
The Parliament of the Commonwealth of Australia

Seventy-Second Annual Report

Parliamentary Standing Committee on Public Works

February 2009
Canberra

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Membership of the Committee

Chair Mr Mark Butler MP

Deputy Chair Senator the Hon Judith Troeth

Members Mr Nick Champion MP

Senator Mark Bishop

Mr John Forrest MP

Senator Michael Forshaw

Mr Damian Hale (to 28/8/2008)

Hon Peter Lindsay MP

Hon Roger Price MP (from 28/08/2008)

Hon Peter Slipper MP

Committee Secretariat

Secretary	James Catchpole
Inquiry Secretary	Siobhán Leyne
Research Officer	Narelle McGlusky
Administrative Officers	Gaye Milner
	Tarran Snape

Annual Report

- 1.1 Under Section 16 of the *Public Works Committee Act 1969* (the Act) the Parliamentary Standing Committee on Public Works (PWC) is required to provide a report of proceedings ending 31 December of each year.
- 1.2 Thirteen reports were completed during 2008, addressing 20 works, valued at a total of \$1.84 billion.
- 1.3 Reports presented and value of works are listed at Appendix A. Committee meetings and hearings are listed at Appendix B. Full reports, submissions and transcripts of proceedings are available on the Committee's website.¹

Inquiries and reports

- 1.4 The PWC of the 42nd Parliament held its first meeting on 13 March 2008. Ten referrals were outstanding from the 41st Parliament, including three inquiries that were completed to reporting stage. The Committee was conscious of delays to these works and therefore made every effort to consider and report on these in a timely manner.
- 1.5 While the Committee is conscious of its responsibility to consider works expeditiously, in practical terms, it has an extremely heavy workload which can result in a lengthy inquiry process.

1 <www.aph.gov.au/pwc>

- 1.6 The Committee's workload, in combination with constraints imposed by the parliamentary sitting calendar, means that proponent agencies should factor four to six months into project work plans from the earliest stage for the parliamentary approval process to occur.
- 1.7 In order to streamline the inquiry and reporting process, the Committee now reports only on key issues. This Committee has ceased the practice of publishing evidence with reports, recognising that the internet facilitates wide access to evidence.
- 1.8 It is therefore more important than ever for agencies to provide comprehensive submissions on the proposed works detailing not only the proposal itself, but where the works fit in to a wider policy framework. Quality submissions are not only essential for the Committee's consideration of works, they also form a valuable part of the history of public infrastructure in Australia.
- 1.9 During the year, the Committee addressed issues with agencies regarding tendering and contracting before final Parliamentary approval, including one breach of the Act. All agencies are reminded to seek the advice of the Committee secretariat and the Department of Finance and Deregulation early in planning stages to ensure that they fully comply with the Act.

Project updates

- 1.10 On occasion, the Committee requests, through its reports, updates on projects where it has particular concerns. Agencies are also required to inform the Committee of any significant changes to the original scope, function, design or cost of projects.
- 1.11 The Committee received several briefings on projects where significant changes had taken place. On the whole, the Committee was satisfied that changes were unavoidable or desirable and had been made in an open and transparent manner.
- 1.12 However, the Committee decided to report again to Parliament on a project that had suffered significant cost overruns. *Report 7/2008: Christmas Island Immigration Detention Centre Update* outlines the Committee's concerns about the major budget overruns in the construction of the Christmas Island Immigration Detention Centre.
- 1.13 In its report, the Committee noted that the Department of Finance and Deregulation has taken lessons from this project's failings, including

the institution of the two pass approval process. The Committee also notes the project is the subject of a current Australian National Audit Office (ANAO) audit and looks forwards to the audit findings.

- 1.14 The ANAO, through its report *28/2007-08: Defence's compliance with Public Works Committee approval processes* recommended that the Department of Defence (Defence) undertake regular reporting to the Committee on the progress of works. Defence has undertaken to report to the Committee on an annual basis.

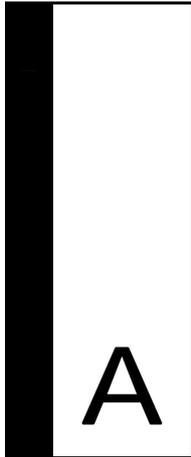
Medium works

- 1.15 In addition to major works, the Committee is notified of medium works valued between \$2 million and \$15 million. During 2008, the Committee received notification of 63 medium works with a combined value of \$336 million. Unlike major works, these notifications have in the past, remained confidential to the Committee.
- 1.16 In the interests of increasing the transparency of public works delivery, the Committee has resolved to publish limited information on medium works. With the agreement of the Minister for Finance and Deregulation, from 1 January 2009 the Committee will be publishing the following information:
- project title;
 - name of agency; and
 - date on which the Committee was notified of the proposed work.
- 1.17 This information will be published on the Committee's website on a regular basis and in future annual reports.

