

## Introduction

### Referral of Work

- 1.1 On 24 June 2004 the proposal to fit-out new leased premises for the Department of Prime Minister and Cabinet at 1 National Circuit, Barton, Australian Capital Territory, was referred to the Public Works Committee for consideration and report to the Parliament in accordance with the provisions of the *Public Works Committee Act 1969* (the Act).<sup>1</sup> On 6 December 2004 the work was re-referred. The proponent agency for this work is the Department of Prime Minister and Cabinet (PM&C).
- 1.2 The Hon Peter Slipper MP, Parliamentary Secretary to the Minister for Finance and Administration, advised the House that the estimated cost of the proposed works was \$23 million. Mr Slipper noted further that construction of the premises to be leased by PM&C would begin in February 2005. He added that, subject to Parliamentary approval, the fit-out would commence in August 2005, and that PM&C would move into the building in early 2007.

### Background

#### The Department of Prime Minister and Cabinet

- 1.3 The Department of Prime Minister and Cabinet provides advice and information to the Prime Minister on policy matters of domestic and international importance.
- 1.4 PM&C has particular responsibilities to:

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<sup>1</sup> Extract from the Votes and Proceedings of the House of Representatives, No. 184, Thursday, 24 June 2004

- advise on the implications of proposals for Commonwealth-State relations and facilitate these relations;
  - ensure policy coordination so that the Prime Minister draws upon the best possible advice across the whole of government.<sup>2</sup>
- 1.5 The Department is the key counsel on government and parliamentary policy on matters such as Cabinet processes, accountability and management of the public service. PM&C provides a range of support services to the Government, including:
- development and coordination of the Government's legislation program;
  - provision of secretariat support to the Executive Council and the Cabinet; and
  - arrangement and coordination of government hospitality and official ceremonial occasions.<sup>3</sup>

## Site of the Proposed Work

- 1.6 The developer Industry Superannuation Property Trust (ISPT) purchased a 99-year Crown lease (commencing from June 2000) for 1 National Circuit.<sup>4</sup>
- 1.7 PM&C intends to lease the new building from ISPT for 15 years, with one five-year option.<sup>5</sup>
- 1.8 The building will occupy a 9, 281m<sup>2</sup> site on the corner of King's Avenue and National Circuit in Barton. Situated on the edge of the Parliamentary Zone, it will be only a short distance from Parliament House. The site has underlying redevelopment potential permitting development up to 17, 000m<sup>2</sup> Gross Floor Area (GFA).<sup>6</sup>
- 1.9 The completed building will have 5.0 floors of office space measuring 15, 050m<sup>2</sup>.<sup>7</sup>
- 1.10 The development will feature 340 car parking spaces, including 6 disabled parking bays. The majority of vehicles will be accommodated in a secure two-level basement, with 14 car parking spaces provided outside the building at ground level.<sup>8</sup>

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2 Appendix C, Submission No. 1, paragraphs 1.1.1 and 1.1.2

3 ib id, paragraphs 1.1.3 and 1.1.4

4 ib id, paragraph 2.3.1

5 ib id, paragraph 2.2.1

6 ib id, paragraph 1.5.1 and paragraph 2.3.2

7 ib id, paragraph 1.5.2

8 Appendix C, Submission No. 1, paragraph 1.5.4

## Inquiry Process

- 1.11 The Committee is required by the Act to consider public works over \$6 million<sup>9</sup> 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.<sup>10</sup>
- 1.12 The Committee called for submissions by advertising the inquiry in the *Canberra Times* on Saturday 3 July 2004. The Committee also sought submissions from relevant governmental 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.

## Inspections and Public Hearing

- 1.13 On Friday 6 August 2004 the Committee travelled to the 1 National Circuit site and inspected at first hand the scope and environs of the proposed works. A public hearing was held at Parliament House, Canberra, later that same day.<sup>11</sup>

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

10 *Public Works Committee Act 1969*, Part III, Section 17

11 See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Friday, 6 August 2004 in Canberra

