b>Proposed expenditure</b>	\$14.25 million at May 1994 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	75/95

### **Conclusions and Recommendations**

1. The Committee again draws attention to the continuing difficulty it faces in assessing overseas projects, as under current legislation it is unable to meet outside Australia or its external territories. Until this legislation is amended to enable site inspections to be carried out overseas, the Committee continues to reluctantly give approval for the construction of projects which it has been unable to properly assess.
2. The *Public Works Committee Act 1969* be amended to remove the restriction on the Public Works Committee meeting outside Australia and its external territories.
3. There is a need to retain Australia House, London as the focal point of Australia's representational activities in the United Kingdom.
4. There is a need to refurbish the interior of Australia House, London as proposed by the Overseas Property Group as much of the existing office accommodation is in a poor condition and does not meet the needs of a

modern working environment. In addition many of the building services need replacing as they no longer meet current regulatory requirements.

5. On the evidence provided to the Committee from the Australian High Commission in London the 6th floor of Australia House is not suitable for conversion to provide long term residential accommodation but is suitable for transit accommodation or office accommodation.
6. The 6th floor of Australia House, London, should be converted for use as transit accommodation or office accommodation.
7. The Committee recommends the refurbishment of Australia House, London at a limit of cost estimate of \$14.25 million at May 1994 prices.

### **Minister's response**

I note the committee's recommendation that the *Public Works Committee Act 1969* be amended to remove the restriction on the Public Works Committee meeting outside Australia and its external territories. I am sympathetic to the view that there would be advantages to the committee's considerations of overseas projects if it was able to gain some first-hand, on-site knowledge of them. There are some legal impediments to the committee conducting hearings overseas which cannot be dealt with by simply amending the act. However, the Minister for Administrative Services (Mr Walker) is prepared to consider ways of facilitating the committee's investigations into overseas projects.

The committee's recommendation concerning the sixth floor is noted. The Minister for Administrative Services agrees that the vacant space should be put to the best possible use. Part of the sixth floor is currently used to accommodate the regional office of the Overseas Property Group and the refurbishment consultant's site office. It will also provide staging space if required during the refurbishment.

At this time, the project is not funded to implement the committee's recommendation while the refurbishment and the fit-out of space for Australia's centre to accommodate the state representatives is progressed. I will review the demand for additional office accommodation and cost benefit of using some of the space for transit accommodation, including funding options for any additional work that may be necessary. I thank the committee for its report and commend the motion to the House.



## **Construction of a new laboratory complex for CSIRO Division of Food Science and Technology, Werribee, Vic**

<b>Referred</b>	12 October 1994
<b>Public hearing held</b>	16 December 1994
<b>Report dated</b>	30 March 1995
<b>Report presented</b>	11 May 1995
<b>Motion for expediency passed</b>	5 June 1995
<b>Report number</b>	5/95
<b>Proposed expenditure</b>	\$10.1 million at September 1994 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	76/95

### **Conclusions and Recommendations**

1. The Committee agrees that the continued location of the Division of Food Science and Technology's Melbourne laboratory at Highett is undesirable as it would continue to fragment research for the dairy industry and isolate the laboratory from the developing food research activities at Werribee.
2. There is a need to relocate the Highett laboratory of the Division of Food Science and Technology to Werribee to enable greater collaboration with other research bodies and to reduce infrastructure costs through the sharing of common facilities.
3. The Committee recommends that CSIRO continue to liaise with and involve staff in the relocation process to ensure minimum disruption to the laboratory's research program.
4. The Werribee site is suitable for the establishment of facilities for the Division of Food Science and Technology's Melbourne laboratory.

5. The Committee recommends that CSIRO continue to negotiate with the Victorian Department of Agriculture to obtain a 50 year lease for the Werribee site.
6. The Committee is satisfied that the design of the proposed complex will allow for future expansion in both staff numbers and research and support activities.
7. The Committee recommends the construction of a new laboratory complex for the CSIRO Division of Food Science and Technology at Werribee, Victoria at an estimated cost of \$10.1 million at September 1994 prices.

## **Redevelopment of housing for service families at HMAS *Cerberus***

<b>Referred</b>	20 October 1994
<b>Public hearing held</b>	25 January 1995
<b>Report dated</b>	30 March 1995
<b>Report presented</b>	11 May 1995
<b>Motion for expediency passed</b>	20 June 1995
<b>Report number</b>	6/95
<b>Proposed expenditure</b>	\$14.2 million
<b>Expenditure recommended</b>	\$17 million
<b>Parliamentary Paper</b>	77/95

### **Conclusions and Recommendations**

1. There is a need to replace or modernise existing on-board housing at HMAS *Cerberus* to match contemporary standards and expectations.
2. Any redevelopment of housing areas at HMAS *Cerberus* should maximise the use of land available for housing to redress the imbalance between on-board and community-based housing which at present has imposed significant cost penalties on Defence.
3. The planning of the proposed redevelopment appears to be soundly based; the extent can be justified on the grounds of reduced cost penalties associated with the payment by Defence of Isolated Establishment Allowances, will enhance personnel efficiencies, and makes good use of available land.
4. The Defence Housing Authority should continue consultations with the Tenants Consultative Group concerning the provision of features and fittings, especially double hung windows, which will enhance the habitability of the houses.

5. If it is intended to proceed with the excision of the housing area from the base proper, the sewerage system serving the housing area should be connected with the Hastings system independently of the base.
6. Defence and DHA in conjunction with the relevant local government authority should undertake a joint study of the quality of stormwater discharging into Hanns Inlet and provide the measures to ensure its compliance with relevant state requirements.
7. The Committee recommends the construction of the redevelopment of housing for Service families at HMAS *Cerberus* at an estimated cost of \$17 million.

### **Minister's response**

The authority will continue consultation with tenant consultative groups concerning the provision of fixtures and fittings which will enhance the inhabitability of the houses. The issue of double hung windows will be specifically addressed taking into consideration cost implications and the enhanced amenity that this project provides.

The Department of Defence and DHA have initiated a joint study into stormwater discharging into Hanns Inlet. Measures to comply with the outcome of that study and with state and local government requirements aimed at protecting the inlet will be undertaken as part of the development.

## **Construction of a multi-level carpark for the Federal Airports Corporation at Melbourne Airport**

<b>Referred</b>	7 December 1994
<b>Public hearing held</b>	15 February 1995
<b>Report dated</b>	11 May 1995
<b>Report presented</b>	1 June 1995
<b>Motion for expediency passed</b>	22 June 1995
<b>Report number</b>	7/95
<b>Proposed expenditure</b>	\$55 million
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	84/95

### **Conclusions and Recommendations**

1. Current short-term carparking facilities and arrangements at Melbourne Airport are inadequate.
2. There is a need to upgrade short-term carparking to overcome current shortages and provide for future growth.
3. Whilst in theory improved public transport to the airport from the Melbourne Central Business District may reduce the demand for short-term parking, car park user profiles suggest that the majority of motor vehicles requiring parking emanate from the wider metropolitan area and other parts of the State.
4. Options for a longer term future rail link to the Central Business District have been identified and easements are being protected.
5. The Federal Airports Corporation should consider the provision of moving walkways in the links between the car park and the terminal.

