

## Introduction

- 1.1 Under the Public Works Committee Act 1969 (the Act), the Parliamentary Standing Committee on Public Works is required to inquire into and report on public works referred to it through either house of Parliament. Referrals are generally made by the Parliamentary Secretary to the Minister for Finance.
- 1.2 All public works that have an estimated cost exceeding \$15 million must be referred to the Committee and cannot be commenced until the Committee has made its report to Parliament and the House of Representatives receives that report and resolves that it is expedient to carry out the work.<sup>1</sup>
- 1.3 Under the Act, a public work is a work proposed to be undertaken by the Commonwealth, or on behalf of the Commonwealth concerning:
  - the construction, alteration, repair, refurbishment or fitting-out of buildings and other structures;
  - the installation, alteration or repair of plant and equipment designed to be used in, or in relation to, the provision of services for buildings and other structures;
  - the undertaking, construction, alteration or repair of landscaping and earthworks (whether or not in relation to buildings and other structures);
  - the demolition, destruction, dismantling or removal of buildings, plant and equipment, earthworks, and other structures;
  - the clearing of land and the development of land for use as urban land or otherwise; and

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<sup>1</sup> The *Public Works Committee Act 1969* (The Act), Part III, Section 18(8). Exemptions from this requirement are provided for work of an urgent nature, defence work contrary to the public interest, repetitive work, and work by prescribed authorities listed in the Regulations.

- any other matter declared by the regulations to be a work.<sup>2</sup>
- 1.4 The Act requires that the Committee consider and report 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>
- 1.5 The Committee pays attention to these and any other relevant factors when considering the proposed work.

## Structure of the report

- 1.6 The proposed projects were referred to the Committee in October 2014 by the Parliamentary Secretary to the Minister for Finance, The Hon Michael McCormack MP.
- 1.7 In considering the works, the Committee analysed the evidence presented by the proponent agencies, submissions and evidence received at public and in-camera hearings.
- 1.8 In consideration of the need to report expeditiously as required by Section 17(1) of the Act, the Committee has only reported on significant issues of interest or concern.
- 1.9 The Committee appreciates, and fully considers, the input of the community to its inquiries. Those interested in the proposals considered in this report are encouraged to access the full inquiry proceedings available on the Committee's website.<sup>4</sup>
- 1.10 Chapter 2 of this report addresses Project AIR7000 Phase 2B – Maritime Patrol Aircraft Replacement Project. The estimated cost of the project is \$707.9 million, excluding GST.
- 1.11 Chapter 3 of this report addresses Project AIR9000 Phase 7 – Helicopter Aircrew Training System (HATS) Facilities Project. The estimated cost of the project is \$157.1 million, excluding GST.
- 1.12 Submissions are listed at Appendix A, and hearings and witnesses are listed at Appendix B.

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2 The Act, Section 5.

3 The Act, Section 17.

4 <[www.aph.gov.au/pwc](http://www.aph.gov.au/pwc)>