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PARLIAMENTARY STANDING COMMITTEE ON PUBLIC
WORKS

**Reference: Hardened and Networked Army facilities, Edinburgh Defence Precinct,
South Australia**

TUESDAY, 1 APRIL 2008

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**PARLIAMENTARY STANDING
COMMITTEE ON PUBLIC WORKS**

Tuesday, 1 April 2008

Members: Mr Butler (*Chair*), Senator Troeth (*Deputy Chair*), Senators Mark Bishop and Forshaw and Mr Champion, Mr Forrest, Mr Hale, Mr Lindsay and Mr Slipper

Members in attendance: Senators Troeth and Mark Bishop and Mr Butler, Mr Champion, Mr Forrest, Mr Hale and Mr Slipper

Terms of reference for the inquiry:

To inquire into and report on:

Hardened and Networked Army facilities, Edinburgh Defence Precinct, South Australia

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Committee met at 12.23 pm

CHAIR (Mr Butler)—Welcome. I declare open this public hearing of the Parliamentary Standing Committee on Public Works inquiry into the Hardened and Networked Army Edinburgh Defence Precinct Facilities Project. In accordance with section 17(3) of the Public Works Committee Act 1969:

- (3) In considering and reporting on a public work, the Committee shall have regard to -
- (a) the stated purpose of the work and its suitability for that purpose;
 - (b) the necessity for, or the advisability of, carrying out the work;
 - (c) the most effective use that can be made, in the carrying out of the work, of the moneys to be expended on the work;
 - (d) where the work purports to be of a revenue-producing character, the amount of revenue that it may reasonably be expected to produce; and
 - (e) the present and prospective public value of the work.

[12.23 pm]

GRICE, Brigadier William, Director General Infrastructure Asset Development, Department of Defence

HOSKIN, Lieutenant Colonel Rupert, Director Hardened and Networked Army Facilities Project, Department of Defence

KRAUSE, Brigadier Michael, Commander 1st Brigade, Department of Defence

SMALLWOOD, Wing Commander Rodney, Base Commander RAAF Edinburgh, Department of Defence

SMITH, Mr Jim, Manager Technical Services, Defence Support—South Australia, Department of Defence

ZENTELIS, Mr Rick, Director Heritage and Biodiversity Conservation, Department of Defence

PINNOCK, Mr David, Design Manager, Edinburgh Design Team, Hardened and Networked Army Edinburgh Defence Precinct Facilities Project, GHD

ELLIS, Mr Declan Robert, Sinclair Knight Merz Pty Ltd

CHAIR—We have eight witnesses scheduled to appear in this hearing, and we intend to deal with them all at once. I ask the witnesses who are appearing today to bear in mind the statement I read at the in-camera hearing. I do not propose to do that again. I will throw to you, Brigadier Grice, to make any introductory remarks you want.

Brig. Grice—Thanks, Mr Chair. Before I make an opening statement, I would like to make several minor changes to the statement of evidence that was submitted in the middle of last year. These changes reflect project design outcomes since the statement of evidence was submitted in August.

The first one is at paragraph 70, on page 19, under ‘Hydraulic Services’. In that paragraph, the first sentence advises that upgrading of the water and sewerage infrastructure would be part of the Edinburgh redevelopment stage 2 project. I would like to delete that sentence and insert a new sentence which says:

The Hardened and Networked Army project will provide upgraded potable water and sewerage infrastructure.

The remainder of that paragraph remains as it is.

The second amendment is to paragraph 88 where we are talking about ecologically sustainable development. We should delete the first sentence and amend the second sentence such that paragraph 88 now reads as follows:

All office buildings will be designed to achieve a 4 star Green Building Council of Australia green building standard but will not be formally accredited. The project also proposes to develop a rating tool for hangers and workshops based on the green star principles to informally rate these buildings and to benchmark equivalent performance to a 4 star green star office design.

That minor change is to reflect that it is not cost effective to provide a 5 star building in a very small headquarters.

The next changes are to paragraph 91, which is on page 24. Sub-paragraphs g and h of paragraph 91 should be deleted. Sub-paragraph g refers to an investigation of a combined co-generation power unit for the health facility. Our investigations found that that was not a cost effective solution, given that external gas supply became available during project development. Sub-paragraph h states that consideration of biomass boilers be considered. We considered it but the gas supply is a more cost effective option. Both of those sub-paragraphs should be deleted.