6. The Federal Airports Corporation should re-examine the arrangement of car park and future hotel sites to satisfy itself that the proposed sites are the best locations for both.
7. During the development of detailed designs the Federal Airports Corporation should continue discussions with Qantas and other terminal users about the functionality of the loading dock and tunnel.
8. During design development the Federal Airports Corporation should consult the Melbourne Metropolitan Fire Brigades concerning modifications to State regulatory fire safety requirements before they are submitted to the Building Appeals Board for approval.
9. The Committee supports the application by the Federal Airports Corporation of strategies designed to protect subcontractors undertaking work on the project to ensure that payments are made on time and in accordance with agreed prices.
10. The Committee recommends the construction of a multi-level car park for the Federal Airports Corporation at Melbourne Airport at an estimated cost of \$55 million.

### **Minister's response**

In its report, the committee raised a number of issues to which the FAC has provided the following responses. The FAC has arranged as part of its contract with the project manager for design and construction for a thorough re-evaluation of the concept design for the car park which was considered by the Public Works Committee.

The re-evaluation will involve a review of a range of considerations, including the location, size and performance requirements for the links between the car park and the terminal - in particular, the width of these links, which is directly related to the consideration of the provision of the moving walkways within them; the location of the hotel car park and future rail station locations and the interrelationships between them to ensure the final site selections represent the best planning outcome for the airport; and a design development process which includes close consultation with the airlines on all design issues, including the location and functionality of the proposed loading dock and associated service tunnel connecting the loading dock to the terminal.

The FAC will also consult with the Melbourne metropolitan fire brigades on the design of the car park and, should they arise, refer matters which depart from the Building Code of Australia to the Building Appeals Board for dispensation.

## **Housing Development at HMAS *Coonawarra*, Northern Territory**

<b>Referred</b>	20 December 1994
<b>Public hearing held</b>	20 February 1995
<b>Report dated</b>	11 May 1995
<b>Report presented</b>	1 June 1995
<b>Motion for expediency passed</b>	29 June 1995
<b>Report number</b>	8/95
<b>Proposed expenditure</b>	\$6.8 million
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	85/95

### **Conclusions and Recommendations**

1. There will be a need for a continuing program of housing acquisitions or Defence Housing Authority-sponsored new construction to be provided in Darwin to cater for planned relocation of Defence personnel associated with the Army Presence in the North project.
2. In order to reduce reliance on Temporary Rental Allowances and to avoid over-reliance on acquisitions, there is merit in the Defence Housing Authority proceeding with the funding and development of new construction.
3. While noise problems do exist at HMAS *Coonawarra*, further development of housing at HMAS *Coonawarra* can be justified on the basis of the shortage of available land for housing, the importance of choice of housing given to Defence personnel and the benefits from living on base.
4. The Department of Defence should examine extending the payment of the airconditioning allowance to personnel serving in Darwin.



5. It should be a mandatory requirement for all builders on Defence Housing Authority projects to be required to certify proper payments have been made to subcontractors and suppliers.
6. The Committee recommends the construction of a housing development at HMAS *Coonawarra*, Northern Territory at an estimated cost of \$6.8 million.

### **Minister's response**

In its report the committee also raised some issues to which the DHA provided the following responses: the matter of airconditioning allowance for defence personnel is a condition of service issue and the authority will relay the committee's views to the appropriate area within Defence; the authority shares the committee's concern regarding the need to protect subcontractors and suppliers and will ensure that its processes conform with the best practices within the industry; and the requirement to make certification mandatory will be examined in the context of industry practices and the impact of any such measures on competitiveness for authority business and price.

## **Increased Army presence in the North (APIN) Stage 2**

<b>Referred</b>	7 December 1994
<b>Public hearing held</b>	6 April 1995
<b>Report dated</b>	1 June 1995
<b>Report presented</b>	7 June 1995
<b>Motion for expediency passed</b>	27 June 1995
<b>Report number</b>	9/95
<b>Proposed expenditure</b>	\$264 million (outturn)
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	89/95

### **Conclusions and Recommendations**

1. The Committee agrees that the APIN Stage 2 project is a necessary part of a wider strategy for the defence of Australia.
2. A need therefore exists to provide suitable working, training and recreational facilities, living-in accommodation and messes for units relocating to Darwin under APIN Stage 2.
3. The Committee notes that all storage of ammunition at Marrara Swamp, RAAF Base Darwin is in accordance with the United Nations hazardous goods classification procedures and NATO safety principles.
4. The Committee commends the Department of Defence on its willingness to hold discussions with contractors and conduct seminars explaining how business is conducted with the department.
5. The Committee recommends that the Department of Defence continues to include in its contract documents a clause stating that subcontractors must be paid before progress payments are made to contractors.

6. The Committee recommends the construction of facilities for an increased Army presence in the North (Stage 2) at an estimated outturn cost of \$264 million.

### **Minister's response**

In the report, the committee recommended that Defence continue to include in its contract documents a clause stating that subcontractors must be paid before progress payments are made to contractors.

The Department of Defence advised that it had no intention of removing the clause which requires a declaration from prime contractors stating that subcontractors have received progress payments. In addition, the Department of Defence noted the committee's commendation of its willingness to hold discussions with contractors and conduct seminars on how business is to be conducted by the department.

## **Maralinga rehabilitation project, SA**

<b>Referred</b>	7 December 1994
<b>Public hearing held</b>	23 February 1995
<b>Report dated</b>	8 June 1995
<b>Report presented</b>	20 June 1995
<b>Motion for expediency passed</b>	27 June 1995
<b>Report number</b>	10/95
<b>Proposed expenditure</b>	\$104.4 million at November 1994 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	109/95

### **Conclusions and Recommendations**

1. There is a need for remedial action to be undertaken at Maralinga to reduce the radiological hazards at the test sites sufficiently to enable Aboriginal traditional land use and transit of the test site area, to reduce and possibly eliminate the need for control and surveillance of the sites, and to remove potential Commonwealth liabilities arising from site contamination.
2. An independent audit of the results of the in situ vitrification trials of material containing plutonium should be undertaken by competent experts not associated with the project.
3. If the results of the review indicate the in situ vitrification process provides encapsulation and mixing of materials to prescribed standards, the process can be extended to fullscale treatment of burial pits at Taranaki.

4. If the results of in situ vitrification trials are inconclusive, or do not provide results to prescribed standards, the further direction of the project should be reviewed.
5. Based on the evidence submitted to the Committee, the burial of contaminated soil and other debris appears to be the more appropriate solution compared with above ground storage.
6. Based on the evidence presented, including advice from technical experts both from Australia and overseas, personnel work practices to be applied during the clean-up appear to be adequate.
7. The proposed clean-up can be implemented under an effective radiological protection regime to ensure that exposure to radiation is kept within internationally accepted limits. This regime will include thorough training of workers to make them aware of the potential radiological hazards involved in the clean-up operation.
8. Detailed procedures covering all aspects of work in contaminated areas will be developed for approval by the Australian Radiation Laboratory, the regulatory body for the project.
9. The Committee recommends the Maralinga rehabilitation project proceed at an estimated cost of \$104.4 million at November 1994 prices.

### **Minister's response**

In its report, the committee recommended that an independent audit of the trials and the results of the in situ vitrification of material containing plutonium be undertaken by competent experts not associated with the project. If the results of the review indicate that the in situ vitrification process provides encapsulation and mixing of material to prescribed standards, the process can be extended to full-scale treatment of the burial pits at Taranaki. If the results of the in situ vitrification trials are inconclusive or do not provide results to prescribed standards, the further direction of the project should be reviewed.

In response to these recommendations, the Department of Primary Industries and Energy has advised that a cautious step-wise approach has been adopted to the assessment of the applicability of the in situ vitrification technology to stabilisation of plutonium contaminated debris pits at the Taranaki site.

