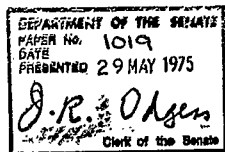


1975

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

Parliamentary Standing Committee on Public Works



REPORT

relating to the proposed construction of an

AUSTRALIAN GOVERNMENT CENTRE

at

Parramatta, New South Wales

(FOURTH REPORT OF 1975)

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PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

AUSTRALIAN GOVERNMENT CENTRE
PARRAMATTA, N.S.W.

R E P O R T

By resolution on 5 December 1974, the House of Representatives referred to the Parliamentary Standing Committee on Public Works for investigation and report, the proposal to construct an Australian Government Centre at Parramatta, N.S.W.

The Committee have the honour to report as follows:

THE REFERENCE

1. The proposal referred to the Committee involves the construction of a modern office complex with a view to accommodating 2,500 Australian Government office users in the first phase and with capacity for ultimate development to accommodate between 4,500 and 6,000 officers. The ultimate development will make provision for civic, community and staff amenity facilities and for retail purposes. The office accommodation will be concrete framed structures designed to provide flexible general purpose office areas for Australian Government usage. The complex will be designed for minimum maintenance with floors being carpeted in office areas. Acoustic treatment will be provided to reduce the general noise level. The buildings will be air conditioned and fire protection installed.

2. The estimated cost of the proposed work at December 1974 prices, when referred to the Committee, was as follows: Stage 1, to provide accommodation for 2,500 officers plus car park, plus 40 per cent of the community/retail facilities - \$21 million. The total cost of the development was as follows: alternative 1, for 4,500 officers - \$56 million; alternative 2, for 5,000 officers - \$38 million; alternative 3, for 6,000 officers - \$43 million.

3. At the time of the Committee's investigation, alternative 2, for 5,000 officers was proposed, and the estimated cost was as follows: Stage 1 (for 2,500 officers) - \$32 million; total development (for 5,000 officers) - \$46 million.

4. Alternatives 1 and 3 were not fully investigated by the Committee as the sponsoring and constructing departments considered that the optimum development should provide for 5,000 officers and this view was accepted by the Committee.

THE COMMITTEE'S INVESTIGATION

5. The Committee received a joint written submission and drawings from the Department of Services and Property and the Department of Housing and Construction and took evidence from their representatives at public hearings held in Parramatta on 18-19 March 1975 and at a second hearing on 30 April 1975. The Committee also took evidence from State and local government authorities, professional, business and community organizations and private witnesses.

6. The Committee inspected the site at Parramatta prior to commencement of the first hearing.

7. The Committee's proceedings will be published in printed form as Minutes of Evidence.

BACKGROUND TO THE PROPOSAL

8. In July 1972, the Twenty-first Committee investigated the first stage of a proposal which was ultimately to provide an office complex for 15,000 officers at Woolloomooloo. In Report No. 20 of 1972, that Committee conceded that there was a need for additional Australian Government office accommodation in the Sydney area. However, it was recommended that that particular proposal be disapproved on the basis that consideration be given to decentralising the proposed office complex and future complexes. The proposal to construct an Australian Government Centre at Parramatta is a result of that disapproval and is seen as the forerunner to other decentralised Australian Government Centres.

THE NEED

9. Office Accommodation In recent years, the expansion of the Australian Public Service has necessitated a substantial increase in the amount of office accommodation which the Australian Government has been required to lease in privately owned buildings. A total of 316,000 square metres of office space is currently occupied by the Australian Public Service in Sydney. More than 229,000 square metres or about 72% is leased at an annual rental of some \$13 million.

10. There has been no new Australian Government office construction in the Sydney region since completion of the Australian Government Centre in Phillip Street in 1963 and no acquisition of modern office accommodation has occurred since then.

11. We were advised that additional Australian Government office construction in the Sydney region is necessary to increase the proportion of Government owned accommodation, to reduce rental costs and to reduce the dispersal of many departments into a large number of separate buildings.

The Australian Government currently occupies office space in over 70 separate buildings in Sydney and this dispersal, particularly in leased accommodation, has resulted in unacceptable administrative and operational costs. Most leased accommodation is unsuited to the needs of the Australian Government having regard to staff amenities, floor layout, floor loadings and lift, air conditioning and engineering services.

