

## Introduction

### Referral of Work

- 1.1 On 9 February 2005 the proposal for development of On-Base Housing for Defence at Puckapunyal, Victoria, 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>. The proponent agency for this work is the Defence Housing Authority (DHA).
- 1.2 The Hon Dr Sharman Stone MP, Parliamentary Secretary to the Minister for Finance and Administration, advised the House that the estimated cost of the proposed works was \$19.6 million. Dr Stone added that subject to parliamentary and Defence Housing Authority board approval, the construction program is expected to commence in July 2005, with the delivery of completed dwellings expected to occur progressively from February 2006 through to November 2006.

### Background

#### Defence Housing Authority

- 1.3 The DHA was established in 1988 to provide housing and relocation services for Australian Defence Force personnel after it was discovered that low standards of accommodation were having a negative impact on

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<sup>1</sup> Extract from the *Votes and Proceedings of the House of Representatives*, No. 13, Wednesday, 9 February 2005

Defence morale. The DHA aims to provide Defence personnel and their families with a standard of housing at least equal to that enjoyed by the broader community in which they live.

- 1.4 The DHA employs a variety of delivery methods to meet Defence accommodation requirements, including:
- construction off-base with a view to retention or future sale of the properties;
  - construction on-base as dictated by Defence operational or policy requirements;
  - direct purchase of established properties, with a view to retention or future sale; and
  - direct lease through the private rental market.

## Site of the Proposed Work

- 1.5 The proposed development is within the Puckapunyal Military Area (PMA), on land previously occupied by old houses that have been progressively demolished over the years.

## Inquiry Process

- 1.6 The Committee is required by the Act to consider public works over \$6 million<sup>2</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>3</sup>
- 1.7 The Committee called for submissions by advertising the inquiry in *The Age* on Saturday 5 March 2005. The Committee also sought submissions

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

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

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

- 1.8 On 20 April 2005 the Committee visited the PMA, Victoria and inspected the site and environs of the proposed works. A commercial-in-confidence briefing on project costs from DHA and a public hearing were held within the PMA later that day.<sup>4</sup>

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4 See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Wednesday, 20 April 2005 at Puckapunyal.