Finally, in paragraph 94, sub-paragraph c should be deleted. This refers to a proposal for a Bokashi organic waste fermentation system in the mess—which is not a still to make alcohol! The Bokashi organic waste fermentation system is a system for processing vegetable waste. It was found to be not required in this instance. They are the changes to the statement of evidence that have occurred since we provided the evidence in August last year. May I make an opening statement?

CHAIR—Yes.

Brig. Grice—The Department of Defence is proposing to undertake the construction of facilities for the Hardened and Networked Army in South Australia. The Hardened and Networked Army initiative, known as HNA, was announced by government in December 2005. As part of that initiative, the 7th Battalion of the Royal Australian Regiment has been re-raised as a mechanised infantry battalion within the Darwin based 1st Brigade. The battalion currently occupies temporary facilities in Darwin but will be based at the Edinburgh defence precinct, Adelaide, along with supporting artillery, combat engineer and logistics troops.

This project provides the necessary facilities to support the relocation of these 1st Brigade elements to Adelaide. The scope of works will include working accommodation for a detachment of the 1st Brigade headquarters; working accommodation for the 7th Battalion of the Royal Australian Regiment; a combat engineer squadron; an artillery battery and a combat services support team; training, mess and health and fitness facilities; vehicle support facilities, including a wash point, fuel storage and tanker parking area; demolition of buildings and remediation of contaminated sites; site infrastructure works necessary to support an increase in facilities and personnel at RAAF Base Edinburgh; a marksmanship testing range at Murray Bridge; and a vehicle wash point at Cultana.

The total estimated out-turn cost of the proposal is \$623.68 million. This includes professional design and management fees and charges, construction, furniture, fittings and equipment, together with appropriate allowances for contingency and escalation. It also includes \$25.98 million which was expended by Defence during project development. Subject to parliamentary clearance, construction is scheduled to commence in mid to late 2008 with completion forecast for late 2011. The facilities will be ready for Army personnel to begin moving to the Edinburgh

defence precinct as part of the December 2010-January 2011 posting cycle. The facilities will be totally complete by the end of 2011. Defence witnesses are ready to answer any questions that members may have.

Mr FORREST—Could I go to two things: the area known as 9C/9D and the fact that—as I am interested to see—for the first time I recall you have submitted a list of deferred works: other projects around the site that you would like to do. I hope the submission of a deferred works list is not due to any lack of confidence that you can secure the land you need, because I note that the figures are comparable. Could you give me some indication as to whether that observation of mine is correct or not?

Brig. Grice—Thanks, Mr Forrest. The deferred works are not on area 9C/9D.

Mr FORREST—I know.

Brig. Grice—The deferred works that we have submitted there were to upgrade an existing training camp at Murray Bridge. That is a rudimentary camp with concrete slabs where tents can be—

Mr FORREST—That is all in the list; I have read that. What I am getting at is that the dollar figures are comparable. Is it any indication of a lack of confidence that you can secure the land?

Brig. Grice—No. Ideally, we would like to provide both sets of facilities. The facilities on 9C/9D, as stated in the evidence, are required. The training continuum starts with simulation—training in the unit area—but then there are times when there is other training. Live fire marksmanship is conducted at Murray Bridge. As that is 77 kilometres away, a unit of a couple of hundred people may go and spend four or five days on the range to conduct their range and shooting proficiency tests. Those deferred works were to upgrade those rudimentary facilities at Murray Bridge, so that there are more concrete slabs for the soldiers to put tents up to stay there while they are training, and to improve other conditions with ablutions and kitchens. So there are two separate functions.

Mr FORREST—I suspect that what you are doing is sending a signal as to how vital this land, 9C/9D, is. I wonder if you might explain it to us. If that land is not acquired and the works that are to be put on there do not occur, what ramifications does that have for the success of the whole project?

Brig. Grice—I might pass to Brigadier Krause in a minute. The optimal solution is to have some of these training facilities located adjacent to the unit lines. A suboptimal solution would be to have those types of facilities located somewhere else. If 9C/9D is not acquired some of those facilities that we are planning for 9C/9D could be accommodated within Edinburgh, but some of them would have to be located elsewhere.