In accordance with the Public Works Committee's recommendations, results of field trials of this technology will be assessed by independent experts. These experts will report through the Australian Radiation Laboratory, the project regulator. Methodology for the alternative process of controlled exhumation and reburial of the pits at Taranaki is being developed in case the results of the in situ vitrification trials do not confirm that application of this technology at Taranaki is practicable and effective.

**Redevelopment works for CSIRO Division of Wildlife and Ecology,  
Gungahlin, ACT**

<b>Referred</b>	1 February 1995
<b>Public hearing held</b>	20 April 1995
<b>Report dated</b>	8 June 1995
<b>Report presented</b>	21 June 1995
<b>Motion for expediency passed</b>	27 June 1995
<b>Report number</b>	11/95
<b>Proposed expenditure</b>	\$7.0 million at January 1995 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	111/95

**Conclusions and Recommendations**

1. There is a need to replace temporary and substandard accommodation at Gungahlin which is overcrowded and does not meet current building and laboratory accommodation standards.
2. There is also a need to provide purpose built facilities which will enable the expanded functions of the CSIRO Division of Wildlife and Ecology to be accommodated.
3. CSIRO should continue discussions with the Australian Heritage Commission, the National Trust of Australia, ACT and the National Capital Planning Authority during detailed design development to ensure that the design of Building A is sympathetic to the historic importance of Gungahlin Homestead.
4. The Barton Highway entrance should continue to be the main entry point to the Gungahlin site of the CSIRO Division of Wildlife and Ecology.

5. The CSIRO should continue discussions with the ACT Department of the Environment Land and Planning to resolve issues relating to entry site and the impact on CSIRO activities of proposed roadworks in the vicinity of the Gungahlin site.
6. CSIRO include in its contract documents a clause stating that subcontractors must be paid before progress payments are made to contractors.
7. The Committee recommends the redevelopment works for the CSIRO Division of Wildlife and Ecology, Gungahlin, ACT at an estimated cost of \$7.0 million at January 1995 prices.

### **Minister's response**

In its report, the committee also raised a number of issues to which the CSIRO provided the following responses. CSIRO will continue discussions with the Australian Heritage Commission, the National Trust of Australia ACT and the National Capital Planning Authority during detailed design development to ensure that the design of the building is as sympathetic to the historic importance of Gungahlin Homestead. CSIRO will maintain the Barton Highway entrance as the main entry point in the Gungahlin site of its division of wildlife and ecology.

The CSIRO will continue discussions with the ACT Department of the Environment, Land and Planning to resolve issues relating to the Barton Highway entry and to minimise the impact on CSIRO activities of proposed roadworks in the vicinity of the Gungahlin site. The CSIRO will include in its contract documents a clause stating that the head contractor must certify that subcontractors have been paid before progress payments are made to the head contractor.



## **RAAF Base Richmond replacement medical centre**

<b>Referred</b>	9 February 1995
<b>Public hearing held</b>	27 April 1995
<b>Report dated</b>	8 June 1995
<b>Report presented</b>	21 June 1995
<b>Motion for expediency passed</b>	27 June 1995
<b>Report number</b>	12/95
<b>Proposed expenditure</b>	\$11.4 million at July 1993 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	112/95

### **Conclusions and Recommendations**

1. The Committee is satisfied that on the evidence presented by the Department of Defence that RAAF Base Richmond will continue to be occupied by the RAAF until at least the year 2015.
2. There is a need for a medical centre at RAAF Base Richmond to provide a high standard of medical treatment for Australian Defence Force personnel and also to support operations in contingency situations.
3. There is a need to replace the existing medical centre and associated medical facilities at RAAF Base Richmond which are incompatible with contemporary medical standards, require a high level of maintenance and present a fire safety problem.
4. The Department of Defence undertake a heritage survey of RAAF Base Richmond in conjunction with the updating of the Base master plan.

5. The Committee recommends that the Department of Defence continues to include in its contract documents a clause stating that subcontractors must be paid before progress payments are made to contractors.
6. The Committee recommends the construction of a replacement medical centre at RAAF Base Richmond at an estimated cost of \$11.4 million at July 1993 prices.

### **Minister's response**

In its report the committee also raised two issues to which RAAF Richmond provided the following responses: the Department of Defence will undertake a heritage survey of the RAAF base at Richmond in conjunction with the updating of the base master plan, and the Department of Defence will continue to include in its contract documents a clause stating that subcontractors must be paid before progress payments are made to contractors.

## **Construction of a new building complex for the Australian Geological Survey Organisation at Symonston, ACT**

<b>Referred</b>	7 December 1994
<b>Public hearing held</b>	14 February and 29 May 1995
<b>Report dated</b>	22 June 1995
<b>Report presented</b>	26 June 1995
<b>Motion for expediency passed</b>	28 June 1995
<b>Report number</b>	13/95
<b>Proposed expenditure</b>	Initially \$114 million at December 1994 prices - revised to \$105 million
<b>Expenditure recommended</b>	\$105 million
<b>Parliamentary Paper</b>	116/95

### **Conclusions and Recommendations**

1. A need exists to provide a safe working environment for staff employed by the Australian Geological Survey Organisation.
2. Collocation of staff will result in more efficient work practices and reduce duplication of some services.
3. The Committee recommends that projects should not be referred to it until issues relating to site selection including environmental clearances have been clarified.
4. The proposed building complex will meet the Australian Geological Survey Organisation's duty of care and associated standards of legal responsibility to its staff and visitors.

5. The Committee recommends that the Australian Geological Survey Organisation includes in its contract documents a clause stating that subcontractors must be paid before progress payments are made to contractors.
6. The Committee recommends that the Australian Geological Survey Organisation continues to carry out value management studies in an endeavour to further reduce the cost of the project.
7. The Committee recommends construction of a new building complex for the Australian Geological Survey Organisation on the corner of Jerrabomberra Avenue and Hindmarsh Drive, Symonston, ACT at an estimated cost of \$105 million.

### **Minister's response**

The Australian Geological Survey Organisation has noted the committee's recommendations and agreed to include in its contract documents a clause stating that subcontractors must be paid before progress payments are made to contractors.

The Australian Geological Survey Organisation will also continue to carry out value management studies and endeavour to further reduce the costs of the project.

## **Laboratory complex for CSIRO Division of Minerals, Clayton, Vic**

<b>Referred</b>	9 March 1995
<b>Public hearing held</b>	24 May 1995
<b>Report dated</b>	22 June 1995
<b>Report presented</b>	26 June 1995
<b>Motion for expediency passed</b>	28 June 1995
<b>Report number</b>	14/95
<b>Proposed expenditure</b>	\$16.2 million at February 1995 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	117/95

### **Conclusions and Recommendations**

1. There is a need for the CSIRO Division of Minerals to vacate its current site at Port Melbourne as the majority of buildings on the site no longer provide efficient working conditions and do not meet current occupational health and safety standards.
2. The Committee agrees that the relocation of the Port Melbourne activities of the Division of Minerals to Clayton is the preferred solution as it will consolidate shared facilities and allow greater concentration of the Division's research resources.
3. The site for the proposed laboratory complex for the CSIRO Division of Minerals on the CSIRO campus at Clayton is suitable and allows for future expansion should this be required.
4. CSIRO should clarify its responsibility for decontamination of the Port Melbourne site as a matter of urgency.

5. The Committee recommends the construction of a laboratory complex for the CSIRO Division of Minerals at Clayton, Victoria at an estimated cost of \$16.2 million at February 1995 prices.

#### **Minister's response**

In its report the committee also raised an issue to which the CSIRO provided the following response:

Based upon past land usage, CSIRO has sought legal advice on its responsibility for decontamination of the Port Melbourne site, recognising that any contamination caused by CSIRO is minor.

