

## **The Year in Review**

### **Overview of Activities**

- 2.1 Committee activities during 2005 comprised:
- 20 private meetings;
  - 26 public hearings; and
  - 19 inspections.
- 2.2 In March the Chair addressed the Australian Government Solicitor's Property and Infrastructure Seminar and in September the Committee was represented at the National Conference of Environment and Public Works Committees held in Canberra, ACT. These activities are discussed in Chapter 4 of this report.

### **Committee Inquiries**

- 2.3 During 2005 the Committee completed inquiries into 22 public works to the value of \$990.853 million. Summaries of the issues raised and conclusions

reached during the Committee's investigations are provided in Chapter 3. Public hearings were conducted into three further works estimated to cost a total of \$124.8 million. The reports on these works were tabled early in February 2006.

## **Works Exempt from Committee Scrutiny**

- 2.4 The Act provides that certain works and organisations may be exempt from scrutiny by the Committee. Such exemption may be granted because:
- the work is urgent;
  - the work is being undertaken for defence purposes and scrutiny of the work would be contrary to the public interest;
  - the Governor-General is satisfied that the proponent agency is engaged in trading or competition with another body; or
  - the work is repetitive; that is, substantially similar to other works that have been, or are being, carried out.
- 2.5 In 2005 four works were exempt from Committee scrutiny. The circumstances of each exemption are briefly outlined below.

### **New Chancery for the Australian Embassy in Baghdad, Iraq**

- 2.6 On 16 February 2005 the House of Representatives voted in favour of the motion that it would be expedient to carry out the construction of a new Australian Embassy in Baghdad, Iraq, without the works being referred to the Committee for consideration.
- 2.7 The works comprised the fit-out and of a leased building in Baghdad's international zone, estimated to cost \$4 million; and the provision of appropriate security measures at approximately \$9 million. The Parliamentary Secretary to the Minister for Finance and Administration, the Hon Dr Sharman Stone, informed the House that the dangerous environment prevailing in Iraq necessitated the expeditious execution and completion of the works to ensure the effective functioning of the embassy and the safety of staff and visitors.<sup>1</sup>

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1 House of Representatives, Hansard, 16 February 2005, pages 59 – 60

## **Urgent Security Upgrade of the Australian Embassy in Jakarta, Indonesia**

- 2.8 Later the same day, the House of Representatives voted that it would also be expedient for repairs to, and an urgent security upgrade of, Australia's embassy in Jakarta, Indonesia, to be carried out without referral to the Committee.
- 2.9 In moving the expediency motion, Dr Stone noted that urgent construction works were required to repair the damage sustained by the embassy in the bomb attack of 9 September 2004. She reported that, given the high degree of urgency associated with the works, the Government had concluded that it would not be feasible for the project undergo full Committee consideration. She added that this was an unusual step, as the Government is supportive and appreciative of the work done by the Committee in respect of value-adding to works proposals.<sup>2</sup>

## **Construction of Extension to ASIO Central Office, Canberra, ACT**

- 2.10 On 15 April 2005 the Attorney-General, Hon Philip Ruddock MP, requested the Committee's advice on the proposed exemption from referral of an extension to the Central Office of the Australian Security Intelligence Organisation (ASIO) in Canberra, ACT.
- 2.11 The works, intended to supply an additional 10,500 square metres of office space, would comprise both construction and fit-out, including a significant protective security component to meet agency requirements. Mr Ruddock expressed the view that, given the nature of intelligence agency facilities, it would not be in the national interest to review the details of the proposal through the Committee's inquiry process. He suggested, however, that officers from the Department of Finance and Administration (DoFA), ASIO and the Office of National Assessment (ONA) brief the Committee on the project in private.
- 2.12 On 15 June 2005 the Governor-General ordered that, as the proposed works were for defence purposes, the reference of the works to the Committee would be contrary to the public interest.

## **Defence Airfield Maintenance Works at RAAF Bases Richmond, NSW; Townsville, Qld; Darwin, NT and Amberley, Qld**

- 2.13 In June 2005 the Department of Defence (Defence) notified the Committee of its intention to undertake maintenance of aircraft pavements and lighting at

four RAAF bases and requested that the works be exempt from Committee scrutiny due to their repetitive nature.

