

Department of Agriculture and Water Resources

Committee inquiry: Independence of regulatory decisions made by the APVMA

Date held: Tuesday, 20 November 2018

Questions on Notice

Question 1.

CHAIR: That gives me great comfort. Thank you. Can the APVMA provide the Senate committee with a copy of the 15-year lease for the \$16.3 million?

Dr Parker: I will take that on notice, but I don't see any huge difficulty with doing that. We may have to redact particular—can I take it on notice? I'll take some advice from my chief counsel and provide what we can to the Senate?

CHAIR: Yes. I will come to another question on that later, too. Is there an option for the APVMA to break the lease?

Dr Parker: Again, I would have to look at the specific, so I will take that on notice, but I will look at the specific requirements that sit in there.

Answer: The lease is commercial in confidence. There is no specific break lease clause in the Lease.

Question 2.

CHAIR: That's good; saves you taking it on notice and coming back again. Thank you very much. While you're at it, Dr Parker, when you come back to the committee: if the APVMA can break the lease, what would be the cost of breaking that lease? You're going to take that on notice?

Dr Parker: Certainly.

Answer: There is no specific break lease clause in the Lease.

Question 3.

CHAIR: Could you tell us again how much the building and site were sold for? Do you have that information handy?

Dr Parker: From memory, I think it was \$1.375 million. If we've got the exact amount here, we'll give it to you—so that's not a definitive answer.

CHAIR: No.

Ms Croft: I don't believe we were advised of that information by Stirloch, in terms of what they paid, but I believe what it went for on realestate.com was read into the *Hansard* at estimates—

CHAIR: Yes; I was looking at a website.

Ms Croft: I don't have the details, but it was in the order of \$3 million. I'm not 100 per cent certain.

Dr Parker: It might be simpler if we take on notice to provide you with the accurate figure.

Answer: The contract value is \$1,375,000.

Question 4.

CHAIR: Can you confirm: when the department did its tender for the APVMA building, was it aware at any time that it would be co-located with Centrelink?

Dr Parker: That was before my time. I really can't comment on things that occurred before my time.

CHAIR: To the other officials at the table: is there any knowledge around that?

Ms Gaglia: The property people who ran the process aren't here today. My understanding is that that wasn't something that they were aware of at the time, when they ran the first tender process.

CHAIR: Because they're not here, can you take that on notice? You know how I prefer to do things now so that it saves you going back and beavering away, wasting precious hours on digging up information—not wasting hours, but it does cost a lot of time. I'll put the question to you, Ms Gaglia: if there was no advice that there would be co-location with Centrelink, why did we buy the two properties?

Answer: When the department ran the site search process for the APVMA in late 2016, there had been no discussions or considerations in respect of co-locating with Centrelink or any other Government entity.

Question 5.

CHAIR: So, Ms Gaglia has agreed to take on notice the timing of when Centrelink came in as partner to the deal as well.

Mr Thompson: Ms Gaglia said we'd come back on that, but my recollection is, as Dr Parker said, that the department undertook a preliminary tender at that time for the amount of space the APVMA wanted, to see what was available in the Armidale market, and that came in. I don't recall that Centrelink was part of the equation at that time; it was purely the number of staff we envisaged APVMA requiring. And, as Dr Parker said, with the passage of time, it was handed over to the APVMA to undertake a proper tender to assess their needs, as opposed to the department's exploration of the market.

CHAIR: Thanks, Mr Thompson. I'm happy to accept that as the evidence. I know that if there's any change you'll come back and correct the record, so that's fine. During the October estimates, Senator McCarthy asked whether the department was concerned about the timing of the submitted documents, given the amount of media interest in the iconic Armidale Club, which was burnt down, and whether the department aware of that, or concerned.

Ms Gaglia: Our understanding is that officers who were involved in the process were not aware.

Answer: The department can confirm it was not aware of a potential co-location with Centrelink or any other Government entity at that time.

Question 6.

CHAIR: Did the department receive any tenders before 16 September 2016?

Dr Parker: You'll have to ask the department. They were running a separate process.

CHAIR: Alright. I'll put that to the department.

Ms Gaglia: My understanding is that they were received earlier that month. I think most of the tenders came in around about 7 September, but I'd have to take that on notice to confirm.

CHAIR: That's alright. I'll put that to the department. Thanks, Ms Gaglia.

Answer: The department can confirm that the request for information by JLL Corporate Solutions was released on 15 September 2016 and closed on 7 October 2016.