

Battlefield Airlifter Facilities Project, Royal Australian Air Force Base Amberley, Queensland

- 2.1 The Department of Defence (Defence) seeks approval from the Committee to undertake works at a Royal Australian Air Force (RAAF) base in Amberley, Queensland, in order to provide facilities to operate and maintain ten new C-27J Battlefield Airlifter aircraft.¹
- 2.2 These light tactical, fixed-wing aircraft boast greater speed, range and payload capabilities than the previous fleet of aircraft.²
- 2.3 The first aircraft arrived in Australia in June 2015, and the second in September. The remaining aircraft are scheduled to arrive in stages beginning late 2016. The aircraft will be stored at RAAF Base Richmond, until work at RAAF Base Amberley is complete.³
- 2.4 RAAF Base Amberley is Defence's preferred main operating base for the aircraft, as it will provide opportunities and efficiencies for the Royal Australian Air Force. The C-27J Transition Team and No 35 Squadron (35SQN) will oversee the aircrafts' operation.⁴
- 2.5 Additionally, the Joint Logistic Unit for Southern Queensland is located at RAAF Base Amberley and will therefore provide 35SQN with immediate access to national level logistics support.⁵
- 2.6 The estimated cost of the project is \$370.4 million, excluding GST.
- 2.7 The project was referred to the Committee on 16 September 2015.

1 Defence, submission 1, p. 11.

2 Defence, submission 1, p. 1.

3 Defence, submission 1, p. 2.

4 Defence, submission 1, pp. 1,3.

5 Defence, submission 1, p. 3.

Conduct of the inquiry

- 2.8 Following referral, the inquiry was publicised on the Committee's website and via media release.
- 2.9 The Committee received one submission and three supplementary submissions from Defence. A list of submissions can be found at Appendix A.
- 2.10 The Committee received a briefing from Defence and conducted an inspection at RAAF Base Amberley and public and in-camera hearings at Ipswich on 3 November 2015. A transcript of the public hearing and the public submissions to the inquiry are available on the Committee's website.⁶

Need for the works

- 2.11 In order to operate and maintain the new aircraft, Defence has separated works required into three groups:
1. training system facilities;
 2. operational facilities (working accommodation, maintenance facilities and aircraft parking apron); and
 3. replacement infrastructure for functions that have been displaced by the arrival of the new aircraft.⁷
- 2.12 Individual scope elements listed under each of these groups will be discussed later in the report; however works will include constructing new and refurbishing existing facilities, road extensions, demolitions and relocating heritage buildings.⁸
- 2.13 A Flight Line Master Plan has been developed by Defence to facilitate strategic planning at RAAF Base Amberley, particularly with regard to efficient use of space and layout options.⁹
- 2.14 At the public hearing, the Committee heard that the Master Plan influenced much of the project's scope.¹⁰ Defence went on to explain the plan's inception:

A couple of years ago when Air Force discussed the issue of formulating a flight line master plan with the state infrastructure group at the time, we knew that there were several projects in the mill that were proposed to be delivered at [RAAF Base] Amberley.

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

7 Defence, submission 1, p. 3.

8 Defence, submission 1, pp. 3-5.

9 Defence, submission 1, p. 2.

10 Brigadier Noel Beutel, Defence, transcript of evidence, 3 November 2015, p. 4.

As the brigadier has touched upon, there was no strategic vision of where these aircraft and operational and training facilities were to be located. As a result, we looked at a range of different factors, noting the significant investment that Defence had already made in the extant flight line area... It just was not economically viable to start with a blank sheet of paper. So there was an assumption that the extant facilities were a starting point.

Then we looked at a range of different functionalities when we looked at the potential locations and options for the future aircraft, including Growler [EA-18G Growler aircraft] and the C-27[J]. We considered aspects like explosive ordnance, safety arcs, flood levels and functionality, ensuring that there was what we call a linear flight line. So, there is the runway, the taxiway, the apron – basically where the aircraft get parked – then a maintenance facility, then the squad and headquarters for planning administration and, behind that, workshops. So there is an obvious flow of the work day to day and co-location of those facilities. They were all considered as part of the mix. We work closely with Estate and Infrastructure Group and consultants to look at a range of different factors. The Flight Line Master Plan, which you were briefed on this morning, was deemed the most appropriate and effective, and bed down for RAAF Base Amberley into the future.¹¹

- 2.15 Defence explained that locating the C-27J aircraft at RAAF Base Amberley allows for more efficient critical support, given that larger support aircraft are already residing there. This translates to reaching further distances in shorter amounts of time.¹²
- 2.16 During the site inspection, the Committee saw ageing facilities scheduled for demolition as well as facilities to be displaced by the proposed works.
- 2.17 The Committee is satisfied that the need for the work exists.

