

Introduction

Referral of Work

- 1.1 On 12 October 2005 the proposal to provide facilities for the relocation of the 171st Aviation Squadron to Holsworthy Barracks, NSW, was referred to the Public Works Committee for consideration and report in accordance with the provisions of the *Public Works Committee Act 1969* (the Act).¹ The proponent agency for this work is the Department of Defence (Defence).
- 1.2 The Hon Dr Sharman Stone MP, Parliamentary Secretary to the Minister for Finance and Administration, advised the House that the out-turn estimated cost of the project was \$92 million. Subject to parliamentary approval, the proposed works were planned to commence in May 2006, with practical completion and occupation scheduled for mid-2008.

¹ Extract from the *Votes and Proceedings of the House of Representatives*, No. 61, Wednesday 12 October 2005

Background

The Site

- 1.3 The proposed works will be constructed at Gallipoli Lines and Luscombe Airfield, two sub-areas of the Holsworthy Barracks precinct, located within the Liverpool Military Area.²
- 1.4 Sites selected for proposed works are Commonwealth owned and Defence controlled, zoned for Defence purposes, and require no State or local government approvals.³

Options Considered

- 1.5 Options considered in the relocation of the 171st Aviation squadron included three sites in NSW, namely:
 - Holsworthy Barracks;
 - HMAS Albatross at Nowra; and
 - RAAF Base Richmond.
- 1.6 Holsworthy was selected as the preferred option due to “the operational training and whole of life benefits of having the 171st Aviation Squadron collocated at Holsworthy with the 4th Battalion Royal Australian Regiment (Commando) and its C Company component of the Tactical Assault Group (East)”⁴ .
- 1.7 Additional advantages of relocation to Holsworthy are identified as:
 - a higher standard of operational capability and efficiency;
 - improved coordination with Special Operations units; and
 - lower capital and operating costs.⁵

2 Appendix C, Submission No 1, Department of Defence, paragraphs 11 – 12.

3 *ibid.*, paragraph 31.

4 *ibid.*, paragraph 24.

5 *ibid.*, paragraph 29.

Inquiry Process

- 1.8 The Committee is required by the Act to consider public works over \$6 million⁶ and report to Parliament on:
- the purpose of the work and its suitability for that purpose;
 - the need for, or the advisability of, carrying out the work;
 - whether the money to be expended on the work is being spent in the most cost effective manner;
 - the amount of revenue the work will generate for the Commonwealth, if that is its purpose; and
 - the present and prospective public value of the work.⁷
- 1.9 The Committee called for submissions by advertising the inquiry in the *Sydney Morning Herald* on Saturday, 22 October 2005. The Committee also sought submissions from relevant government agencies, local government, private organisations and individuals, who may be materially affected by or have an interest in the proposed work. The Committee subsequently placed submissions and other information relating to the inquiry on its web site in order to encourage further public participation.

Inspection and Public Hearing

- 1.10 Under the terms of the Act, the Committee may not convene at any place outside Australia and its external Territories. Where a public work is to be carried out outside Australia and its external Territories, the Committee:
- ...shall consider the work on the basis of plans, models and statements placed before it and of evidence (if any) taken by it.⁸
- 1.11 On Monday, 12 December 2005 the Committee visited Holsworthy Barracks, NSW to inspect at first hand the scope and environs of the proposed works. This was followed by an in-camera briefing on

6 *Public Works Committee Act 1969*, Part III, Section 18 (8)

7 *ibid*, Section 17

8 *Public Works Committee Act 1969*, Part III, Section 18B

operational matters and confidential costs, after which a public hearing was held at the Barracks.⁹

9 See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Monday, 12 December 2005 Holsworthy Barracks, NSW