Brig. Krause—I would reinforce what Brigadier Grice said. One of the most exciting things about this development is that we have a close training area, designed for not only personnel but also vehicles, directly adjacent to where the vehicles will be stored and maintained. So that has not only advantages for saving time in training but also a significant flow-on cost saving for every time we move our vehicles. Even if the facilities were built somewhere else in Edinburgh,

there would be an additional cost. If nothing else, initially we would have to make sure that the pavement in the whole of Edinburgh could take our heavier vehicles. If, heaven forbid, the facilities had to be built off Edinburgh, potentially we would be in a situation where we would have to truck our vehicles on public roads, with the additional time, inconvenience to the public and cost.

CHAIR—Do you do the repair work on vehicles there as well?

Brig. Krause—Absolutely. Not only will there be the first-line repair facilities which will be within the battalion, but one of the great advantages of this proposal is that it actually locates a battalion group, so it comes with second-line maintenance facilities, which is the logistics function that will be on the base. If I could give an analogy, at first line it is like taking your car to have a six-monthly service; if there is some additional repair required it would then go to second line. We can do all of that in the precinct as proposed.

Brig. Grice—If the facilities we are proposing for 9C/9D have to be relocated onto the existing Edinburgh defence precinct then obviously some of that area that we showed you as set aside for possible future expansion over the 30-year life of the current facilities would be compromised, so we would lose flexibility for the future. We would also lose a buffer between the base and the industrial areas further to the south.

Going back to the cost estimate: it is a coincidence that the cost of the deferred works we are talking about for Murray Bridge and the cost of the works at 9C/9D are similar. They are not the same; it is just a coincidence.

Senator TROETH—On the overall plan that you showed us on the site inspection, it is very apparent that the base now consists of a lot of small, separate buildings. In a lot of the redesign work, they are still going to be, if not small buildings, certainly still separated. I am guessing that there has been a need to keep functions separate, but are there any instances of where you have managed to combine buildings to achieve an economy of scale?

Brig. Grice—Looking at the layout down here, all of the common-use facilities are an example of where we have combined functions to give us economies of scale. The mess replaces three existing messes which have been demolished and gives us the economies of scale of operating one kitchen, not three, hence one set of food deliveries and one set of people working in the kitchen. The health facilities are another example. We are combining the requirement to service the 1,800-odd Air Force personnel on the base and the 1,200 Army personnel who will be coming there. There are also the fitness facilities, where we are achieving economies of scale and providing facilities to suit all of the people.

Within the Army working accommodation, in the support unit area we have a combined workshop for the engineer squadron and combat services support team. They both have a second-line heavier repair function. We found that there were some efficiencies to be gained by co-locating both of those elements in the single facility. Elsewhere across the base: in the unit lines in 7RAR in these buildings we have retained the functional layout of the units. A company has a hangar. In that hangar are its vehicles. There is an armoury in that building for its weapons. There are work areas for the headquarters of that company. Where it is possible, we have done it,

but where it is more important to maintain the independence and the function of the subunit concerned, we have not done that.

Brig. Krause—Our experience shows that the more ownership people have of their equipment, particularly from an accountability and corporate governance point of view, the better that equipment is maintained. So the design of the facility, where the armouries are right next door to the company that is responsible for those weapons, for example, gives me increased confidence that the weapons will be well maintained and, above all, secure.

Senator TROETH—You have 1,800 people on the base at the moment and you anticipate another 1,200 arriving with the deployment from Darwin. Where will these extra personnel be accommodated?

Brig. Grice—You will recall Project Single LEAP and, more directly, Project Single LEAP phase 2, which was referred to the committee, and a public hearing was held in May last year. Project Single LEAP will be providing some 230 level 5 living-in-accommodation units on the base adjacent to the common-use precinct to provide for living in accommodation for those soldiers and airmen who meet the requirements for having to live on base.

Senator TROETH—I realise that is a separate project and not part of the consideration of this committee. Do you anticipate any congestion on the base with the two projects—

Brig. Grice—Coordination issues?

Senator TROETH—Yes, coordination—operating virtually on parallel lines?

Brig. Grice—For nearly 18 months—and I might throw to Mr Ellis to reinforce this—Defence has had a project coordination group operating on defence base Edinburgh to de-conflict and coordinate all the projects that have been approved or are in development. That group will continue to operate throughout the construction periods. There will be daily, weekly and monthly coordination between projects that are operating on the site. Mr Ellis might like to add a little bit to that.

