

Parliamentary Standing Committee on Public Works

FIFTY-FOURTH GENERAL REPORT 1991

**The Parliament of the Commonwealth of Australia
Parliamentary Standing Committee on Public Works**

Fifty-fourth General Report

**(covering the period
1 January 1990 to 31 December 1990)**

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PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

FIFTY-FOURTH GENERAL REPORT

Pursuant to section 16 of the *Public Works Committee Act 1969*, the Parliamentary Standing Committee on Public Works is required to report to Parliament annually on its proceedings during the previous 12 months. This report, the Committee's *Fifty-fourth General Report*, is for the period 1 January 1990 to 31 December 1990. The report period covers the proceedings of the twenty-ninth and thirtieth committees.

About the Committee

1. The Committee was established in 1913. It is one of the oldest investigative committees of the Parliament. The Committee is constituted by the Public Works Committee Act which gives it wide-ranging investigative powers.
2. All Commonwealth public works estimated to cost more than \$6 million are subject to referral to the Committee by either House of the Parliament or by the Governor-General. There are some exceptions to this rule, but essentially all public works sponsored by Commonwealth departments or agencies with large building programs come within the ambit of the Committee's investigatory power.
3. Design and construction authorities are able to plan the design and location of a proposed public work and receive a commitment from the Parliament for the provision of funds to carry it out. Work on a project can only start after the Committee has presented its report to Parliament and after the Parliament - the House of Representatives - has resolved that the public work should proceed.
4. The Committee conducts public hearings into all proposals referred to it. At these hearings members of the Committee question witnesses representing the sponsoring department and the design and construction authority to establish:

- . if there is a need for the proposed work;
- . if the proposed work will adequately satisfy the need;

- . if the estimated cost can be justified; and
- . the amount of revenue, if any, to the Commonwealth.

5. All large projects examined by the Committee have financial, social and environmental impacts on local areas and on the community at large. For this reason the Committee requires that sponsoring departments and agencies to consult local groups, organisations and authorities, unions and environmental groups during the development of a proposal. When a proposal is referred to the Committee, these bodies are encouraged to make submissions and for office-bearers to appear as witnesses. Matters raised in submissions and by witnesses are taken up with departmental officials at the public hearing. Matters which need to be further addressed during detailed design may, if necessary, be highlighted in the form of recommendations in the Committee's report to Parliament. The Government's response to these recommendations is given when the House of Representatives debates the expediency motion which, when passed, constitutes parliamentary approval for a proposed work. In most instances the Government accepts the Committee's recommendations.



Members of the Committee during a site inspection.

Left to right - Senator B. Burns, Senator J. Devereux, Mr L. O'Neil MP, Mr C. Hollis MP (Chairman), Senator P. Calvert, Mr E. Cameron MP, Mr P. Roberts (Secretary).

Membership

6. The membership of the Committee consists of nine members of the Parliament. There are six Members of the House of Representatives and three Senators. The membership is bi-partisan, comprising five Government and four Opposition members.

29th Committee

7. Members of the 29th Committee were appointed by the House of Representatives on 8 October 1987 and by the Senate on 7 October 1987. Members of the 29th Committee were:

Mr C Hollis MP (Chairman)
Mr P C Millar MP (Vice-Chairman)

Senator B R Burns	Mr G Gear MP
Senator J R Devereux	Mr R G Halverson OBE MP
Senator Dr G Sheil	Mr J G Mountford MP
	Mr W L Taylor MP*

(*Mr Taylor was appointed to the Committee on 29 September 1988 following the resignation of Mr M A Burr MP.)

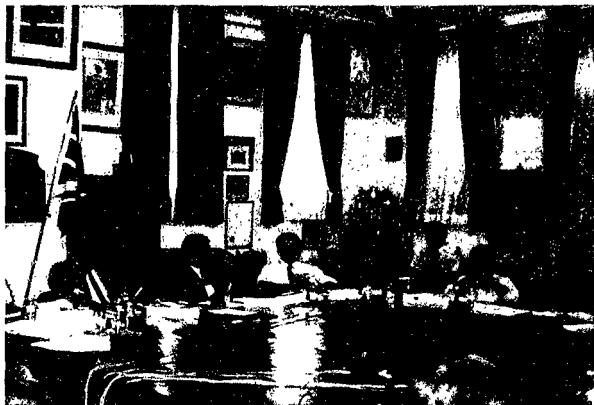
30th Committee

8. Members of the 30th Committee were appointed by the House of Representatives on 10 May 1990 and by the Senate on 14 May 1990; the Committee's first meeting was held on 14 May. Members of the 30th Committee are:

Mr C Hollis MP (Chairman)
Mr W L Taylor (Vice-Chairman)

Senator B R Burns	Mr E C Cameron MP
Senator P Calvert*	Mr R N Gorman MP
Senator J R Devereux	Mr L O'Neil MP
	Mr B C Scott MP

(* Senator Calvert was appointed to the Committee on 24 August 1990, vice Senator Dr G Sheil.)