## **Maintenance dredging of Kedron Brook floodway, Brisbane**

<b>Referred</b>	30 March 1995
<b>Public hearing held</b>	18 May 1995
<b>Report dated</b>	19 June 1995
<b>Report presented</b>	26 June 1995
<b>Motion for expediency passed</b>	27 June 1995
<b>Report number</b>	15/95
<b>Proposed expenditure</b>	\$9.1 million at March 1995 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	118/95

### **Conclusions and Recommendations**

1. There is a need for the maintenance dredging of the Kedron Brook floodway to restore the floodway to its original design capacity.
2. The maintenance dredging of the Kedron Brook floodway as proposed in this reference will alleviate the risk of increased flooding in upstream suburban areas.
3. On completion of the maintenance dredging proposal the Kedron Brook floodway will be transferred from Commonwealth ownership to that of the Brisbane City Council. Maintenance of the floodway will then become the responsibility of the Brisbane City Council.
4. The transfer of ownership of the Kedron Brook floodway and adjacent lands to the Brisbane City Council will enable the expansion of the Boondall Wetlands Reserve.
5. The Committee recommends that projects not be referred to it until all necessary environmental approvals have been obtained.

6. The Committee recommends the maintenance dredging of the Kedron Brook floodway, Brisbane at an estimated cost of \$9.1 million at March 1995 prices.

**Minister's response**

In its report, the committee recommended that projects not be referred to it until all necessary environmental approval had been obtained. I am advised that this is the normal practice of Australian Estate Management, and the committee's recommendations will be followed wherever practicable.



## **Housing development at Golf Course Estate, Palmerston, NT**

<b>Referred</b>	1 February 1995
<b>Public hearing held</b>	4 April 1995
<b>Report dated</b>	26 June 1995
<b>Report presented</b>	28 June 1995
<b>Motion for expediency passed</b>	29 June 1995
<b>Report number</b>	16/95
<b>Proposed expenditure</b>	\$159 million of which the Defence Housing Authority's contribution is \$144.02 million
<b>Expenditure recommended</b>	\$144.02 million
<b>Parliamentary Paper</b>	120/95

### **Conclusions and Recommendations**

1. A need exists to provide suitable accommodation at Palmerston for Defence personnel and their families who are required to move to the Northern Territory as part of the Army Presence in the North program.
2. The Golf Course Estate site is well located for a housing development for Service families because of its proximity to Robertson Barracks. The site is in close proximity to the educational, community, recreational and commercial facilities at Palmerston.
3. At the time of the public hearing the Defence Housing Authority was not able to provide the Committee with definite plans of the types of houses it intends to construct at the Golf Course Estate.
4. The Committee recommends that the Defence Housing Authority considers increasing the size of its housing blocks, so that more privacy is afforded to occupants of its houses.

5. The Committee recommends that once housing plans are finalised, and before construction commences, the Defence Housing Authority formally briefs the Committee on the types and cost of houses it intends to construct and the size of the blocks intended for the Golf Course Estate.
6. The Golf Course Estate Development will provide Defence personnel and their families with good quality housing and services consistent with community standards.
7. The Committee recommends that the Defence Housing Authority includes in its contract documents a clause stating that subcontractors must be paid before progress payments are made to contractors.
8. The Committee recommends that the Defence Housing Authority ensures that its sites have been examined and cleared of any possibility of contamination prior to referral of projects to the Committee.
9. The Committee recommends the development of the Golf Course Estate at Palmerston, NT at an estimated cost of \$144.02 million to the Defence Housing Authority, subject to confirmation that the Defence Housing Authority would only build on the site if any contamination has been remediated to the satisfaction of its expert advisers. The recommendation is also subject to the briefing of the Committee by the Defence Housing Authority on the types and cost of houses it intends to construct and the size of the blocks intended for the Golf Course Estate.

### **Minister's response**

In its report the committee raised a number of issues to which the Defence Housing Authority provided the following responses:

- . The Defence Housing Authority commits to formally briefing the committee on types and costs of houses it intends to construct on the Golf Course Estate and on the size of the blocks acquired for Defence Housing.
- . The Defence Housing Authority has noted the recommendation to include in its contract documents a clause stating that subcontractors must be paid before progress payments are made to contractors. The authority advises that it will need to assess this recommendation against industry practice and the impact of such a requirement on the authority's operations and its legal obligations.

- . The Defence Housing Authority has noted the recommendation to ensure that its sites have been examined and cleared of any possibility of contamination prior to referral of projects to the committee. The responsibility for determining any possible contamination and the costs of remediating the site have been accepted by the Northern Territory Government.

**Joint venture development with Delfin Property Group of the Willows,  
Townsville, for defence housing**

<b>Referred</b>	9 March 1995
<b>Public hearing held</b>	3 May 1995
<b>Report dated</b>	26 June 1995
<b>Report presented</b>	28 June 1995
<b>Motion for expediency passed</b>	29 June 1995
<b>Report number</b>	17/95
<b>Proposed expenditure</b>	\$37 million
<b>Expenditure recommended</b>	The stated cost proposed was \$37 million and land acquisition costs were \$5.6 million, a total of \$42.6 million. Being a joint venture, the Defence Housing Authority is responsible for 50% of the broad acre development costs - a total of \$21.3 million. The cost of the acquisition of allotments and the construction of 200 houses amounts to \$38.517 million, giving a total project cost of \$59.817 million.
<b>Parliamentary Paper</b>	121/95

**Conclusions and Recommendations**

1. There is a need to provide additional houses in Townsville as a consequence of the substandard condition of a significant number of Defence Housing Authority houses, the Authority's disposal program and planned relocations of Defence personnel to the Townsville area from southern states.

2. The Defence Housing Authority should consider increasing the size of its housing blocks so that more privacy is afforded to occupants and advise the Committee of the size of the blocks intended for the Willows development.
3. The Defence Housing Authority should retain ownership of any plans commissioned from local architects and engage tropical design experts from James Cook University to review any designs before they are accepted.
4. Defence Housing Authority houses in the Willows estate should be provided with solar hot water heaters.
5. The joint venture should consider the inclusion in the covenants a requirement to provide solar hot water heaters in houses on the blocks offered for private sale.
6. Before any siteworks commence on the western side of the drain, a comprehensive resource inventory should be undertaken, including vegetation, soils and the presence and location of any cultural sites of significance and measures designed to protect endangered or rare species and cultural sites found on the site should be implemented.
7. When housing plans are finalised and before construction commences at the Willows, the Defence Housing Authority should formally brief the Committee on the types and cost of houses it intends to construct and the sizes of the blocks to be provided.
8. The Committee recommends the proposed joint venture development with Delfin Property Group of the Willows, Townsville, for defence housing should proceed at an estimated cost to the Defence Housing Authority of \$59.817 million, comprising development costs of \$21.3 million and land acquisition and house construction costs of \$38.517 million.

### **Minister's response**

In its report the committee also raised a number of issues to which the DHA provided the following responses.