12. Economics of Australian Government Office Construction Apart from the physical advantages to the Government in owning its office accommodation, recent studies have demonstrated that it is generally more economical to own office accommodation than to lease equivalent privately owned space. The costs of building and operating the proposed office complex compare favourably with the cost of leasing equivalent accommodation constructed under similar economic conditions.

13. The Committee were advised that based on a conservative estimated rental figure of \$12 per square foot per annum to lease accommodation by 1980, the annual savings from construction rather than leasing would result in a return to the Government in excess of 16%. On this basis, it is expected that the Australian Government would recoup the initial capital investment in the office towers of the proposed Australian Government Centre in nine years. To the extent that rental would exceed \$12 per square foot per annum, the Australian Government would recoup its capital investment in a lesser period.

14. In this instance, a cost advantage to the Australian Government of at least \$4.76 per square foot per annum is expected based on estimated leasing and ownership costs of \$12.00 and \$7.24 per square foot per annum respectively.

15. Community Facilities A maldistribution of recreational and cultural facilities exists across the Sydney area. This disparity is

highlighted by the fact that the geographical population centre of Sydney is west of Strathfield and moving westwards, whereas most facilities such as museums, art galleries, live theatres and exhibition facilities are concentrated around the City of Sydney. Residents of the western areas of Sydney suffer the greatest loss from this shortcoming and in Parramatta there is a well documented absence of the cultural and recreational facilities, and an absence or inadequacy of all the welfare facilities, proposed for the Australian Government Centre.

16. The inclusion of community facilities in the development, rather than at another site is proposed for the following reasons:

- Some facilities, such as the Australian Legal Aid Office, are provided by the Australian Government and it is appropriate they should be located there.
- The grouping of facilities will lead to easy public access and identification.
- Many facilities will be available part of the time for official and Australian Government employees use.

17. Retail Facilities The Committee were advised that the provision of space for some retail outlets is considered to be justifiable in terms of convenience to the very large office workforce and to the general public using the Centre and on the grounds of a profitable financial return to the Australian Government. Retail outlets will be leased with a view to meeting the needs of Australian Government workers in the Centre and will also be influenced by community needs.

18. Car Parking Strong representations were made by the local Council, the New South Wales Planning and Environment Commission and Murray Brothers (Parramatta) Pty. Ltd for the provision of car parking spaces up to

a total of 1,200. Evidence presented by the sponsoring and constructing departments provides basement parking spaces for 305 official vehicles, an unloading area in the basement for all service vehicles and 40 short term visitor parking spaces via a colonnaded off-street vehicular access from O'Connell Street.

19. Other evidence relating to car parking put before the Committee included the prohibitively high costs involved in providing further basements for car parking, entry and egress problems that would be associated with greatly increased on-site car parking, and the Australian Government policy of fostering the use of public transport. The Committee noted that attention is presently being given to upgrading public transport facilities in the western suburbs and that the proposed basement car parking will be made available for use, out of office hours, by patrons of the various community facilities.

20. The Committee are aware that it is existing Australian Government practice to provide off-street parking for all official vehicle requirements and having considered all the evidence placed before us, we endorse the provisions for vehicle parking made by the sponsoring and constructing departments.

21. Australian Government Urban Policy The Committee were told that it is a fundamental urban policy of the Australian Government that the present maldistribution of tertiary employment and urban facilities in Sydney should be corrected. The extremely eccentric concentration of these facilities in the City of Sydney central business district is at the expense particularly of the western suburban areas of Sydney.

22. It was also pointed out that Parramatta is located in the south-west corridor of Sydney which is supported by the Australian Government and the New South Wales Planning and Environment Commission as an alternate provider of central business district facilities. Parramatta is well suited as the

location for an Australian Government Centre of this magnitude because the local workforce, housing, transport and commercial infrastructures are capable of accepting it.

23. Committee's Conclusion There is a need for additional Australian Government owned office accommodation in the Sydney area and this proposal will contribute towards satisfying that need. Parramatta offers the opportunity to decentralise Australian Government administration from the central business district of Sydney and this decentralisation will be of benefit generally to the Australian Government and its employees, the local population, local business and to the Parramatta City Council.