Mr Ellis—To elaborate further: we have paid a lot of attention to site management planning. We recognise the level of construction activity that is going to occur on the site and the impact that it will have, not just between the head contractors but on the operation of the base. We are very conscious that RAAF Edinburgh is an operational defence base and that needs to be maintained throughout the construction period. But there is a lot of activity happening. You would have seen from the tour that there is a lot of work to be done in any one year.

Regarding some of the measures that we have taken, we have allocated separate access points for the different head contractors and we have kept those off the main access point, the main gate at McNamara Road. We have also developed special conditions which will mean that the contractors will not be using those gates at the peak time—for example, with the traffic when the base personnel are coming in to work in the morning. We have also allocated discrete work areas which can be separated from the rest of the base and we have identified which elements need to maintain continued operation throughout construction, so that they can still get access. As Brigadier Grice has highlighted, we have a forum to continue to do that. We have put a lot of

effort into it already in the last 18 months, but we are just beginning, and we will continue to focus on that through to delivery.

Brig. Grice—I will pass to Wing Commander Rod Smallwood to give a base perspective of the coordination that we have had to date and how he thinks this might work out.

Wing Cmdr Smallwood—The coordination aspect is quite significant, as was pointed out, and you were shown around the base this morning. Our main focus has been to concentrate on maintaining the combat capability while keeping people safe. To do that, as Dechlan said, we have looked at opening other parts of the base to keep access away, so that the contractors are away from the operating part of the base and separated with the use of fences and meshing, keeping OH&S considerations. But it is going to be a very difficult three or four years. I know—and I do not sleep very well over it—it is going to be a very difficult thing to do, but we will manage it with the Edinburgh coordination group. It is very open and we do discuss and try to maintain that, and we look forward as to what the issues are. Certainly, safety and security are the two big ones for me.

Brig. Krause—I would have to say that one of the things with the project that I am delighted with is that it is not coincidental that the area of common usage is shown in purple. That is, our RAAF brothers get something out of this project as well. While I accept that there will be some exciting tension with an Army battalion moving onto this base, the fact is that joint-user facilities, I think, will be very welcome by our RAAF brothers. They will use them and will have the exactly the same rights to them as we will.

CHAIR—I am sure the wing commander appreciates that hand of friendship, Brigadier.

Mr CHAMPION—With regard to the community facilities, do they take into account future expansion of the base?

Brig. Grice—Yes. The community facilities that we briefed you on this morning are sized to accommodate the existing base population—those elements of 92 Wing that deploy overseas, as well as the Army units that are coming in. They are a facility for the base where the families of deployed personnel can receive support during the deployment of their husband, father, brother or wife overseas. It is a welcome addition to the project.

Mr HALE—I have a question for the brigadier. There is additional housing being built in the area—and, driving out here today, we saw the development—as well as the access road to the base. That was slow. I thought we were going to a funeral; I got them to turn the headlights on! With the private sector as well as defence housing, are you confident of getting builders in that time frame, considering the shortage of skilled builders in the current climate right across Australia? Are you confident that by 2010 you can have 60 per cent of it completed? That is probably my biggest concern: the blow-out in cost. As a committee we have a responsibility to taxpayers to make sure that that cost stays under or at the \$623 million.

Brig. Grice—I will pass to Mr Dechlan Ellis to talk about the industry capacity in South Australia shortly. There are a number of very large infrastructure and resource projects planned for South Australia. We are ahead of those. We are looking at being in the tender market within a month or six weeks, subject to the consideration of the committee of course. We are a good 12 to

18 months ahead of those booms. The other thing is that this is a large project which is located very close to Adelaide, as opposed to some of those resource projects that are at remote sites. So we see this project as getting a good response from the market.

We have conducted the registration phase for the delivery, where we have sought expressions of interest from contractors who might want to be considered to tender for the works, and the response was very positive. For the four head contract packages that we will eventually put out to tender there was a total of 20-something nominations from about 15 different companies. So we believe that the Commonwealth will get good competition for this project—it is timed right and it is located right.