- . The Defence Housing Authority notes the committee's recommendations on the size of the housing blocks and will take this into consideration in its planning. To a large extent, the size of the blocks will be determined by public demand. However, the authority will not build houses for service families on blocks under 550 square metres unless this is agreed with the services.
- . The Defence Housing Authority has noted the recommendation to retain ownership of any plans commissioned from local architects and engage tropical design experts from James Cook University to review any designs before they are accepted. The authority will examine cost benefits of obtaining all plans commissioned from local architects. It should be noted that the authority is already consulting with tropical design experts from the James Cook University in the development of its portfolio.
- . The Defence Housing Authority, together with the joint venturer, is acutely aware of the committee's position on solar hot-water systems and is reviewing the use of these systems in the houses.
- . The Defence Housing Authority commits to undertaking a comprehensive resource inventory including vegetation, soils, sites of cultural significance before any site works commence on the western side of the drain. Measures designed to protect endangered or rare species and any cultural sites found on the site will be implemented.
- . The Defence Housing Authority agrees to formally brief the committee on the types and cost of houses it intends to construct at the Willows and on the sizes of blocks to be used for defence housing.

## **Development of facilities for 10 Terminal Regiment and the Army Maritime School, Townsville**

<b>Referred</b>	1 February 1995
<b>Public hearing held</b>	3 July 1995
<b>Report dated</b>	18 September 1995
<b>Report presented</b>	21 September 1995
<b>Motion for expediency passed</b>	27 September 1995
<b>Report number</b>	18/95
<b>Proposed expenditure</b>	\$25.5 million (revised to outturn of \$25.914 million)
<b>Expenditure recommended</b>	\$25.914 million
<b>Parliamentary Paper</b>	167/95

### **Conclusions and Recommendations**

1. There is a need to relocate the 10 Terminal Regiment and the Army Maritime School from their current locations in Sydney as part of the rationalisation of Department of Defence property holdings in Sydney.
2. There is a further need to collocate the 10 Terminal Regiment and the Army Maritime School on a single site to maximise financial, personnel and infrastructure resources following the downsizing of both units as a result of the Force Structure Review.
3. Following an examination by the Department of Defence of location options in Sydney, Brisbane, Cairns, Darwin, Mackay and Townsville the Committee believes that a Townsville location will optimise operational and training opportunities, particularly as the 3rd Brigade, which is 10 Terminal Regiment's primary user, is also located in Townsville.

4. The Ross Island site is the most suitable of the four sites in Townsville examined by the Department of Defence for the collocation of 10 Terminal Regiment and the Army Maritime School.
5. The Committee acknowledges the efforts made by the Department of Defence to ensure that the proposal to locate the 10 Terminal Regiment and the Army Maritime School on the Ross Island site has minimal environmental impact.
6. The Department of Defence advise the Committee of the results of the environmental assessment of the project being conducted by the Commonwealth Environment Protection Agency.
7. The Committee recommends that the Department of Defence continue the public consultation process during the detailed design and construction phases of the project.
8. The Committee recommends the development of facilities for the 10 Terminal Regiment and the Army Maritime School at Townsville at an outturn cost of \$25.914 million.

#### **Minister's response**

The Department of Defence has noted the committee's recommendation: namely, to advise the committee of the results of the environmental assessment of the project being conducted by the Commonwealth Environment Protection Agency and to continue the public consultation process during the detailed design and construction phases of the project.



## **Air traffic control facilities for Darwin International Airport**

<b>Referred</b>	29 June 1995
<b>Public hearing held</b>	14 August 1995
<b>Report dated</b>	18 September 1995
<b>Report presented</b>	21 September 1995
<b>Motion for expediency passed</b>	17 October 1995
<b>Report number</b>	19/95
<b>Proposed expenditure</b>	\$8.4 million at May 1995 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	168/95

### **Conclusions and Recommendations**

1. There is an urgent need for new air traffic control facilities at the Darwin international airport to replace the existing unsatisfactory facilities which are structurally unsound and are located in an area which is incompatible with the future development of RAAF Base Darwin. The control tower is now of insufficient height to provide full visibility of all general aviation pavement areas.
2. The site selected for the proposed air traffic control facilities on the northern side of the Darwin international airport is suitable as it meets the required criteria laid down by the Technical Site Selection Board.
3. The proposed facilities have been designed in accordance with the wind loading requirements for the Darwin region and should be capable of operating immediately following a cyclone.
4. The siting of the new air traffic control facilities will not be in conflict with future development plans for civil aviation facilities at the Darwin international airport.

5. The Committee recommends the development of air traffic control facilities at the Darwin international airport at an estimated cost of \$8.4 million at May 1995 prices.

## **Construction of new chancery, Geneva**

<b>Referred</b>	29 June 1995
<b>Public hearing held</b>	13 September 1995
<b>Report dated</b>	19 October 1995
<b>Report presented</b>	23 October 1995
<b>Motion for expediency passed</b>	26 October 1995
<b>Report number</b>	20/95
<b>Proposed expenditure</b>	\$22.446 million at December 1994 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	191/95

### **Conclusions and Recommendations**

1. The Australian chancery in Geneva comprises leased premises which are deficient in access, services, layout and space. The lease will expire in March 1999 and will not be renewed. There is a need for a new chancery building to be constructed for Australia's permanent missions in Geneva.
2. The location and design of the new chancery are suitable.
3. The concept of shared facilities, with nations such as New Zealand, could be extended to other projects when opportunities arise.
4. There is an urgent need for a review of residential accommodation in Geneva. The review should examine ways in which the high recurrent expenditure for leased residential accommodation could be reduced. The review should include an assessment of the costs and benefits associated with the acquisition or new construction of official residences and Australia-based staff accommodation.

5. Consultations with the Community and Public Sector Union should continue during the detailed design of the proposed development.
6. The Committee recommends the construction of a new Australian chancery in Geneva at an estimated cost of \$A22.446 million at December 1994 prices.

### **Minister's response**

I note the committee's recommendations regarding the concept of shared facilities with nations such as New Zealand and the committee's view that it could be extended to other countries in future projects. I advise the House that this concept is already a matter of policy within my department. In the Overseas Property Group, opportunities for shared facilities with marker missions are thoroughly investigated for all new work proposals. My department has also taken note of the committee's recommendations to review residential accommodation in Geneva. The Overseas Property Group will investigate and report back to the PWC on this issue as soon as possible.

## **Refurbishment of Australian Embassy, Washington**

<b>Referred</b>	29 June 1995
<b>Public hearing held</b>	13 September 1995
<b>Report dated</b>	19 October 1995
<b>Report presented</b>	23 October 1995
<b>Motion for expediency passed</b>	26 October 1995
<b>Report number</b>	21/95
<b>Proposed expenditure</b>	\$16 million at November 1994 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	192/95

### **Conclusions and Recommendations**

1. There is a need for a complete refurbishment of the Australian Embassy building in Washington to ensure protection of the Commonwealth's investment at one of Australian's more significant overseas missions and to provide accommodation for staff which meets current standards.
2. The Overseas Property Group continue to consult with staff and the Community and Public Sector Union during the refurbishment program to ensure minimal disruption and inconvenience to staff and other users of the building.
3. The Committee recommends that the Overseas Property Group undertake an energy audit of the Washington Embassy building following 12 months occupation of the refurbished building.
4. The Committee recommends the refurbishment of the Australian Embassy, Washington at an estimated cost of \$16 million at November 1994 prices.

## **Minister's response**

...it has been recommended that the Overseas Property Group continue to consult staff, the Community and Public Sector Union during the refurbishment program to ensure minimal disruption and inconvenience to staff and other users of the building. This will be a staged renovation. Of course, it is very expensive to have to find alternative accommodation in Washington while these buildings are being refurbished. It will be a staged floor-by-floor sort of arrangement. It is important that the union and the staff be consulted about the disruption and the inconvenience that will necessarily occur.

...the Committee recommends that the Overseas Property Group, a unit of DAS, undertake an energy audit of the Washington embassy following 12 months occupation of the refurbished building. Each time the Public Works Committee considers a new public works these energy issues are now carefully addressed and thought through to see that the design and construction meets the world leading standards in terms of energy saving. This has occurred on this occasion.