Conclusion

- 1.18 The Committee thanks all agencies that have presented proposals or throughout 2008. The Committee continues to seek briefings on matters affecting public infrastructure and thanks all those organisations who have provided briefings during the year.
- 1.19 The Committee particularly thanks officers of the Lands Operations and Public Works division of the Department of Finance and Deregulation for their work in supporting agencies preparing referrals.
- 1.20 The Committee also thanks the Secretariat for its support throughout the year.

Mark Butler MP
Chair
26 February 2009

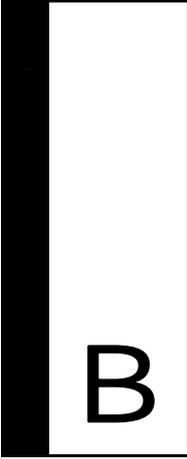


Appendix A – Reports presented and value of works year ended 31 December 2008

Report number	Report Title and/or works addressed	Tabled	Cost (\$m)¹
1/2008	Seventy-first Annual Report	18 March 2008	n/a
2/2008	HMAS Creswell, Jervis Bay Territory	18 March 2008	83.6
3/2008	Land Engineering Agency Test Services Relocation, Monegeetta, Victoria	18 March 2008	35.9
4/2008	Refurbishment of Staff Apartments, Australian Embassy Complex, Tokyo, Japan	18 March 2008	22.0
5/2008	Referrals Tabled March 2008	24 June 2008	
	Hardened and Networked Army Facility Development, Edinburgh Defence Precinct, South Australia		623.6
	RAAF Base Darwin Redevelopment Stage 2, Darwin, Northern Territory		49.8
	Robertson Barracks Redevelopment, Darwin, Northern Territory		72.1
	RAAF Tindal Redevelopment Stage 5, Katherine, Northern Territory		58.7
	Airborne Early Warning and Control Facilities at RAAF Base Darwin, Northern Territory		64.2
	Multi Role Helicopter Facilities, multiple locations		168.7
	Enoggera Redevelopment Stage 1, Gallipoli Barracks, Brisbane, Queensland		80.2
6/2008	Referrals tabled March-June 2008	2 September 2008	
	Proposed fit-out of New Leased Premises for the Department of Education, Employment		66.6

1 Costs are not necessarily inclusive of GST, see relevant report for full details. Figures are rounded to one decimal place.

Report number	Report Title and/or works addressed	Tabled	Cost (\$m)¹
	and Workplace Relations at Block 9, Section 31, Canberra ACT		
	Construction of the Australian Pavilion at the Shanghai World Expo 2010, Shanghai, China		49.4
	Bridging of Kings Avenue over Parkes Way at the Russell Roundabout, Canberra, ACT		26.6
	New Warehousing Facilities at Wadsworth Barracks, East Bandiana, Victoria		36.4
7/2008	Update Report: The Christmas Island Immigration Detention Centre Project	22 September 2008	n/a
8/2008	Australian Super Hornet Facilities Project, RAAF Base Amberley, Queensland	22 October 2008	117.1
9/2008	Referrals tabled June – September 2008		
	Australian Square Kilometre Array Pathfinder Radio Telescope, Western Australia		111.0
	Fit-out for the Australian Federal Police of the Edmund Barton Building, Canberra ACT		115.0
	Puckapunyal Base Redevelopment, Victoria		41.7
	Australian War Memorial Eastern Precinct Development and National Service Memorial, Canberra ACT		19.5
Total cost			1842.1



B

Appendix B – Committee meetings and hearings for the year ended 31 December 2008

Number	Date	Location	Type
1	13 March 2008	Canberra, ACT	Private
2	17 March 2008	Canberra, ACT	Private
3	20 March 2008	Canberra, ACT	Private
4	1 April 2008	Adelaide, SA	Public*
5	16 April 2008	Darwin, NT	Public*
6	17 April 2008	Katherine, NT	Public*
7	6 May 2008	Brisbane, QLD	Public*
8	15 May 2008	Canberra, ACT	Private
9	6 June 2008	Canberra, ACT	Public*
10	16 June 2008	Canberra, ACT	Private
11	19 June 2008	Canberra, ACT	Private
12	26 June 2008	Canberra, ACT	Private
13	6 August 2008	Canberra, ACT	Public*
14	7 August 2008	Wodonga, VIC	Public*
15	20 August 2008	Ipswich, QLD	Public*
16	28 August 2008	Canberra, ACT	Private
17	4 September 2008	Canberra, ACT	Private
18	19 September 2008	Canberra, ACT	Public*
19	25 September 2008	Canberra, ACT	Private
20	1 October 2008	Geraldton, WA	Public**
21	13 October 2008	Canberra, ACT	Public*
22	16 October 2008	Canberra, ACT	Private
23	6 November 2008	Seymour, Vic	Public*
24	13 November 2008	Canberra, ACT	Private

Number	Date	Location	Type
25	27 November 2008	Canberra, ACT	Private
26	4 December 2008	Canberra, ACT	Private

Prior to some public hearings, the Committee held short private meetings to deal with business before it.

* Consisting site inspection, in-camera hearing and public hearing

** Consisting in-camera hearing and public hearing