Mr Ellis—There is no doubt that the HNA project, due to its size, will impact on the capacity of the construction industry in South Australia. We are very conscious of that and we have done a lot in our own planning to take that into account. The market is not yet at its peak. As Brigadier Grice said, we are at the front end of that—which is a good place to be. We are very conscious, though, of how dependent we are on the capacity of subcontractors and materiel suppliers. With that in mind, the only other thing I would add is that we have been active in industry engagement to try and provide early warning so that industry is prepared to support us. We have done that formally in terms of the industry brief we provided as part of the expression of interest stage for head contractor selection and we have also coordinated other events through the Building Council of Australia locally in Adelaide last year. As Brigadier Grice said, we have had very strong interest from the construction industry—and we have contingency plans if it becomes an issue. We are confident that the schedule we have developed incorporates that and that we can complete within the time we have allowed for in the delivery phase.

Mr SLIPPER—I think the idea of a joint mess is good. But could you give me an idea of the size of it? How many meals will it have the capacity to produce each day? Presumably it would be thousands. That is my first question, Brigadier. While you are looking for that I will ask a question of Brigadier Krause as well. I have had a concern for a long time about the cost to the community of losing so many officers in their 30s and 40s for family reasons. Do you believe that the move by your people to Adelaide will help to stem the loss of those officers, in whose training of course the community has invested millions of dollars? There could be an extra flow-on benefit to the community because we will retain more of those officers, who are clearly at the peak of their use to the Army.

Brig. Krause—That is a very good question. My job last year was in the recruiting and retention implementation staff, so I know this area fairly well. There is no doubt in my mind that opening up what is effectively a new posting location for elements of the mechanised brigade will be positive as far as retention of our soldiers goes—and indeed for their families; because we believe very strongly that you recruit the soldier but you retain the family. Having another option open to them—by having these magnificent facilities well located near the major city that Adelaide—will give them another great opportunity. Having a mechanised battalion in Darwin and having a mechanised battalion in Adelaide simply gives our soldiers more choice, and choice is the key thing we need to retain our soldiers. So I believe it will be a fantastic positive.

Brig. Grice—The capacity of the ORs mess is 572 seats inside at a sitting, so over a two-hour lunch period with three sittings we could feed approximately 1,800 people in that mess. The sergeants mess has a seating capacity of 160, so over a two-hour lunch period we could serve

close to 500 people. The officers mess has 132 seats inside, so with three sittings over a two-hour lunch period we could serve about 400 people. The mess has been sized to cater for a total dependency of about 3,600 people, so we have built in a little bit of flexibility to cater for any surge that occurs to support training or operations, or any future expansions that may occur on Edinburgh during the design life of these facilities.

Senator MARK BISHOP—Brigadier Grice, I just want to go back to the 9C/9D issue. Correct me if I am wrong, but I have a vague memory that the former Prime Minister and the former Minister for Defence, Senator Hill, made an announcement in very late 2005 that the HNA and the 2nd battalion would be located in South Australia and specifically at Edinburgh. Is that correct?

Brig. Grice—Yes. I believe it was in December 2005.

Senator MARK BISHOP—In that context, I also presume that there had been significant preparatory work and planning done, firstly by Army and then at joint headquarters, for at least a couple of years prior to that for a location to meet all the needs. Is that correct? I presume that neither the Prime Minister nor the Minister for Defence woke up one morning and thought this is a good idea and went out to the press.

Brig. Grice—There may have been planning within Army headquarters and within Defence. We the Infrastructure Division of the Defence Support Group were handed this project in December 2005. At that point, as with any of these projects at the very beginning, there is no fidelity as to what the facility requirements might be. So, at that early stage in December 2005, it was ‘big hands on small map, Edinburgh is a viable solution’. But the detailed requirements and the detailed optimal siting, the fleshing out of what the user required and where on Edinburgh that could be located, took some time and it was not until later in 2006, after we had been given the project and started project development and consultation with the users and sponsors, that we started to put together the site layouts. Then it was only later in 2007, during the design process, that we started to look at and finalise and build in requirements to cover any expansion that might be needed and come up with a final layout and a final master plan for the facilities. So it is not for any lack of planning back in 2005; there was little information at this level that we have today available at that time.

I think you have also got to recall that the divestment program was commenced around 1999 and was an ongoing program down here, with the final sales occurring around the middle of 2005, and I believe that at that time, when the final sales were coming up, a buyback provision was inserted into the final element of the disposal to cater for what at that point would have been a possibility but had not been announced by government.

Senator MARK BISHOP—So back in the middle of 2005 you recognised there was a possibility that you might need to have expansion and you put a contingency plan in the contract to have essentially right of first refusal to repurchase. I presume that decision was fed up the line to the relevant minister at the time?