24. There is a need for the community facilities proposed in the Centre to help meet the shortcomings presently existing in the Parramatta area. There is a need for some retail facilities in the Centre to meet, in part, the requirements of employees and the general public. The community facilities should be provided on the basis that they be financially self-supporting. The retail facilities should be provided on the basis that they be profitable to the Australian Government. The Committee endorse the provisions for vehicle parking made by the sponsoring and constructing departments.

THE SITE

25. The site was acquired by the Australian Government in 1973 at a cost of \$5,073 million. It comprises an area of 1,881 hectares with frontages to Macquarie, O'Connell and George Streets. It is conveniently located to the railway station and is one block away from the main business centre. The O'Connell Street frontage faces Parramatta Park and this street is to be developed as a main traffic artery to promote convenient access to western and northern suburbs from the Parramatta business district.

26. The Committee were advised that portion of the site to a depth of about 30 ft will need to be surrendered to allow widening of O'Connell Street to form the traffic artery. The site is subject to a water table which can rise to within 2 metres of the surface and because of this, the provision of more than one basement level would be prohibitively expensive.

27. During the course of the first hearing, the Committee noted with some concern that two aspects of the site acquisition, vital to the project proceeding, had not yet been settled. These related to the baby health centre site fronting O'Connell Street and to an easement through the Egremont Pty Ltd Marsden Street property. At the second hearing, the Committee were advised that the local Council was prepared to exchange the residue, after road widening, of the baby health centre site for the Government land required to widen O'Connell Street.

28. At the time of the second hearing, no reply had been received from Egremont Pty Ltd to a formal approach by the Department of Services and Property, asking if that company wished to sell an easement, limited to 8 metres in height, over that company's vacant land in Marsden Street. The Committee were assured that while it is expected that a satisfactory agreement can be reached with Egremont Pty Ltd, the Government has the authority to acquire the land under the provisions of the Lands Acquisition Act which permit acquisition by compulsory process as well as by agreement. The Committee were also assured that settlement of this matter will not produce any barrier to proceeding with the planning and development of the project.

29. Committee's Conclusion The site selected is suitable.

THE PROPOSAL

30. The proposal before the Committee is for the construction of an Australian Government Centre comprising:

- 52,000m² of office accommodation for 5,000 people in twin office buildings sharing a common service core;
- 23,100m² of community/retail facilities space in a two storey plaza building, including public landscaped open space; and
- one basement level over the whole of the site containing car parking for 305 official vehicles, central loading dock, central storage and building maintenance facilities.

31. Office Accommodation Each office building will have 18 levels above ground floor level. The twin floor areas at each level will be interconnected by a double corridor system and will provide 2,869m² of net office space uninterrupted by service core area, allowing maximum potential for flexible office planning.

32. Shared Core This concept will achieve high economy in the utilisation of mechanical equipment and service areas by minimising duplication of those elements.

33. Amenities The staff cafeteria will be located on the upper level of the two storey plaza building and will be conveniently accessible from main office pedestrian routes. The cafeteria is envisaged as being for staff use only and will be managed by the Department of Labour.

34. Community Facilities Facilities to be provided include two theatres, one to seat 750 people and a smaller theatre to seat 200 people, restaurant, art gallery, lobby, information centre, meeting rooms, legal aid office, family health centre, child minding centre, community service centre, gymnasium, youth centre, senior citizens centre, landscaped plaza, pedestrian malls and pedestrian bridges linking the development with Parramatta Park and the main retail precinct.

35. Retail Facilities An area of approximately 1,022m² will be provided for retail facilities such as a chemist, newsagent/bookstore, milk bar/sandwich shop, hairdresser, dry cleaner and a TAB agency. It is envisaged that these

facilities will be used mainly by staff employed in the Centre and by the general public.

36. Some of the facilities including the theatres, gallery, restaurant, meeting rooms and child minding centre, will provide the Australian Government with an income to offset the cost of construction and operation. Other welfare facilities such as the baby health centre, gymnasium, youth centre and senior citizens centre will be provided on the basis of recovery of running costs only. It is envisaged that the theatres and gallery will be operated by a Trust and that other facilities will be let out to interested organizations at appropriate rentals and managed by the Centre's manager or the local Council as appropriate.

37. Car Parking Provision will be made for basement car parking for 305 official vehicles, an unloading area in the basement for all service vehicles and 40 short term visitor parking spaces via a colonnaded off-street vehicular access from O'Connell Street.