I note again the committee's recommendation that an energy audit for the Washington building be undertaken after 12 months of occupation. My department has agreed to undertake that review as it is part of the department's policy anyway, in Australia at least, and I think it should be part of our policy for overseas projects.

The Overseas Property Group will continually consult the Community and Public Sector Union during the documentation and refurbishment.

## **Development of 1 Field Hospital at Holsworthy, NSW**

<b>Referred</b>	5 June 1995
<b>Public hearing held</b>	5 September 1995
<b>Report dated</b>	19 October 1995
<b>Report presented</b>	24 October 1995
<b>Motion for expediency passed</b>	26 October 1995
<b>Report number</b>	22/95
<b>Proposed expenditure</b>	\$19.7 million at December 1994 prices
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	277/95

### **Conclusions and Recommendations**

1. There is a need to provide new facilities for 1 Field Hospital to replace unsatisfactory and inefficient existing facilities at Ingleburn.
2. The Committee agrees that Holsworthy is the most appropriate location for the construction of new facilities for 1 Field Hospital.
3. The Committee agrees with the Department of Defence that operational requirements necessitate 1 Field Hospital possessing a wide range of medical capabilities including operating theatres, intensive care, pathology and radiology services. However, the Committee recognises the need for certain medical procedures to be performed at civilian hospitals.
4. The site selected at Old Holsworthy for the development of new facilities for 1 Field Hospital is suitable.
5. The Committee recommends that the Department of Defence advise it of the results of the study being undertaken of training and sporting injuries in the Australian Defence Force which require medical treatment.

6. The Committee recommends the development of 1 Field Hospital at Holsworthy, NSW at an estimated cost of \$19.7 million at December 1994 prices.

### **Minister's response**

In its report the committee recommended that the Department of Defence advise the committee of the results of a study being undertaken of training and sporting injuries in the Australian Defence Force which require medical treatment, to which the Department of Defence provided the following response:

The Department of Defence confirms that a study is in progress of training and sporting injuries in the Australian Defence Force which require medical treatment. The study has been undertaken by the Surgeon-General to the Australian Defence Force. The Committee will be advised of the results of the study.

I think that is a very important development because I have personal knowledge of the injuries that occur, particularly with new recruits in the Defence Force who are put into very vigorous training programs. Leg injuries, particularly broken legs, are very common in those recruits and I am glad that the Department of Defence is looking at that particular issue.



**Development of Ready Reserve (49th Battalion, Royal Queensland Regiment and 6th Brigade Administrative Support Battalion) working accommodation at Enoggera, Qld**

<b>Referred</b>	20 June 1995
<b>Public hearing held</b>	4 September 1995
<b>Report dated</b>	19 October 1995
<b>Report presented</b>	24 October 1995
<b>Motion for expediency passed</b>	26 October 1995
<b>Report number</b>	23/95
<b>Proposed expenditure</b>	\$21.3 million (outturn)
<b>Expenditure recommended</b>	as above
<b>Parliamentary Paper</b>	278/95

**Conclusions and Recommendations**

1. Facilities presently occupied by 49 Battalion, Royal Queensland Regiment are not adequate for a unit which is required to meet an operational role in the Australian Defence Force. Most of these facilities were not purpose-built and are neither functionally suitable nor efficient. A need therefore exists to provide functional working accommodation for the Ready Reserve at Gallipoli Barracks, Enoggera, Qld.
2. The Committee agrees that the option to rationalise and modify existing accommodation within Enoggera for 49 Battalion, Royal Queensland Regiment and provide new accommodation for the displaced Ready Reserve elements of 6th Brigade Administrative Support Battalion is the preferred option.

3. Construction of the proposed facilities will redress significant shortfalls existing in accommodation of 49 Battalion, Royal Queensland Regiment at Enoggera. Should there be a change in policy in relation to the retention of the role of the Ready Reserve, the facilities would be adaptable for use by other units.
4. The sites at Gallipoli Barracks, Enoggera are suitable for the proposed facilities.
5. The Committee requires the Department of Defence to undertake, as soon as possible, an energy audit to assess the efficiency of the existing energy management system at Enoggera Barracks. The Committee further requires the Department of Defence to make available to the Committee, the consultants' examination of energy consumption costs for this project.
6. The Committee recommends the development of Ready Reserve (49th Battalion, Royal Queensland Regiment and 6th Brigade Administrative Support Battalion) working accommodation at Enoggera, Qld at an estimated outturn cost of \$21.3 million.

### **Minister's response**

In their report the committee also raised an issue requiring the Department of Defence to undertake as soon as possible an energy audit to assess the efficiency of the existing energy management systems at Enoggera barracks. The committee is ever vigilant about these environmental and energy saving issues. The committee further requires the Department of Defence to make available to the committee the consultant's examination of energy consumption costs for this project to which the Department of Defence has provided the following responses.

The energy management system installed at Gallipoli Barracks, Enoggera, in 1990 has achieved on average a reduction in electricity charges of about \$6,000 a month. During this time, there has been continual development of the barracks which has increased the electrical load accordingly. New buildings are installed with electrical equipment which is connected with the energy management system. Noting that the design for the ready reserve facilities is preliminary, energy consumption costs can be analysed during design development with a view to maximising the efficiencies.

Defence will forward this report on this examination to the committee. The committee's vigilance is already paying off, because \$6,000 for one facility multiplied around the country is a huge saving to the taxpayers of Australia, to our environment and to the greenhouse gas effect.

## **Provision of living-in accommodation at HMAS *Harman*, ACT**

<b>Referred</b>	22 June 1995
<b>Public hearing held</b>	12 September 1995
<b>Report dated</b>	19 October 1995
<b>Report presented</b>	24 October 1995
<b>Motion for expediency passed</b>	26 October 1995
<b>Report number</b>	24/95
<b>Proposed expenditure</b>	\$18.3 million (outturn)
<b>Expenditure recommended</b>	As above
<b>Parliamentary Paper</b>	279/95

### **Conclusions and Recommendations**

1. As a condition of service, and to foster the career development of sailors, there is a requirement to provide living-in accommodation for single naval personnel.
2. A major function of HMAS *Harman* is to provide accommodation and messing for personnel working on the base and naval personnel serving in the Canberra area.
3. There is a lack of suitable available living-in accommodation at HMAS *Harman* which has resulted in the base having one of the highest allowance costs of any naval establishment.
4. Alternatives examined aimed at reducing allowance costs have indicated that the provision of additional living-in accommodation at HMAS *Harman* to be the most cost-effective solution due to the well developed infrastructure, adequate land, location, and lower capital and recurrent costs.

5. HMAS *Harman* is subject to noise generated by aircraft using Canberra Airport, but the Committee was assured by Defence that most of the proposed development will be located outside the 20 ANEF zone forecast for 2005.
6. The scope of the project should be extended to provide a new formal entrance to the base.
7. The location and extent of the proposed development at HMAS *Harman* conforms with zone planning and will address immediate accommodation, messing and recreational requirements.
8. The Committee recommends that the Department of Defence undertake a study of the use of HMAS *Harman* as a possible tri-Service centre of living-in accommodation for single Defence personnel working in the Canberra area.
9. The use of grey water to irrigate playing fields and landscaping should be further investigated during detailed design.
10. The calling for expressions of interest for the design and construction of the project should not preclude submissions offering alternative methods of delivery. The overriding criterion in the assessment of tenders should remain value for money to the Commonwealth.
11. The Committee recommends the provision of living-in accommodation at HMAS *Harman* should proceed at an estimated outturn cost of \$18.3 million.