Brig. Grice—The evidence for the project was cleared by the minister.

Senator MARK BISHOP—Was that Senator Hill or Senator Minchin?

Brig. Grice—In December 2005 it was Minister Hill.

Senator MARK BISHOP—I am sorry; I will be more specific. I am talking about when planning and infrastructure became aware that they might have to repurchase some or all of the divested land. Who was the relevant minister, and when was the relevant minister alerted that you might have to have such a provision in the contract to allow right of first refusal?

Brig. Grice—I do not know the answer to that question. We would have to investigate that and provide it in writing to the committee.

Senator MARK BISHOP—Would you mind taking that on notice?

Brig. Grice—Yes, we can take that on notice.

Mr CHAMPION—Obviously it is going to be a big project and it is going to employ a lot of people. We have still got some very high levels of youth unemployment in the area. One of the things the expressway project is doing is putting in some percentages about trying to draw some of those people into the labour market. In your discussions with industry, have you had any thoughts or discussions along those lines—recruiting some of the unemployed to be construction workers?

Mr Ellis—The short answer is ‘not in detail’, but we will be very interested in the resource plan that the head contractors will provide. We need a skilled labour workforce for all the trades that we have got to use, but we also need a general labour force. We would be open to suggestions like that, but it is still early days in terms of what the contractors are going to present to us in terms of their resourcing.

Mr CHAMPION—But there is nothing specific in tender documents or anything like that?

Mr Ellis—No.

Mr CHAMPION—Has that ever been done in Defence projects?

Brig. Grice—Not that I am aware of.

CHAIR—You are lucky to be considering this development in a local council area that has a leading record on stormwater recycling and aquifer recharge. I wonder whether you might say a few words about the way in which the development proposal tries to integrate with that.

Brig. Grice—Management of stormwater has been a big issue during the development of the project, and we have engaged with the City of Salisbury and the LMC to come up with a consultative approach to help them achieve their aim of the aquifer storage and recharge project. From the site inspection this morning, you noted that one of the major items on the site is a large stormwater drain which collects stormwater which comes from off our site, upstream from us—from DSTO and other areas upstream around West Road—and then routes it through the RAAF Base Edinburgh into a retention pond which is also located on Defence land at RAAF Base Edinburgh. This has been done in close consultation with the local authorities to ensure that we help them achieve that aim.

Furthermore, Defence intends to be a customer for the water resource which would come out of this system, and we will be installing a third pipe, a non-potable water distribution system, on the base to provide for all of our non-potable water uses on the base. This is one of the components of our ecologically sustainable development program. All of the toilets and all of the irrigation and watering on the base will use non-potable water, which will come either from on-base storage of water that we store on base or from water purchased through the aquifer recharge system.

As an adjunct to this, we are collecting stormwater off a large portion of the new development. It will be stored in an underground storage area on the base. We are going to put in storage to hold about 5.9 megalitres, and we have estimated that over a normal year the total water requirement for RAAF Base Edinburgh after this development is of the order of 160 megalitres of water per year—which is about 1½ days of water supply for a city the size of Canberra.

We have determined that there will be a requirement for about 59 megalitres of non-potable water per year and a requirement for about 100 megalitres of potable water per year. The on-site storage from our own storage should yield of the order of 52 megalitres of non-potable water per year. In a good year we would be looking to top that up from the aquifer's storage and recharge system. On a very bad year we would be looking to, as a first recourse, purchase recycled stormwater; however, when our storage and their storage are depleted then the fallback would be potable water. It is interesting to note that the current usage of potable water on the base, where all of the irrigation systems are potable water, is probably about 135 megalitres of potable water a year. After this initiative, with an increase in base population of another 1,200 people, the amount of potable water we will be using will actually be reducing to around 101 megalitres. There is of the order of a 25 to 30 per cent saving in the use of potable water, which is a big bonus and furthers our aim to be a good corporate citizen in ensuring a sustainable future for the defence estate.

CHAIR—Thank you for that. I should note for the record that we have also received a submission from Mr Michael Pickering and I thank the brigadier for his written response to that. I also note that in the submission the department has indicated that it undertook a number of community consultations about this proposal. Is there anything further that you want to place on the record about feedback from the community about this project?

Brig. Grice—I can read into the record a document which summarises all of the community consultations and other consultations that we have had with local governments, state governments and other entities, if you require it.