The Kalgoorlie Town Hall was the scene of a public hearing into the Jindalee Over the Horizon Radar.

Left to right - Mr P. Roberts (Secretary), Mr C. Hollis MP (Chairman), Mr W. Taylor MP (Vice-Chairman), Mr P. Regan (Assistant Secretary), Senator J. Devereux, Mr E. Cameron MP.

Meetings - 29th Committee

9. During February 1990 the 29th Committee met on nine occasions to take evidence at four public hearings and on five occasions to carry out site inspections. Meetings were held at the following locations:

. Puckapunyal, Vic	2
. Oakleigh, Vic	2
. Melbourne	3
. Brisbane	2

10. The last meeting of the 29th Committee was held on 13 February 1990. The House of Representatives was dissolved on 19 February 1990.

Meetings - 30th Committee

11. The 30th Committee met on 35 occasions to take evidence at nine public hearings, to carry out 11 inspections and to hold 15 private meetings. Meetings of the Committee were held in the following locations:

. Canberra	16
. Launceston	1
. Melbourne	3
. Perth	2
. Sydney	2
. East Sale, Vic	1
. Brisbane	2
. Pinnacles Station, WA	1
. Kalgoorlie	2
. Mount Everard, Qld	1
. Longreach, Qld	2
. Cabarlah, Qld	<u>2</u>
	35

References and Reports - 29th Committee

12. At the beginning of 1990, the 29th Committee had the following references before it:

- . Redevelopment of Aeronautical Research Laboratory Site, Fishermens Bend, Victoria;
- . Housing developments by the Defence Housing Authority at Laverton and Macleod, Victoria and Bullsbrook, WA;
- . Dedicated Computer Centre for the Australian Taxation Office, Bruce, ACT;
- . Construction of Commonwealth Law Courts, Brisbane, Queensland;
- . Multi-user Army Reserve Depot, Oakleigh, Victoria; and,
- . Puckapunyal Redevelopment Stage 1, Victoria.

Redevelopment of the Army Aviation Centre at Oakey, Queensland



In September 1990 the Committee inspected the redevelopment of RAAF Base East Sale. Shown here are Members of the Committee, Secretariat Staff and RAAF personnel.

Standing from left to right - Mr P. Regan (Assistant Secretary), Wing Commander R. McDonough, Mr P. Roberts (Secretary), Wing Commander G. Johnson, Mrs Jackie McConnell (Secretariat Support), Squadron Leader G. Young.

Seated left to right - Air Commodore R. Gurevitch, Mr E. Cameron MP, Mr B. Scott MP, Senator B. Burns, Mr C. Hollis MP (Chairman), Senator J. Devereux, Senator P. Calvert, Mr R. Gorman MP, Group Captain D. Riding. (RAAF Photo - Flight Sergeant Bob Smith)

13. In February 1990 the Committee undertook site inspections and public hearings into five references. The House of Representatives was dissolved on 19 February 1990 and all references lapsed. It should be noted that the Committee had assembled the bulk of evidence which would enable the incoming 30th Committee to present reports as soon as possible after the proposals had been referred to it.

References and Reports - 30th Committee

14. The 36th Parliament was opened on 8 May 1990. As mentioned above, members of the Committee were appointed by the House of Representatives and the Senate on 10 and 14 May respectively. On 14 May the House of Representatives re-referred to the Committee for consideration and report five proposals into which the 29th Committee had previously inquired but which had lapsed. The Committee moved very quickly in finalising reports on these references; the reports were presented on 16 May. A further lapsed reference, on which the 29th Committee was unable to commence its inquiry, was re-referred to the Committee on 1 June 1990. Thus, by the end of the Autumn Sittings of Parliament the Committee had reported on all references which had lapsed with the dissolution of the House of Representatives.