38. The Australian Government Centre could be constructed in two stages if required. Stage 1 would comprise:

- the total basement;
- one unit of the office building to house 2,500 people;
- the common service core;
- that section of the two storey plaza building containing the cafeteria;
- the necessary phase of the central plant room;
- the main entrance lobby;
- the theatre complex;
- the landscaped plaza; and
- the baby health centre and child care facility.

CONSTRUCTION

39. Structural The site foundation condition consists of clays of varying density overlaying a shale bedrock approximately 11 metres below average site level. The footings will be founded on the shale rock. Test bore information indicates a water table level at 2 to 2.5 metres below average site level. The buildings have been designed with reinforced concrete and precast concrete structural systems with a high degree of standardisation as one objective. Floors have been designed for office loads with provision at each level for a compactus storage area. Carpets will be provided to all office areas.

40. Engineering Services Mechanical services will include air conditioning to all occupied areas and mechanical ventilation to service areas, storage areas and car parks. Domestic hot water, sump pumps and drinking water coolers will be provided. A waste paper chute system will also be provided. Waste paper will be compacted before removal.

41. Electricity will be distributed through three substations interconnected to the local supply system. Emergency power will be available through a diesel generating plant. Lighting will generally be fluorescent in accordance with approved standards. A battery operated emergency lighting system to stairs and public places will be incorporated. Other services include PABX facilities, a wired master clock system, lightning protection system and external security and safety lighting.

42. Fire protection will include automatic sprinklers in addition to fire hydrants, small bore hoses, portable fire extinguishers, break glass push button alarms and a fire telephone system. A central supervisory system of building operation including security and fire safety will also be provided.

43. The building will be provided with normal water and sewerage services and water storage will be located in the upper levels of the central service core to the office towers.

44. Lifts Two groups of lifts will be provided. One group of double-deck lifts will provide a passenger service to all floors from lobbies at intermediate floor levels. The other group of goods/passenger lifts will provide for the transport of goods and handicapped persons to all office floors. A small goods hoist will serve the kitchen and cafeteria from the truck dock below.

45. Staging of Construction The Committee note that the reference allowed for staging of the project and that the joint departmental submission was prepared accordingly. During the course of the hearing, the Department of Housing and Construction advised the Committee that savings of the order of \$1 million could be made if the Centre is constructed as a total continuing project. The Department of Services and Property also advised that there would be a greater advantage in covering any additional requirements of departments by constructing the Centre as one continuing project.

46. Environmental Considerations The Committee agree with the conclusion of the Departments of Services and Property and Housing and Construction that this Centre will benefit the community without any detrimental effects on the environment.

47. Committee's Conclusion The Committee recommend the construction of the work in this reference. For reasons of economy, consideration should be given to constructing the Centre as one continuing project.

ESTIMATE OF COST

48. The estimated cost of the work when referred to the Committee was \$38 million, if the project is constructed in two stages. At the time of

the Committee's investigation, this estimate had increased to \$46 million.

This estimate is made up as follows:

<u>Stage 1</u>	\$
Building works	21,000,000
Mechanical services	4,000,000
Electrical services	2,500,000
Lifts	2,000,000
Kitchen equipment	200,000
Hydraulic services	1,800,000
Landscaping	500,000
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	32,000,000
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<u>Stage 2</u>	
Building works	9,200,000
Mechanical services	2,000,000
Electrical services	1,000,000
Lifts	1,000,000
Hydraulic services	800,000
	<hr/>
	14,000,000
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Total Stage 1 and 2	46,000,000
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49. If the Centre is constructed as a total continuing project, the estimated cost at the time of the Committee's investigation was \$45 million, made up as follows:

	\$
Building works	29,500,000
Mechanical services	6,000,000
Electrical services	3,500,000
Lifts	2,800,000
Kitchen equipment	200,000
Hydraulic services	2,500,000
Landscaping	500,000
	<hr/>
	45,000,000
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PROGRAM

50. The estimated construction time for Stage 1 is 2.5 years and for a single stage 3.5 years. A minimum documentation period of six months would apply in both instances.

OBSERVATIONS

51. Local Government Rates In accordance with accepted Australian Government practice ex gratia payments will be made to the Parramatta City Council. These will be equivalent in value to that rate revenue which would normally be generated by the retail facilities to be provided in the Australian Government Centre. Payments will also be made for any services rendered by a rating authority, such as the supply of water, sewerage, electricity or the collection of garbage.