CHAIR—No, we just require an indication from you that there is nothing that the committee should take account of other than what is contained in your submission.

Brig. Grice—No, except that I would say that we have had a lot of consultation with Defence stakeholders. We have also had external consultation with the state government, the Premier and members of the South Australian government, Defence South Australia and the Land Management Corporation. We briefed local government in Port Pirie, Port Augusta, Whyalla, the town of Gawler, Salisbury in early April 2007 and again in June 2007, and Playford in September 2007. We have also had, as part of an ongoing consultation process, the Base Commander of RAAF Base Edinburgh and Defence Support Group South Australia involved in

fortnightly meetings of the Greater Edinburgh Parks Steering Committee, the Greater Edinburgh Parks Working Group and the Edinburgh Parks Strategic Planning Committee.

We had dedicated consultation sessions for the wider community, which were advertised in local papers and held on 12 September 2007 at the Playford Civic Centre and on 13 September at the City of Salisbury chambers. We have had regular and ongoing consultations with the utility and service providers, including ETSA utilities, the South Australian Water Corporation, Telstra, Origin Energy and the South Australian Metropolitan Fire Brigade. In March this year we briefed Inghams, Goodman Group, Coles, Swire, Emmett and also the Land Management Corporation. They are our neighbours in the industrial area to the south of the estate. Also in 2007, we had consultation with the Kurna people via the Tappa Iri Indigenous Business Centre on 13 to 16 February 2007 and 12 to 13 March 2007. On 19 October 2007 we provided an industry briefing to the South Australian Property Council to give them some forewarning on the upcoming works and opportunities for local industry.

CHAIR—Thank you very much. Is there anything further you would like to say?

Brig. Grice—We might add a little to Mr Champion's questions about the youth unemployment.

Mr Ellis—I will go back to your question about youth unemployment and trade skills, Mr Champion. I explained that we were paying close attention to the resourcing plan in our expression of interest phase. I have just been passed some more information from a member who was on the expression of interest evaluation panel which can further amplify my response. During the expression of interest process, the majority of registrants indicated that they were involved already in state government programs to assist with technical and apprenticeship training programs and intended to use the HNA project as a training environment to increase the skills of both their employees and new trainees. So obviously industry is seeing this as a really positive opportunity and we will aim to support them in that.

Mr FORREST—I have two more questions. It is a bit pedantic but it justifies having all the people you brought along with you, Brigadier. In your submission, in clause 67b on page 19, it says that steel columns supporting simply supported steel beams would be utilised to form the framework of the buildings. I do not understand that principle. I would have thought that portal frames would have given extra rigidity. Could you explain—

Brig. Grice—Where it says:

Steel columns supporting simply supported steel roof beams with cold formed purlins and metal roof sheeting ...

Would you like an explanation of—

Mr FORREST—Why would you use a simply supported beam but not a portal frame structure and utilise the stiffness of the columns, given the side wind and all the rest of it?

Brig. Grice—I have will pass to our design manager, Mr Pinnock.

Mr Pinnock—I am pleased someone asked a question that I can answer.

Brig. Grice—Mr Pinnock is an architect, not an engineer!

Mr Pinnock—It probably harks back to the question that Senator Troeth asked earlier about the scale of buildings. The majority of buildings on the site are small-scale buildings. In fact, when we looked at the structure for the various building elements we found that simple brace steel structures were more efficient and economic than portal frame structures. Generally we have brace frames through the majority of the buildings. Some of the larger buildings would probably have portal structures, particularly in the common-user facilities, but the majority of facilities will have small brace frames, where we get the members down to a light scale.

Mr FORREST—Okay. The other question is about the service station which will become obsolete and will be demolished. What is its current use? I assume it is purely for supply to people on site, not for defence use. But, if it is being demolished, what alternatives have been discussed with people who might need fuel on site for private use?

Brig. Grice—The service station has been around for 30 to 40 years. In that time there were not adequate other facilities around for people to fuel their vehicles. With the expansion of Adelaide towards this region and the Edinburgh Parks development north and south of here, there is now no longer a need for defence to have a dedicated, on-site service station, so we will be making use of existing commercial facilities off base. This goes back to Senator Troeth's question earlier. This is one of the areas where we are combining with the local community to use existing facilities for the provision of fuel to private members' vehicles rather than having a dedicated service station on site. For the military vehicles, which are almost exclusively diesel operated, we will be installing a fuel point on the base in which we will have above-ground storage tanks and a series of our own delivery hydrants to deliver fuel to those vehicles.