15. During the balance of the year the Committee received ten new references and presented reports relating to five of them. At the end of 1990, there remained five unreported references for which inspections and hearings were held in late December 1990 or were scheduled to take place early in 1991. The unreported references were:

- Redevelopment of Borneo Barracks, Cabarlah, Queensland - referred on 6 November 1990;
- Construction of major explosives storehouses, Stage 1, at Myambat, NSW - referred on 20 December 1990;
- Redevelopment of the Singleton Military Area, Stage 1, NSW - referred 20 December 1990;
- Purpose built computer centre for Australian Customs Service, Bruce, ACT - referred 20 December 1990; and,
- Construction of an Australian Embassy complex at Jakarta, Indonesia - referred 21 December 1990.

16. A table listing reports presented by the Committee during the report period is at APPENDIX A.

17. The estimated cost of proposals reported on by the Committee during 1990 was \$559 million.

Non-referral of Defence Works

18. No works were exempted from the Committee's scrutiny granted under section 18(8)(c) of the Public Works Committee Act. This section provides that the Governor-General may exempt a proposal for defence purposes on the grounds that reference to the Committee would be contrary to the public interest.

19. The Committee was, however, advised of a variation to a project which had been previously exempted: Defence Signals Directorate (DSD) and HQADF/Command and Control Facilities, Canberra.

20. The Committee, whilst noting the variation, took the opportunity to request more information in the future about proposals exempted on security grounds. The Committee suggested to the Department of Defence that information such as the general nature and purposes of such facilities, size, location, estimated cost and likely environmental impacts could be made available to it on a confidential basis without disclosing matters of a security nature. It was suggested that in some cases it may be appropriate for the Committee to be briefed by officers of the department.

21. In response, the department undertook to provide the Committee with more information; the Committee could then decide if it required a briefing.

Urgent Works

22. On 15 May 1990 the House of Representatives agreed to exempt the proposed construction of the Australian Pavilion at Expo 92 in Seville, Spain from Committee scrutiny on the grounds of urgency. This motion was made under the provisions of section 18(8)(b) of the Public Works Committee Act, which provides that -

(8) A public work the estimated cost of which exceeds six million dollars shall not be commenced unless -

(b) the House of Representatives has resolved that, by reason of the urgent nature of the work, it is expedient that it be carried out without having been referred to the Committee;

23. During debate on the motion, the Minister representing the Minister for Administrative Services advised the House of the background for the need to exempt the proposal on the grounds of urgency. Factors which compounded the urgency were:

- . uncertainty amongst pertinent agencies responsible for planning the proposed work about the applicability of the Public Works Committee Act to this proposal;
- . the applicability of the provisions of the Public Works Committee Act to this proposal was confirmed by the Attorney-General's Department in early April 1990;
- . the exposition is scheduled to open in April 1992;
- . construction of the pavilion must be completed by September 1991 to allow time for exhibits to be in place and for the staff of the pavilion to be fully trained;
- . the construction timetable envisaged the award of a piling contract in mid-April 1990 with the award of a contract for the pavilion works in June 1990; and,
- . each month of delay in committal would add at least \$1.0 million to construction costs as well as greatly increasing the risk of the project not being completed on time.

24. Officials from Australian Construction Services and the Department of Arts, Sport, Tourism, the Environment, Tourism and Territories briefed the Committee on the need for urgency.

25. Following the exemption of the work, the Committee advised the Minister for Administrative Services that:

- . the Committee was concerned that circumstances had arisen which prevented the proposal being subject to Parliamentary (i.e. Committee) scrutiny;

- . the Committee therefore sought an assurance that in future situations where doubt exists regarding the applicability of the Act, the Committee be consulted at the earliest opportunity so that possible Parliamentary action is not precluded;
- . the Committee requested to be kept informed of the progress of the project.

26. The Minister gave the Committee the assurances sought.

27. The Committee now receives quarterly reports from Australian Construction Services covering physical progress and expenditure on the Expo 92 building and fitout works. Two such reports have been received by the Committee.

Overseas Works

28. During the report period, the Committee examined the proposed construction of the Australian High Commission and Defence Housing in Port Moresby, Papua New Guinea. Similar embassy-type proposals have been examined by previous Committees.

29. The Committee is concerned that it is precluded by the Public Works Committee Act from travelling overseas to inspect locations and sites of proposed facilities and to have informal discussions with local staff and authorities. Instead, very often local embassy staff and design and construction personnel are required to travel to Canberra to appear at the Committee's public hearings. The Committee suggests that it may be more cost-effective for it to be permitted to travel to countries where new embassy or high commission projects are proposed. Adequate local knowledge is important to the Committee, and very often this cannot be simply gleaned from video productions and written submissions. Accordingly, the Committee has written to the Minister for Administrative Services requesting that the Act be amended.

