



ENTERED ON RECORD by me in Register of Patents No. 39, Page 43, on 24 June 2004

ELIZABETH THE SECOND, by the Grace of God Queen of Australia and Her other Realms and Territories, Head of the Commonwealth:

TO the Honourable David Anthony Hunt AO QC

WHEREAS it is desired to have an inquiry into certain matters relating to the leasing by the Commonwealth of accommodation for the Australian National Audit Office in Centenary House at Barton in the Australian Capital Territory (the Centenary House lease), which was the subject of the Royal Commission of Inquiry conducted by the Honourable Trevor Rees Morling QC in 1994 (the 1994 Inquiry):

BY these Letters Patent issued in Our name by Our Governor-General of the Commonwealth of Australia on the advice of the Federal Executive Council and pursuant to the Constitution of the Commonwealth of Australia, the *Royal Commissions Act 1902* and other enabling powers, We appoint you to be a Commissioner to inquire into and report on the circumstances surrounding the Centenary House lease.

AND in particular, We direct that you inquire into:

- (a) whether movements and trends in commercial rates and leasing arrangements since the 1994 Inquiry, or any other matters, cast new light on the findings of that Inquiry;
- (b) whether the Centenary House lease is in line with leasing arrangements, whenever made, of a comparable kind;
- (c) whether the terms of reference of the 1994 Inquiry could have been better designed to enable information relevant to the Centenary House lease to be elicited;
- (d) whether the resources provided to the 1994 Inquiry, the absence of counsel assisting, or the particular processes adopted, adversely affected the 1994 Inquiry;
- (e) whether Commonwealth agencies gave or received appropriate advice in relation to the Centenary House lease before it was entered into, including in relation to:
 - (i) the term of the lease;
 - (ii) the effect of the rent escalation provisions in the lease;
 - (iii) whether there was an adequate market review mechanism in the lease;
 - (iv) market conditions; and
 - (v) other relevant matters;

Secretary to the Federal Executive Council

- (f) whether, in light of any new information that is elicited, there were payments or inducements offered in relation to the Centenary House lease which raise issues of impropriety, and whether further examination of witnesses or documents by the 1994 Inquiry may have identified such issues;
- (g) whether, in light of any new information that is elicited, any person involved made a misleading statement in relation to the Centenary House lease or any proposal since 1994 to renegotiate or vary the lease;
- (h) whether the government leases referred to in submissions to the 1994 Inquiry, or in the Report of the 1994 Inquiry, for the purposes of comparison with the Centenary House lease provided a reasonable basis of comparison, and whether other leases, including non-government leases, would have provided a more appropriate basis of comparison; and
- (i) whether there exist any other issues of concern in relation to the Centenary House lease.

AND We declare that the Commission established by these Letters Patent is a relevant Commission for the purposes of sections 4 and 5 of the *Royal Commissions Act 1902*.

AND We require you to begin your inquiry as soon as practicable, to conduct your inquiry as expeditiously as possible, and, not later than 15 October 2004, to furnish to Our Governor-General of the Commonwealth of Australia the report of the results of your inquiry and such recommendations as you consider appropriate.

WITNESS His Excellency Major General Philip Michael Jeffery, Companion of the Order of Australia, Commander of the Royal Victorian Order, Military Cross, Governor-General of the Commonwealth of Australia.

Dated *24 June* 2004

By His Excellency's Command

Attorney-General
for the Prime Minister

Philip Michael Jeffery
Governor-General

L.S.