Mr FORREST—Has anybody asked a question about the evidence given by Mr Wilkinson about the rail hub? Has that question been asked?

CHAIR—There was no question about it.

Mr FORREST—All we have is a letter of explanation dated 5 September last year, sort of dismissing his recommendation, but to me it would make some sense that, if there are large heavy vehicles to be transported between Darwin and Edinburgh, some sort of rail facility ought to be facilitated. I wonder if you could explain how that might operate without accepting Mr Wilkinson's suggestion to extend the railhead up to the site.

Brig. Grice—I guess it is frequency of use and the cost-effectiveness of putting in a dedicated rail spur. Defence did a strategic and regional study on this, and it is more cost-effective, for those times when we are deploying to Cultana, Woomera or elsewhere to the north with tracked vehicles, to either take them on vehicles to existing rail facilities and then use the railway to take them north or, for those areas that are close at hand, take them directly by vehicle. There is a good road network between Edinburgh and the existing railheads. I will pass to Mr Smith to talk about upcoming developments which should see the South Australian government, I believe, put in an intermodal hub within five kilometres of the Edinburgh site.

Mr Smith—I was involved as part of the working party for the 'Nexy' program, the North-East Expressway program, and of course that has now been approved. Since then there has been

a proposal put forward—and I think it is very close to being approved, if not about to start construction—for an intermodal west of Heaslip Road, which is only about four to five kilometres away from the base. So there would be no requirement for us to have a spur. With the cost of the ongoing maintenance, it would be logical for Defence to utilise the hub at the intermodal, because it is only the first phase. That will be developed into a very good distribution point, spur et cetera by the civil enterprises. We would certainly link into that, because it is really on a case-by-case basis and we would not need to own one of those facilities at the base.

Brig. Grice—I will also pass to Brigadier Krause, to talk about the frequency of the deployment of vehicles.

Brig. Krause—Most of our heavy equipment that will come down from Darwin will not go any further south than Port Augusta or Whyalla anyway. Cultana will be the larger training area where we will do our manoeuvres, particularly if the expansion is approved. Vehicles moving from this base will all be road-legal vehicles that are based here. As was pointed out, a four-kilometre trip into town to load onto someone else's facility is cost-effective from our point of view. Given the frequency with which we do large moves, I would not see that happening more than four or five times a year. If we are moving four vehicles, which is a platoon's worth, or if we are moving up to 15, which is a company's worth, I have the integral lift within the brigade to put them on trucks and move them on trucks. In some cases, we may actually do a road move even as far as Cultana, if we believe that there is training benefit in that. So I believe that there is no specific requirement for a spur into here. We simply do not need it.

Mr FORREST—Does Defence have a preference, though? If, for a long haul, you put it onto a low loader, take it to the rail hub and then put it on a train, that is more movement. What is Defence's preference?

Brig. Grice—It is a good question. It would not be unfair to say that we have rediscovered how to do rail movement now that we have the north-south link. We have found that it is very, very cost-effective to move over long distances with rail. What is a long distance for rail? For anything over about 200 or 300 kilometres, we would try and use rail. For anything between, say, about 20 kilometres up to 300 kilometres, we would put it on trucks. For anything less than about 20 kilometres, we would probably move it on tracks.

Mr FORREST—What is the time proposed for the other contribution for the state government railhead intermodal? Is there a time line?

Mr Smith—From the available information that I received as part of the working group, I believe it could be up and going by mid to late next year.

Mr FORREST—Are there any obstacles in the way?

Mr Smith—I think you will find it is with the state government to decide the approval process—I think it is with them at the moment—for whether it is going to become a capital project or not.

Mr FORREST—Do you think we could recommend that it be hurried up or something?

Brig. Grice—7RAR will not be relocating down here until the end of 2010, so there is a very good chance that it will be complete by the time we deploy our forces down here.

CHAIR—I thank the witnesses for their attendance and cooperation today and everyone else for their attendance and their attention.

Resolved (on motion by **Mr Champion**, seconded by **Mr Slipper**):

That this committee authorises publication of the transcript of evidence given before it at public hearing this day.

Committee adjourned at 1.15 pm