Progress of Proposals Previously Referred

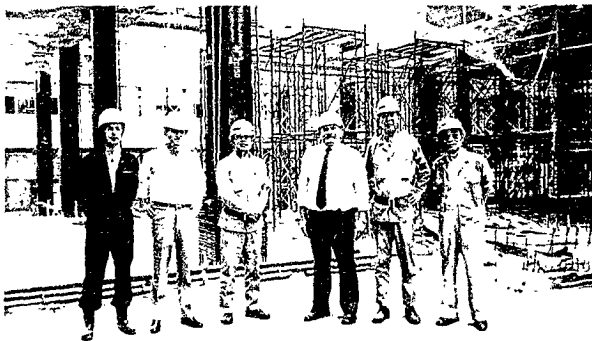
30. During the report period the Committee inspected a number of projects on which it has reported which had been completed or on which construction had commenced. The Committee intends continuing this practice of inspections.

31. Projects inspected were:

- . Armoured Centre, Puckapunyal (8/81*);
- . Brisbane Airport Domestic Terminal and Control Tower (7/82);
- . RAAF Base East Sale (13/82); and,
- . New Commonwealth Offices at Oakleigh, Vic (12/88).

(* year and number of the Committee's reports on the proposals)

32. Members of the Committee on private overseas visits usually take the opportunity to inspect construction work on overseas embassy projects. In this regard the Chairman and Senator Calvert inspected construction of the Australian embassy in Tokyo, while Mr B. Scott MP inspected work on the Australian embassy in Beijing. However, this is not a satisfactory arrangement given the situation described in paragraph 29.

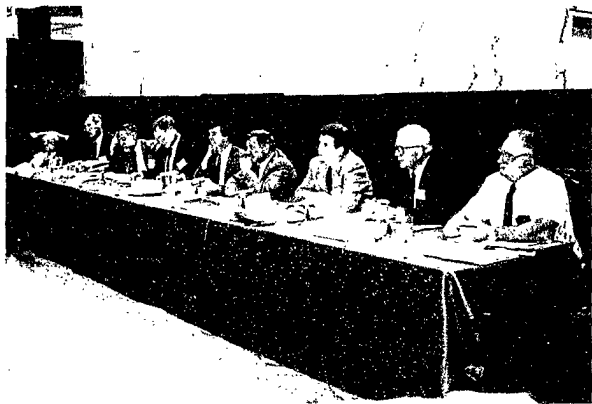


During a private visit to Japan the Chairman (fourth from left) inspected construction of the Australian embassy in Tokyo.

Energy Targets and Energy Audits

33. During the year the Committee continued to focus some attention to the energy efficiency of building proposals referred to it. The Committee has requested that sponsoring departments and design and construction authorities set achievable energy targets, and thereby not design buildings requiring unusually large and unjustifiable amounts of energy for lighting and climate control.

34. A briefing on energy targets and energy audits was presented to the Committee by senior engineering staff of Australian Construction Services. Further briefings are planned, dealing with Sick Building Syndrome and Legionnaires' Disease. The Committee believes this program of thematic briefings will enhance its understanding of contemporary issues, research and design solutions relevant to the built environment.



The Committee conducted a public hearing into the proposed refurbishment of the headquarters of the Reserve Bank of Australia, Sydney.

Seated from left to right - Senator B. Burns, Mr B. Scott MP, Senator J. Devereux, Mr L. O'Neil MP, Mr P. Roberts (Secretary), Mr C. Hollis MP (Chairman), Mr W. Taylor MP (Vice-Chairman), Mr E. Cameron MP, Mr R. Gorman MP.

Child Care Facilities

35. During the report period the Committee continued to focus attention on the provision of child care facilities in or adjacent to new buildings, especially office blocks.

36. In the case of the Dedicated Computer Centre for the Australian Taxation Office (ATO) at Bruce, ACT, the ATO argued that it would not be cost-effective to include a child care centre within the facility. The provision of a centre would have capital and recurrent cost implications. A heavy financial burden would be placed on any users of a facility because current government guidelines provide that Commonwealth agencies are not to provide any recurrent subsidy towards the operation of child care services. The close proximity to the proposed computer centre of several child care and pre-school facilities would provide an adequate alternative to an in-house facility.

