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HOUSE OF REPRESENTATIVES

COMMITTEES

Public Works Committee

Report

SPEECH

Monday, 1 December 2014

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Andrews, Karen, MP

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Mrs ANDREWS (McPherson) (12:01): On behalf of the Parliamentary Standing Committee on Public Works I present the following reports *7 of 2014—Referrals made September 2014*, and *Parliamentary delegation to Indonesia and Thailand by members of the Public Works Committee*, and I ask leave of the House to make a short statement in connection with the reports.

Report made a parliamentary paper in accordance with standing order 39(e).

Mrs ANDREWS: by leave—On behalf of the Parliamentary Standing Committee on Public Works, I present the committee's 7th report of 2014 addressing referrals made in September 2014. I also present a delegation report which I will speak to later.

Firstly, *Report 7 of 2014* considers two referrals received by the committee from the Department of Defence in September. The total estimated cost of these referrals is \$87.7 million, excluding GST. The first referral was for the proposed Project JP3029 Phase 2—Defence Space Surveillance Telescope Facilities Project. The estimated cost of the project is \$63.0 million. The Department of Defence sought approval from the committee to provide facilities and supporting infrastructure for a new space surveillance telescope to be located at the Harold E Holt Naval Communications Station near Exmouth in Western Australia. The space surveillance telescope will enable the Australian Defence Force to develop a space surveillance capability. This will enhance global surveillance capability and will provide an increased ability to track space debris.

The facilities that are proposed to accommodate the telescope will comprise the dome enclosure structure—the observatory; an operations support centre connecting to the dome structure; and multiple equipment structures for supporting services. The dome structure is designed to exacting standards that ensure the stability of the telescope. In the closed position, the enclosure protects the telescope and its instruments against adverse weather conditions. In the open position, the enclosure allows the telescope a free field of view. The enclosure is connected directly to the support building. Due to the requirement to minimise vibration, the connected dome and support building requires significant foundation and concrete slab works.

The committee made an inspection of the proposed site and observed the remoteness of the Harold E Holt Naval Communications Station and the rocky terrain that limits access to the site. The committee held public and confidential hearings on the project at the communications station. The committee heard that there is likely to be a positive economic benefit to the Exmouth community during the construction phase of the project. Defence assured the committee that there should be minimal impact on local roads during the construction.

The committee was satisfied that, during construction, Defence will follow the appropriate state government requirements for managing and escorting large oversized loads, particularly associated with the delivery of the telescope, through community areas. Subject to parliamentary approval, works on the facilities for the telescope will commence in mid-2015 and be completed by late 2016. The telescope is expected to be operational in Australia by September 2017. The committee is satisfied that the project has merit in terms of need, scope and cost and recommends that the project proceed.

The second referral was for the proposed Project JP154 Phase 1—Defence Counter Improvised Explosive Device Capability Facilities and Infrastructure Project. The estimated cost of the project is \$24.6 million, excluding GST. The Department of Defence sought approval from the committee to provide the facilities and supporting infrastructure necessary to support its counter improvised explosive device capability. Defence informed the committee that the use of IEDs by insurgents continues to represent a major threat to Australian Defence Force personnel and equipment deployed on operations around the world.

The proposed works will allow Defence to address operational and capability deficiencies and provide the ability to fully and effectively introduce and support the capability into the Australian Defence Force. In brief, the proposed works at Nurrungar, near Woomera in South Australia, include a bitumen test track; a test recording

building; a workshop; a new unsealed, all-weather access road; and engineering services. The committee visited the site of the proposed works at Nurrungar in South Australia and held public and private hearings in Woomera.