- 2.14 The Committee reviewed the detailed information provided by Defence and recommended that the proposal be declared a repetitive work by notification in the *Gazette*. Notification of the work was published in the *Gazette* by the Hon Dr Sharman Stone MP on 7 September 2005.<sup>3</sup>

## Concurrent Documentation

- 2.15 Concurrent documentation is the preparation of contract documentation before the Committee has completed its inquiry and reported to Parliament.
- 2.16 In its 2004 Annual Report the Committee recorded its concern at the marked increase in the number of agencies requesting concurrent documentation. The Committee stated that the commencement of project documentation prior to the completion of its inquiry into a work unnecessarily pre-empts the outcome of its deliberations and thereby inhibits appropriate parliamentary scrutiny. The report stressed that agencies should incorporate sufficient time into project schedules to accommodate full Committee consideration, and that concurrent documentation should only be requested when essential project deadlines could not be met by any other means.<sup>4</sup>
- 2.17 In 2005 requests for concurrent documentation were made in respect of six of the twenty-two works reported upon by the Committee. The Committee was pleased to note that this figure represented a significant reduction in the percentage of works subject to such a request, which exceeded 66 per cent in 2004. Details of the works for which concurrent documentation was granted in 2005 are provided below.

## Proposed Fit-out of New Leased Premises for the Department of Industry, Tourism and Resources in Civic, ACT

- 2.18 On 11 February 2005 the Department of Primary Industry and Resources (DITR) requested the Committee's approval to proceed with documentation for several critical fit-out elements concurrent with parliamentary consideration of the project. DITR's request was based on:
- the expiry in 2006 of its current accommodation lease;

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<sup>3</sup> Commonwealth of Australia Gazette, No. GN35, 7 September 2005

<sup>4</sup> Commonwealth of Australia Joint Standing Committee on Public Works, *Sixty-eighth Annual Report*, Canberra, March 2005; pages 35 - 36

- the project completion date agreed between DITR and the property developer;
- the initial referral of the project for Committee consideration in August 2004, prior to the prorogation of Parliament for the 2004 Federal Election, and associated delays in the project.

2.19 The Committee considered the Department's request and granted approval for concurrent documentation on 17 February 2005.

### **Provision of Facilities for Maribyrnong Immigration Detention Centre Additional Accommodation and Related Works, Maribyrnong, Victoria**

2.20 Upon conclusion of the public hearing on 23 February 2005 the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) requested the Committee's approval to finalise design documentation for the expansion of facilities at the Maribyrnong Immigration Detention Centre (MIDC) prior to the tabling of the Committee's report on the work. DIMIA advised that no tenders would be advertised or construction commenced prior to parliamentary approval of the project.

2.21 On 28 February, the Committee requested that DIMIA attend a further public hearing into the MIDC work to be held on 7 March, and agreed that final design could proceed on the condition that no contracts be entered into prior to consideration of all additional information supplied by the Department.

### **New Consulate-General Building, Bali, Indonesia**

2.22 In a letter to the Committee dated 27 May 2005 the Department of Foreign Affairs and Trade (DFAT) sought permission to commence preparation of contract documentation and short-listing activities concurrent with the Committee's consideration of the proposed construction of new consulate-general offices in Bali, Indonesia. The request was made in view of the urgent need to address security concerns at the post and to ensure that the project would be completed, as planned, in October 2006.

2.23 The Committee approved the request on 2 June 2005.

### **Reserve Bank Business Resumption Site, Baulkham Hills, NSW**

2.24 On 3 June 2005 the Reserve Bank of Australia (RBA) requested approval for concurrent documentation in order to expedite the establishment of its business continuity arrangements, the early completion of which would also result in significant rental savings.

2.25 The Committee gave approval for documentation to proceed.

### **Operational Upgrade, Darwin Detention Facility, Berrimah, NT**

2.26 Immediately following the public hearing conducted on 18 July 2005, DIMIA sought approval to invite proposals for project managers to oversee completion of the Darwin Detention Facility upgrade. DIMIA stated that recent death and injury among boat-based detainees had increased the urgency of the project.

2.27 The Committee notified its approval of the request on 22 July.

### **RAAF Base Amberley Redevelopment Stage Two, Qld**

2.28 In a letter dated 7 October 2005 Defence sought the Committee's approval to commence procurement of certain equipment and services infrastructure works required for the Amberley project, and to advertise for Registrations of Interest in trade works packages, prior to the tabling of the completed report. Defence noted that the latter process would not commit the Commonwealth to any contracts.

2.29 The Committee agreed to Defence's request on 13 October 2005.