37. In the case of the refurbishment of the Reserve Bank of Australia (RBA), Martin Place, Sydney, a child care facility was not included. The RBA officials advised the Committee that to the best of their knowledge, there are no child care centres within the Sydney CBD. The RBA is nevertheless monitoring child care practices in other banks, Commonwealth departments and statutory authorities. The RBA reviewed options for providing child care assistance to staff in 1989; it decided no action was appropriate at the time because the bank was not out of step with relevant areas of employment elsewhere. The Committee was advised, nevertheless, the RBA would review options for the provision of child care facilities in 1991 as part of the bank's equal opportunity program.

38. It was suggested to the RBA by the Committee that the bank, in concert with other banks located in the Sydney CBD could, by using collective resources, lead the way in providing a single child care facility for the employees of all banks within the CBD. The RBA undertook to investigate this concept.

39. The foregoing demonstrates three matters which should be adhered to by departments or agencies planning proposals with potential requirements for child care facilities. First, when planning a proposal, planners should explore all available avenues for the provision of child care facilities. Secondly, alternative arrangements should be identified and their implications assessed against established criteria. Thirdly, the reasons why a particular course of action is proposed should be documented and stated

in submissions to the Committee. These three steps will, of necessity, require planners to consult with staff organisations before and during their implementation.

Public Works Committees

40. In September 1990 the Committee was visited by members and staff of the Queensland Parliamentary Committee of Public Works. During the visit members of both committees exchanged views on operational, procedural and technical matters relevant to the conduct of inquiries. Similar exchanges of views took place during a visit from the Chairman and Secretary of the South Australian Public Works Standing Committee. The Committee sees great benefit in continuing to foster these exchanges of ideas and information with State Public Works Committees.

Seminars

41. The Chairman addressed a seminar for new Members of Parliament in April 1990. In September 1990, the Chairman, accompanied by the Vice-Chairman, addressed a seminar arranged by the Parliamentary Education Office, for Masters candidates enrolled at the Australian Defence Force Academy. The theme of the seminar was 'Parliamentary Scrutiny of Public Projects' and the Chairman spoke about the role of the Public Works Committee in the scrutiny process. The Committee receives frequent requests for information from post-graduate students examining the public scrutiny process.

42. In November 1990 the Chairman addressed officers of the Overseas Property Group about the activities of the Committee.

Member of the Order of Australia (AM)

43. The Committee notes with pleasure that its former Vice-Chairman, Clarrie Millar, was created a Member in the General Division of the Order of Australia (AM) on Australia Day 1991. This award was made for services to the Parliament.

Vale

44. The Committee was saddened to learn of the death of a former Secretary, R. B. Fenton, in January 1990. Dick Fenton was Secretary to the Committee from October 1972 until his retirement in July 1986. During this period he was involved in more than 150 inquiries, and attended the Committee at public hearings and private meetings on more than 500 occasions. He served five Chairmen and eight Committees. At the time of his death he was working on a history of the Public Works Committee.

Appreciation

45. The Committee gratefully acknowledges the assistance of many organisations and individuals who assisted with various facets of public hearings and inspections. The Committee also extends its appreciation to the Parliamentary Reporting Staff, the staff at the Government Printing Office, the office of the Minister for Defence, the House of Representatives Printing Section, the Resource Management Office and the House of Representatives Transport Office.

Administration and Staffing

46. The Committee secretariat at the end of December 1990 comprised:

Secretary	Peter Roberts
Assistant Secretaries	Patrick Regan Michael Fetter
Secretarial Support	Diane Singleton Jackie McConnell

47. Denise Denahy, a former Assistant Secretary, transferred to the Serjeant-at-Arms Office in 1990. The Committee again notes with pleasure her receiving the Australia Day Medal from the Clerk of the House.