### **Minister's response**

In their report the committee also raised the usual issues. The Department of Defence has noted all of the committee's recommendations and proposes the following actions in respect of them. Firstly, the scope of the work will be extended to provide a new formal entrance to the base should sufficient funds be available within the present project budget. Secondly, the use of Harman as a tri-service centre for living-in accommodation is one of a range of options currently under consideration for the provision of single accommodation for defence personnel in the Canberra area. Thirdly, Defence has initiated discussions with ACT Electricity and Water to review the possible use of grey water for irrigation of large scale landscape areas off site, such as playing fields.

While large scale irrigation is outside the scope of the present project, tenderers for the present works will be encouraged to consider the reuse of waste water in developing cost effective proposals for the project. Again, the committee is very environmentally concerned, and I commend them for these constructive and innovative ideas that they have put back to departments.

The next point from the committee that the department answered is that expressions of interest for the accommodation component of the project have been invited and submissions of alternatives by respondents have been encouraged.

## **Commonwealth Law Courts building, Melbourne**

<b>Referred</b>	27 June 1995
<b>Public hearing held</b>	14 September 1995
<b>Report dated</b>	20 November 1995
<b>Report presented</b>	22 November 1995
<b>Motion for expediency passed</b>	30 November 1995
<b>Report number</b>	25/95
<b>Proposed expenditure</b>	\$108.4 million
<b>Expenditure recommended</b>	As above
<b>Parliamentary Paper</b>	291/95

### **Conclusions and Recommendations**

1. There is a need to replace existing Commonwealth law courts accommodation in Melbourne which is fragmented, does not meet current accommodation standards, is not purpose-designed for court operations and does not provide a sufficient level of security.
2. The construction of a law courts complex on the Flagstaff site is the most economical option for the provision of purpose-designed Commonwealth law courts in Melbourne.
3. The Committee recommends that the Attorney-General's Department and the various jurisdictions consult with the Victorian Government, during detailed design regarding design issues, the possible closure of Bright's Lane, the provision of childcare and possible cooperation in the provision of library services.

4. The Committee recognises that the Attorney-General's Department undertook consultations with staff prior to the formal involvement of the Community and Public Sector Union in June 1995. However, the Committee believes that formal involvement of the Community and Public Sector Union should have occurred during the development of the user brief.
5. The Committee recommends that the Attorney-General's Department and the various jurisdictions continue consultation with the Community and Public Sector Union during detailed design development to resolve issues such as space allocation, building facilities and amenities.
6. The Flagstaff site is suitable for the construction of the proposed law courts building.
7. The Committee recommends the construction of the Commonwealth law courts building in Melbourne at a total cost of \$108.4 million.

### **Minister's response**

In their report the committee also raised some issues to which the Attorney-General (Mr Lavarch) has provided the following responses. The Attorney-General's Department advises that consultation with the Victorian government has occurred during the development of the project and will continue to occur during its further development, particularly in relation to the issues identified by the Public Works Committee. The Attorney-General's Department advises that a formal consultative committee has been established with the Community and Public Sector Union to provide an essential ongoing consultative forum. This committee meets monthly and will continue to do so for the duration of the project. Other representatives on the committee include the project team, the various jurisdictions and CPSU workplace delegates.



## **Development of facilities for the Artillery Centre, Puckapunyal, Vic**

<b>Referred</b>	31 August 1995
<b>Public hearing held</b>	1 and 2 November 1995
<b>Report dated</b>	23 November 1995
<b>Report presented</b>	29 November 1995
<b>Motion for expediency passed</b>	30 November 1995
<b>Report number</b>	26/95
<b>Proposed expenditure</b>	\$34.8 million (outturn)
<b>Expenditure recommended</b>	As above
<b>Parliamentary Paper</b>	303/95

### **Conclusions and Recommendations**

1. For the Army's School of Artillery to operate effectively and efficiently, it needs to be located adjacent to a suitable field firing range and to have modern, purpose designed training facilities.
2. Use of the closest field firing range for the school, at Holsworthy, is restricted, due to its size and urban encroachment and is inefficient due to travelling time from North Head.
3. The support battery at Holsworthy which is used by the school, will be relocated to Darwin by 2000.
4. Training facilities at the School of Artillery are inadequate.
5. The need to relocate the School of Artillery has been recognised for many years, public announcements by the Government to that end have been made, and studies into the most suitable location undertaken by the Department of Defence.

6. The results of an examination of alternative locations for the School of Artillery indicate that Puckapunyal is the most suitable cost-effective site due to the large field firing range and surplus accommodation available.
7. A Section 22 Committee, comprising Commonwealth, State and local government officials, will develop a management regime for the land at North Head.
8. It will be necessary for an artillery battery to be located at Puckapunyal to support the School of Artillery and, whilst this must await the outcome of a study of the Army's force structure, there is every confidence to believe that a battery will be relocated to Puckapunyal.
9. The relocation of the School of Artillery to Puckapunyal has the support of Mitchell Shire Council and the local community.
10. The scope of proposed refurbishment makes good use of existing facilities. New construction has been restricted to the provision of specialised training facilities and three new accommodation blocks to be shared between officers and senior non-commissioned officers, depending on demand. The siting of elements of new construction is in accordance with the master plan.
11. The Committee recommends the development of facilities for the Artillery Centre, Puckapunyal, Victoria, at an estimated outturn cost of \$34.8 million.

## **Construction of 20 apartments for Australian High Commission staff, Kuala Lumpur**

<b>Referred</b>	29 June 1995
<b>Public hearing held</b>	27 October 1995
<b>Report dated</b>	23 November 1995
<b>Report presented</b>	29 November 1995
<b>Motion for expediency passed</b>	30 November 1995
<b>Report number</b>	27/95
<b>Proposed expenditure</b>	\$11.345 million (at May 1995 prices)
<b>Expenditure recommended</b>	\$11.54 million (outturn)
<b>Parliamentary Paper</b>	304/95

### **Conclusions and Recommendations**

1. There is a need to replace existing unsatisfactory owned accommodation in Kuala Lumpur which does not meet current accommodation guidelines.
2. The development of a mix of apartments and townhouses is the most cost-effective option for improving the standard of accommodation for Australian High Commission staff in Kuala Lumpur.
3. The Committee recommends that the Overseas Property Group provides it with design details of the proposal at 4 Jalan Taman U Thant to the same level of detail as that provided at 9/11 Jalan Taman U Thant.
4. The Committee recommends that the Overseas Property Group continues consultations with the Australian High Commission, the Community and Public Sector Union and the Foreign Service Family Association during the detailed design development phase. The Committee further

recommends that before work commences on this project the Overseas Property Group reports back to the Committee regarding the result of these consultations.

5. The sites selected are suitable for the proposed developments.
6. The Committee recommends the construction of apartments and townhouses for Australian High Commission staff in Kuala Lumpur at an estimated outturn cost of \$11.54 million, at May 1995 prices.

#### **Minister's response**

The Overseas Property Group will continue consultation with the Australian High Commission, the Community and Public Sector union and the Foreign Service Family Association during the detailed design development phase.

The committee will be provided with the design detail and will be kept informed of the consultations.