Options considered

- 2.18 As there are no existing operational and training facilities that will support the new aircraft, Defence proposes to construct new facilities as listed below under Scope of Works.¹³

11 Air Commodore Scott Winchester, Defence, transcript of evidence, 3 November 2015, pp. 4-5.

12 Wing Commander Daniel Rich, Defence, transcript of evidence, 3 November 2015, p. 10.

13 Defence, submission 1, p. 5.

- 2.19 Additionally, Defence proposes to construct new facilities to support the functions of facilities displaced by infrastructure for arrival of the new aircraft.¹⁴
- 2.20 The Committee found that, based on Defences' Flight Line Management Plan, the option proposed is appropriate. The Committee notes that by constructing the new facilities at RAAF Base Amberley in accordance with the Plan Defence is enhancing current and possible future capability of the base.

Scope of the works

- 2.21 Defence has identified 17 scope elements, to be split between three separate groups:

2.22 **Training system facilities**

1. Training system facilities.

The proposed training system facility will provide working accommodation, storage areas, meeting rooms, training classrooms, C-27J flight simulator and general amenities.¹⁵

- 2.23 During the in-camera hearing, the Committee noted there was some uncertainty about training requirements and therefore sought assurances from Defence that the training facilities would be fit-for-purpose. In responding to the Committee's query, Defence advised that there was sufficient flexibility in the design to accommodate the range of training requirements once these have been fully determined.

2.24 **Operational facilities**

2. 35SQN Working Accommodation

The proposed facilities will provide the main working accommodation for 35SQN personnel. This will include open plan and private offices, storage areas, archives, meetings spaces and general amenities.¹⁶

3. 35SQN Logistics

This is proposed to include working accommodation, general warehousing, aircraft parts storage and management and a maintenance tool store.¹⁷

14 Defence, submission 1, pp. 5-6.

15 Defence, submission 1, pp. 14-15.

16 Defence, submission 1, p. 15.

17 Defence, submission 1, p. 15.

4. 35SQN Hangar

The hangar will be configured for three C-27J Battlefield Airlifter aircraft. Two aircraft positions within the hangar will be fitted with aircraft docking.¹⁸

5. 35SQN Workshops

A range of workshops are proposed in order for 35SQN personnel to undertake a range of aircraft and equipment maintenance activities such as structural repair, surface re-finishing, avionics and propulsion.¹⁹

6. 35SQN Apron

The apron and airfield infrastructure is required to safely operate, maintain and manoeuvre the new aircraft. This area will include parking spaces for ten C-27J Battlefield Airlifter aircraft, in-ground hydrant refuelling and aeronautical lighting.²⁰

7. 35SQN Ancillary Buildings

These facilities will be dispersed due to safety requirements and will include a dangerous goods store, ground support equipment shelters, communications node, fire tanks and fire pumps.²¹

8. Site Infrastructure

This will include essential engineering services and infrastructure.²²

9. Canberra Drive Extension to Hudson Road

This will comprise civil works, new road pavements, relocation of existing storm water drainage and services to within the proposed new road reserve corridor. The civil works will include appropriate pedestrian access routes to and from adjacent facilities.²³

2.25 Displaced facilities

10. Fire Station and Bureau of Meteorology Facility

The base firefighting capability and Bureau of Meteorology functions will be consolidated into a single new-build Fire Station/Bureau of Meteorology Facility. The Fire Station facilities proposed include dedicated working accommodation, fire training classrooms, recreation room, gymnasium, observation tower; parking and storage. The Bureau of

18 Defence, submission 1, p. 16.

19 Defence, submission 1, p. 16.

20 Defence, submission 1, pp. 16-17.

21 Defence, submission 1, p. 18.

22 Defence, submission 1, p. 18.

23 Defence, submission 1, p. 18.

Meteorology area comprises working accommodation and an observation room. General amenities will be shared.²⁴

11. 23SQN Working Accommodation

This will include open plan and private offices, archive storage areas, meeting rooms, resource areas and general amenities.²⁵

12. Transit Accommodation

This will provide 200 rooms with a capacity for 400 beds, working accommodation for management personnel, a dedicated bedding store and general amenities.²⁶

13. Transit Accommodation and Base Briefing Room/Court House Car Park

This will provide 174 spaces.²⁷

14. Base Briefing Room/Court House Facility

This proposed new facility will include a briefing room with tiered seating for 275 people, court house, storage for ceremonial equipment and general amenities.²⁸