Nurrungar was selected as the preferred site because investigations showed that the site is a very electronically quiet area, meeting the strict radio frequency shielding requirements. It also has the added benefit of being located in close proximity to existing Defence infrastructure at Woomera. However, consultation between Defence and aboriginal traditional owners in early 2011 resulted in parts of Nurrungar being identified as previously undiscovered sacred sites. The traditional owners indicated that any modification to the identified area would result in significant impacts to Indigenous ceremonial values and sites. In Woomera, the Kokatha Aboriginal elders told the committee that the area around Nurrungar valley is a very important cultural landscape to all Kokatha people.

In 2011, Defence engaged an archaeologist and an anthropologist to conduct an Indigenous heritage assessment of the whole Nurrungar area and to undertake consultation with the traditional owners. In February 2013, the assessment culminated in an Aboriginal heritage management plan. Engagement with the Aboriginal traditional owners over several years determined the most suitable location for the proposed works in order to minimise impacts on culturally sensitive locations. The committee commends the traditional owners and Defence for working closely together to reach an agreed outcome. Committee members thank the traditional owners for welcoming us to Nurrungar. It is beautiful country, and we acknowledge it is important to the Kokatha people. The committee is satisfied that the project has merit in terms of need, scope and cost, and recommends that the project proceed.

I take this opportunity today to bid farewell to Brigadier Darren Naumann, the Director-General, Capital Facilities and Infrastructure, Defence Support and Reform Group, Department of Defence. For about the last four years Brigadier Naumann has been the lead witness for Defence projects that have been referred to the public works committee. He is very well regarded by the committee for the work that he has done, and we wish him all the best for the future.

The second report I table today is the report on the Public Works Committee delegation visit to Indonesia and Thailand. In July this year, four members of the committee travelled to Jakarta and Bangkok. The purpose of the visit was to review progress on construction of new, purpose-built Australian embassies in both locations. The committee had previously considered these projects, reporting to the House on the Jakarta embassy project, in 2009, and the Bangkok embassy project, in 2012. The justification provided to the committee for the new embassies was the need to enhance security for overseas missions. At a combined cost of around \$600 million these projects are a major investment, and signify Australia's commitment to developing stronger strategic partnerships in the region.

The visit to Jakarta and Bangkok was a unique and valuable opportunity for the Public Works Committee. When reviewing proposals for capital works projects in Australia, the committee usually undertakes an inspection and site visit. However, for overseas projects the committee relies on plans and models and on oral and written presentations and evidence to assess need, suitability and value for money. The delegation gained an appreciation of the limitations with the existing embassy facilities in Jakarta and Bangkok. In particular, it was clear that neither could be made fully compliant with the new enhanced security provisions. Visits to the sites for the new premises allowed the delegation to view progress of construction undertaken to date. Discussion with in-country project managers highlighted the practical challenges of building in each location, including access to building materials, the availability of a skilled workforce and managing local building and planning requirements.

On the whole, the delegation was reassured by what it saw in Jakarta and Bangkok. Construction on both embassies was progressing well. The delegation was told that the projects would both be delivered on time and within budget. However, during the site visit it became apparent that the plans for the new embassy in Bangkok were quite different to those that had been submitted to the committee in 2011. As a matter of course, the committee expects to be notified if there are significant changes to projects it has previously approved. The committee was not notified in this case. As a result, the committee is reviewing its advice when approving projects to ensure that all agencies are made fully aware of its expectations and of their reporting obligations.

In concluding today, I would like to thank members and senators for their work on the above inquiries and also for their committee work throughout the year. I would particularly like to acknowledge the work of the Deputy Chair of the committee, the member for Moreton, who is in the chamber today.

In 2014, the committee tabled seven reports covering thirteen referrals with a total value of approximately \$2.353 billion. These referrals took committee members to locations right around the country, from Melbourne to Darwin, from Townsville to Exmouth, and to many places in between. Along the way, the committee identified opportunities to work with referring agencies to save the Commonwealth in excess of \$42 million. As always, it has been a busy year for the public works committee. I would of course like to thank the secretariat for all the work that they have done in supporting that committee throughout the year. I commend the reports to the House.