

## Introduction

- 1.1 Under the *Public Works Committee Act 1969* (the Act), the Parliamentary Standing Committee on Public Works is required to enquire into and report on public works referred to it through either house of Parliament. Referrals are generally made by a delegate of 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);

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<sup>1</sup> 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*.

- 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
- 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.

## Conduct of the Inquiry

1.6 The proposal was referred to the Committee on 4 February 2010.

1.7 The inquiry was advertised in a national newspaper and submissions sought from those with a direct interest in the project. The Committee received two submissions and one confidential supplementary submission detailing the project costs. A list of submissions can be found at Appendix A.

1.8 The Committee undertook a site inspection, public hearing and an in-camera hearing on the project costs on 19 March 2010 in Melbourne. A list of site inspections and witnesses at the public hearing can be found at Appendix B.

1.9 The transcript of the public hearing as well as the submissions to the inquiry are available on the Committee's website. Plans for the proposed works are detailed in Submission 1: Australian Taxation Office.

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<sup>2</sup> The Act, Section 5.

<sup>3</sup> The Act, Section 17.