52. In addition, the Committee were pleased to note that the Department or Urban and Regional Development has received through its association with the Grants Commission and directly with local government, a wide range of views on the issue of rate payments on Australian Government property. That Department has the management of a joint study, established by the local government Ministers Conference on Local Government Finance, where this topic will be a major issue. In parallel with this, that department is writing to affected departments to establish a joint examination of Australian Government policy on this issue.

53. The Committee are disturbed at the undue haste with which the joint submission for this project was prepared. Investigation during the course of the hearing revealed that this was brought about by the referral of the project to the Committee prior to the preparation of the joint submission. It would appear that the period of time normally allowed between Cabinet approval of a project and referral to this Committee was not available in this instance and a result of this was inadequate consultation with local

authorities. It is the function of the Committee to act as expeditiously as possible in holding a public hearing and reporting to the Parliament once a proposal has been referred.

54. The Committee are aware of the difficulties that arise in planning a project of this magnitude and realise that it is the first time such a composition of facilities has been attempted by the Australian Government. However, we are disturbed at the lack of detailed information which should have been presented at the first hearing, and although this situation was later rectified, expect that the situation will not arise again.

55. At the first hearing, little information was provided concerning the Australian Government's decentralisation and community facilities policies. This was accentuated by the unfortunate fact that no submission or evidence was presented by the Department of Urban and Regional Development. This situation was rectified at the second hearing when, at the Committee's request, representatives of the Department of Urban and Regional Development presented a submission outlining the Australian Government's objectives in the region, particularly relating to the Australian Government Centre at Parramatta.

56. The Committee noted there had been a lack of consultation with clerical unions at the early planning stages of the project regarding the provisions of office space and staff amenities. The Committee suggests that in future office accommodation proposals, some effort should be made to rectify this situation.

57. The Committee note that a significant amount of money is to be provided for landscaping some 3,900 square metres of open areas associated with the Centre. The Committee suggest that consideration be given to the planting of trees on all street frontages and within the courtyard of the Centre.

RECOMMENDATIONS AND CONCLUSIONS

58. The summary of recommendations and conclusions of the Committee is set out below. Alongside each is shown the paragraph in the report to which it refers.

	<u>Paragraph</u>
1. THERE IS A NEED FOR ADDITIONAL AUSTRALIAN GOVERNMENT OWNED OFFICE ACCOMMODATION IN THE SYDNEY AREA.	23
2. THIS PROPOSAL WILL CONTRIBUTE TOWARD SATISFYING THAT NEED.	23
3. PARRAMATTA OFFERS THE OPPORTUNITY TO DECENTRALISE AUSTRALIAN GOVERNMENT ADMINISTRATION FROM THE CENTRAL BUSINESS DISTRICT OF SYDNEY.	23
4. THIS DECENTRALISATION WILL BE OF BENEFIT GENERALLY TO THE AUSTRALIAN GOVERNMENT AND ITS EMPLOYEES, THE LOCAL POPULATION, LOCAL BUSINESS AND TO THE PARRAMATTA CITY COUNCIL.	23
5. THERE IS A NEED FOR THE COMMUNITY FACILITIES PROPOSED IN THE CENTRE TO HELP MEET THE SHORTCOMINGS PRESENTLY EXISTING IN THE PARRAMATTA AREA.	24
6. THERE IS A NEED FOR SOME RETAIL FACILITIES IN THE CENTRE TO MEET, IN PART, THE REQUIREMENTS OF EMPLOYEES AND THE GENERAL PUBLIC.	24
7. THE COMMUNITY FACILITIES SHOULD BE PROVIDED ON THE BASIS THAT THEY BE FINANCIALLY SELF-SUPPORTING.	24
8. THE RETAIL FACILITIES SHOULD BE PROVIDED ON THE BASIS THAT THEY BE PROFITABLE TO THE AUSTRALIAN GOVERNMENT.	24