48. James Allan, an Administrative Trainee, was involved in many activities during his rotation with the secretariat.

49. The Committee would like to record its appreciation to the staff for a job well done.



Colin Hollis
Chairman
9 May 1991

REPORTS PRESENTED BY THE PUBLIC WORKS COMMITTEE FOR THE PERIOD 1 JANUARY - 31 DECEMBER 1990
THIRTY-SIXTH PARLIAMENT

Date Proposal Referred	Proposed Work	No. of Report	Date Report Presented	Expenditure Proposed when Referred to Committee \$m	Expenditure Recommended by Committee \$m	Motion for Expediency Passed	Remarks
22.11.89 14.05.90*	Redevelopment of the Army Aviation Centre at Oakey, QLD	1/90	16.05.90	14.6	14.6	17.05.90	Recommended as proposed. A local government grant should be made available to Jondaryan Shire Council for a feasibility study into water supply augmentation.
29.11.89 14.05.90*	Housing Developments by the Defence Housing Authority at Laverton & Macleod, VIC, & Bullsbrook, WA	2/90	16.05.90	145	145	17.05.90	Recommended as proposed. Environmental safeguards must be adopted by the Defence Housing Authority in the proposed developments. Consultations continue between DHA and relevant environmental and interested groups concerned with EHS&S Projects.
21.12.89 14.05.90*	Stage 1 - Redevelopment, Puckapunyal, VIC	3/90	16.05.90	31.5	31.5	17.05.90	Recommended as proposed.
21.12.89 14.05.90*	Oakeley Multi-User Army Reserve Depot, VIC	4/90	16.05.90	9	9	17.05.90	Recommended as proposed. There is a need for Defence to review policy regarding provision of access for civilian staff with physical disabilities at its establishments. The design should be modified to provide access for persons with disabilities.

* Originally referred in the Thirty-Fifth Parliament and again referred in Thirty-Sixth Parliament.

APPENDIX A

REPORTS PRESENTED BY THE PUBLIC WORKS COMMITTEE FOR THE PERIOD 1 JANUARY - 31 DECEMBER 1990
THIRTY-SIXTH PARLIAMENT

Date Proposal Referred	Proposed Work	No. of Report	Date Report Presented	Expenditure Proposed when Referred to Committee \$m	Expenditure Recommended by Committee \$m	Motion for Expediency Passed	Remarks
22.12.89 14.05.90*	Construction of Commonwealth Law Courts, Brisbane, QLD	5/90	16.05.90	70	95.91	17.05.90	Recommended as proposed. Estimated cost when referred to Committee was limit-of-cost estimate. Expenditure recommended is out-turn cost. Space allocation should be reviewed to provide accommodation for Commonwealth Reporting Service. Consultations take place with users during detailed design.
22.12.89 01.06.90*	Dedicated computer Centre for the Australian Taxation Office, Bruce, ACT	6/90	13.09.90	21.85	21.85	20.09.90	Recommended as proposed. Dual independent electricity supplies should be reviewed. Energy conservation measures should be included.
01.06.90	Construction of Perth office & warehouse complex for the Civil Aviation Authority	7/90	17.09.90	13.926	13.926	20.09.90	Recommended as proposed.
26.06.90	Refurbishment of Head Office, Reserve Bank of Australia, Martin Place, Sydney, NSW	8/90	13.11.90	86.0	77.2	15.11.90	As a result of the Committee's investigation the cost of the project was reduced by \$9.0m.

* Originally referred in the Thirty-Fifth Parliament and again referred in Thirty-Sixth Parliament.

APPENDIX A

REPORTS PRESENTED BY THE PUBLIC WORKS COMMITTEE FOR THE PERIOD 1 JANUARY - 31 DECEMBER 1990
THIRTY-SIXTH PARLIAMENT

Date Proposal Referred	Proposed Work	No. of Report	Date Report Presented	Expenditure Proposed when Referred to Committee \$m	Expenditure Recommended by Committee \$m	Motion for Expediency Passed	Remarks
14.08.90	Construction of Australian High Commission & Defence Housing, Fort Moresby, PNG	9/90	15.11.90	15.145	16.592 plus 900,000	20.12.90	Cost increase due to inclusion of contractor establishment and documentation, security, electricity, internal security, etc. There can be substantiated new overseas housing standards should be applied at an additional cost of \$900,000.
27.11.89 01.06.90*	Redevelopment of Aeronautical Research Laboratory Site, Fishermans Bend, VIC	10/90	15.11.90	17.5	17.5	06.12.90	Recommended as proposed. Energy audit should be carried out.
13.09.90	Brisbane Air Traffic Services Centre, QLD	11/90	15.11.90	9.7	9.7	06.12.90	Recommended as proposed. Energy audit should be carried out.
23.08.90	Jindalee Over-The-Horizon Radar	12/90	04.12.90	125	95	06.12.90	Recommended as proposed. Cost when referred to Committee based on agreed ceiling price. During Committee's inquiry cost estimate revised to \$95m - based on revised tendering. Recommended that Defence arrange independent assessment of the likely electromagnetic effect of a transmitter near Dourteach.

* Originally referred in the Thirty-Fifth Parliament and again referred in Thirty-Sixth Parliament.