## **Construction of 10 apartments for Consulate-General staff, Shanghai**

<b>Referred</b>	29 June 1995
<b>Public hearing held</b>	27 October 1995
<b>Report dated</b>	23 November 1995
<b>Report presented</b>	29 November 1995
<b>Motion for expediency passed</b>	30 November 1995
<b>Report number</b>	28/95
<b>Proposed expenditure</b>	\$10.529 million (outturn at May 1995 prices)
<b>Expenditure recommended</b>	\$10.659 million
<b>Parliamentary Paper</b>	305/95

### **Conclusions and Recommendations**

1. There is a need for the construction of 10 apartments for Consulate-General staff in Shanghai to provide accommodation which is more economic than current leasing arrangements.
2. The Committee recommends that the Overseas Property Group continue consultations with the Department of Foreign Affairs and Trade, staff of the Consulate-General and the Community and Public Sector Union regarding possible changes to the design of the project. The Committee further recommends that the Overseas Property Group, before construction commences, advise the Committee of the results of these consultations.
3. The site selected is suitable for the construction of the 10 apartments proposed in this reference.
4. The Committee recommends the construction of 10 apartments for Consulate-General staff Shanghai at an estimated outturn cost of \$10.659 million at May 1995 prices.

### **Minister's response**

The Overseas Property Group will continue consultation with the Department of Foreign Affairs and Trade, the Australian Consulate-General in Shanghai and the Community and Public Sector Union regarding the design of the apartments. The committee will be advised of the results of those consultations.

**York Park North office construction, Barton, ACT**

**Redevelopment of Hinkler building site, Barton, ACT**

**Redevelopment of Woolshed site, Barton, ACT**

<b>Referred</b>	27, 28 September 1995
<b>Public hearings held</b>	10 and 17 November 1995
<b>Report dated</b>	29 November 1995
<b>Report presented</b>	1 December 1995 (House of Representatives) 30 November 1995 (Senate)
<b>Motion for expediency passed</b>	1 December 1995
<b>Report number</b>	29/95
<b>Proposed expenditure</b>	York Park North - \$40.129 million (outturn) Hinkler - \$39.158 million (outturn) Woolshed - \$38.822 million (outturn)
<b>Expenditure recommended</b>	see recommendations below
<b>Parliamentary Paper</b>	310/95

**Conclusions and Recommendations**

1. The three agencies are housed in multiple tenancies with fragmentation of staff and duplicated facilities. Most of the accommodation does not meet modern office standards. Corporate efficiency would be improved by collocating each agency in its own building.
2. The Committee recommends that Australian Estate Management should continue discussions with the Master Builders Association regarding alternative delivery methods.

3. The Committee recommends that the issue of carparking and traffic flow in Barton, and the whole of Canberra, should be considered by the joint Commonwealth/ACT review of planning in the National Capital.
4. The Committee recommends that alternative options for the location of the Department of Industrial Relations, including Civic, be examined. The Committee further recommends that details of this examination should be provided to the Committee for further consideration.
5. The Committee recommends that the proposed redevelopment of the Hinkler building site, Barton, ACT proceed at an estimated cost of \$39.158 million.
6. The Committee recommends that an office complex for the Department of the Environment, Sport and Territories be developed at either the Tuggeranong or Gungahlin town centres. The Committee further recommends that details of the preferred site and proposed design be provided to the Committee for further consideration.

### **Minister's response**

I would like to extend my deep felt thanks to the chairman of the Parliamentary Standing Committee on Public Works, the honourable member for Throsby (Mr Hollis), for his tremendous effort in this regard. It has been a very controversial and difficult process. I think some wise decisions were made. They will require further consideration by the government in a number of respects, but I think a tremendous job has been done by the committee not only in this particular instance but also in many others throughout the year. It is probably the hardest working committee of the parliament and deserves our thanks.



## APPENDIX B

### MEETINGS OF THE COMMITTEE - 1995

(\* denotes Sectional (sub) Committees)

<b>Date</b>	<b>Location</b>	<b>Purpose</b>
20 January	Canungra	Inspection*
20 January	Canungra	Public hearing*
24 January	Cerberus	Inspection
25 January	Cerberus	Public hearing
2 February	Canberra	Private meeting
9 February	Canberra	Private meeting
14 February	Canberra	Inspection
14 February	Canberra	Public hearing
15 February	Melbourne	Inspection*
15 February	Melbourne	Public hearing*
20 February	Darwin	Inspection
20 February	Darwin	Public hearing
21 February	Monte Bello	Inspection
22 February	Maralinga	Inspection
23 February	Ceduna	Public hearing
2 March	Canberra	Private meeting
9 March	Canberra	Private meeting
30 March	Canberra	Private meeting
4 April	Darwin	Inspection*
4 April	Palmerston	Public hearing*
5 April	Darwin	Inspection*
6 April	Palmerston	Public hearing*
20 April	Canberra	Inspection
20 April	Canberra	Public hearing
20 April	Canberra	Public hearing
27 April	Richmond	Inspection
27 April	Richmond	Public hearing
27 April	Richmond	Private meeting
2 May	RAAF Williamstown	Inspection*
3 May	Townsville	Inspection*
3 May	Townsville	Public hearing*
4 May	Townsville	Inspection*
11 May	Canberra	Private meeting
17 May	Brisbane	Inspection*

<b>Date</b>	<b>Location</b>	<b>Purpose</b>
18 May	Brisbane	Inspection*
18 May	Brisbane	Public hearing*
23 May	Port Melbourne	Inspection*
24 May	Clayton	Inspection*
24 May	Monash	Public hearing*
29 May	Canberra	Inspection
29 May	Canberra	Public hearing
1 June	Canberra	Private meeting
8 June	Canberra	Private meeting
15 June	Sydney	Inspection
19 June	Canberra	Private meeting
21 June	Canberra	Private meeting
22 June	Canberra	Private meeting
26 June	Canberra	Private meeting
29 June	Canberra	Private meeting
3 July	Townsville	Inspection
3 July	Townsville	Public hearing
10 July	Christmas Island	Inspection
11 July	Christmas Island	Inspection
12 July	Christmas Island	Inspection
13 July	Cocos Island	Inspection
14 July	Cocos Island	Inspection
14 August	Darwin	Public hearing*
24 August	Canberra	Private meeting
31 August	Canberra	Private meeting
4 September	Enoggera	Inspection*
4 September	Enoggera	Public hearing*
5 September	Holsworthy	Inspection*
5 September	Casula	Public hearing*
12 September	Canberra	Inspection
12 September	Canberra	Public hearing
13 September	Canberra	Briefing*
13 September	Canberra	Public hearing*
13 September	Canberra	Briefing*
13 September	Canberra	Public hearing*
13 September	Melbourne	Inspection*
14 September	Melbourne	Public hearing*
18 September	Canberra	Private meeting
21 September	Canberra	Private meeting
28 September	Canberra	Private meeting
28 September	Canberra	Private meeting

<b>Date</b>	<b>Location</b>	<b>Purpose</b>
19 October	Canberra	Private meeting
26 October	Canberra	Private meeting
27 October	Canberra	Briefing*
27 October	Canberra	Briefing*
27 October	Canberra	Public hearing*
27 October	Canberra	Public hearing*
1 November	Sydney	Inspection
1 November	Sydney	Public hearing
1 November	Puckapunyal	Inspection
2 November	Puckapunyal	Inspection
2 November	Puckapunyal	Public hearing
9 November	Canberra	Inspection*
10 November	Canberra	Public hearing*
10 November	Canberra	Public hearing*
10 November	Canberra	Public hearing*
17 November	Canberra	Public hearing*
20 November	Canberra	Private meeting
23 November	Canberra	Private meeting
28 November	Canberra	Private meeting
29 November	Canberra	Private meeting
30 November	Canberra	Private meeting
18 December	Sydney	Inspection
19 December	Canberra	Inspection
19 December	Canberra	Public hearing