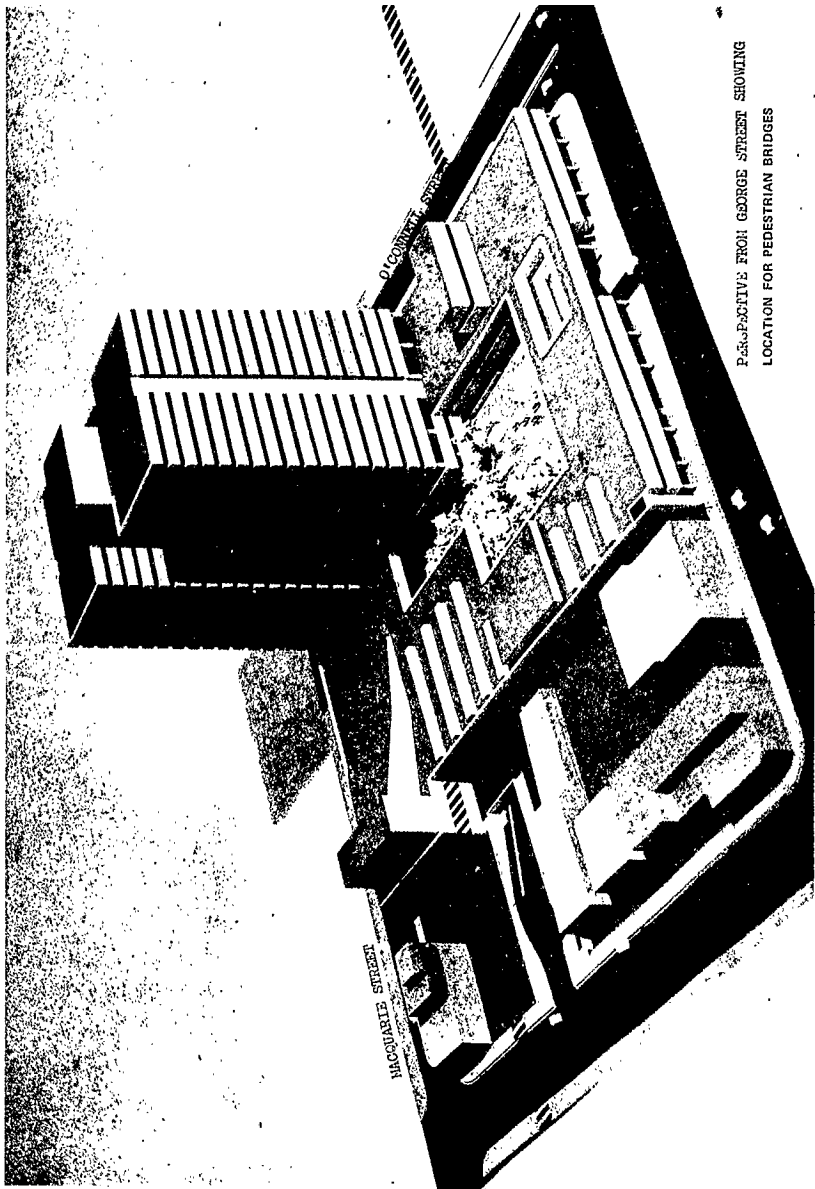
	<u>Paragraph</u>
9. THE COMMITTEE ENDORSE THE PROVISION FOR VEHICLE PARKING MADE BY THE SPONSORING AND CONSTRUCTING DEPARTMENTS.	24
10. THE SITE SELECTED IS SUITABLE.	29
11. THE COMMITTEE RECOMMEND THE CONSTRUCTION OF THE WORK IN THIS REFERENCE.	47
12. FOR REASONS OF ECONOMY, CONSIDERATION SHOULD BE GIVEN TO CONSTRUCTING THE CENTRE AS ONE CONTINUING PROJECT.	47
13. THE ESTIMATED COST OF THE WORK AT THE TIME OF THE COMMITTEE'S INVESTIGATION WAS \$46 MILLION IF CONSTRUCTED IN TWO STAGES.	48
14. IF THE CENTRE IS CONSTRUCTED AS A TOTAL CONTINUING PROJECT, THE ESTIMATED COST AT THE TIME OF THE COMMITTEE'S INVESTIGATION WAS \$45 MILLION.	49



(L.K. JOHNSON)
Chairman

Parliamentary Standing Committee on Public Works,
Parliament House,
CANBERRA, A.C.T.

22 May 1975.



PERSPECTIVE FROM GEORGE STREET SHOWING
LOCATION FOR PEDESTRIAN BRIDGES