15. Australian Air Force Cadet Facilities

This will combine training, flight line and working accommodation with the aircraft shelter and hangar facilities.²⁹

16. Canberra Drive Extension from Hudson Road to Lincoln Avenue

This will comprise civil works, new road pavements, relocation of existing storm water drainage and services to within the proposed new road reserve corridor. The civil works also include appropriate pedestrian access routes to and from adjacent facilities.³⁰

17. Environmental Protection and Biodiversity Conservation Heritage Impacts

The Department of Environment has approved the removal of all redundant facilities subject to a number of conditions, including the relocation of one heritage Bellman Hangar.³¹

24 Defence, submission 1, pp. 18-19.

25 Defence, submission 1, p. 19.

26 Defence, submission 1, p. 19.

27 Defence, submission 1, p. 20.

28 Defence, submission 1, p. 20.

29 Defence, submission 1, p. 20.

30 Defence, submission 1, p. 21.

31 Defence, submission 1, pp. 2, 21.

Heritage considerations

2.26 At the public hearing, Defence explained this final scope item:

...those facilities, particularly the Bellman hangar, the two P-1 huts and the storage containers³² are a number of facilities of the 38 heritage listed facilities [at Amberley] that Defence had referred to the Department of the Environment under the *Environment Protection and Biodiversity Conservation Act [1999]* and that the Department of the Environment did approve this year, with conditions. One of those conditions was the relocation of the Bellman hangar.³³

2.27 A representative for Defence's managing contractor continued:

At this stage we are developing up a design to accommodate the Air Force cadets' requirements and also meet the heritage requirements. So a solution which adaptively re-uses the heritage facility and also accommodates the Air Force cadets' needs is what we are looking at. Currently the intent with the [Battlefield Airlifter Facilities] Project is that we will be dismantling a nominated Bellman hangar, moving it in pieces over to the other side and reassembling it. But at that same time we will be upgrading the structure to meet current compliance and wind codes, for example – so essentially turning it into a new, compliant facility to be re-used to house the Air Force cadets' aircraft.³⁴

2.28 In addition to relocating the Bellman Hangar, the Department of the Environment has issued other conditions that must be met before a heritage interpretation plan can be sent to the Minister for the Environment for approval. Defence's project manager discussed them briefly at the public hearing:

There is the archival recording of all 38 heritage listed buildings. There is also the requirement to update the heritage management plan for [RAAF Base] Amberley.³⁵

2.29 Once approval of the interpretation plan has been received, Defence will be able to proceed with removing heritage buildings, under the final scope item.³⁶

32 The relocation of the P-1 huts and the storage containers will be included in the Growler Airborne Electronic Attack Capability Facilities Project in Chapter 3.

33 Brigadier Noel Beutel, Defence, transcript of evidence, 3 November 2015, p. 5.

34 Mr Robert Vines, Laing O'Rourke, transcript of evidence, 3 November 2015, p. 5.

35 Mr David Tranthem, Point Project Management, transcript of evidence, 3 November 2015, p. 7.

36 Mr David Tranthem, Point Project Management, transcript of evidence, 3 November 2015, p. 7.

Displaced facilities

2.30 During the public hearing, the Committee noted that relocating existing facilities accounts for nearly half of the project's scope. Defence explained:

Some of those displaced facilities... are quite aged and – to be honest – in completely the wrong location. They were probably located there originally for all the best intentions but, when we look at where RAAF Base Amberley is now in 2015 and where it is going forward in 2019-20, they are in a completely dysfunctional area. It is a completely inappropriate area for that.

The requirement for the displaced facilities is predominantly driven by the flight line master plan to maximise those operational requirements that we need for the new aircraft. Also, the facilities that we are displacing are not appropriate to be in that location to start with and, again, a lot of them are very old, noncompliant and eventually will have had to be displaced anyway. This project has driven that aspect of it.³⁷

2.31 Subject to Parliamentary approval of the project, construction is expected commence in early 2016³⁸ with all construction to be completed by early 2019.³⁹

2.32 The Committee finds that the proposed scope of works is suitable for the works to meet its purpose.

Community consultation

2.33 In accordance with its community consultation and communications strategy, Defence undertook the following consultative activities:

- detailed email correspondence with local groups and State and Federal members, with individual briefings conducted where requested;
- notices in the local newspapers providing information on opportunities for the public to comment on issues relating to the project; and
- a public consultation session held on 7 October 2015.⁴⁰

2.34 At the public consultation session, Defence responded to a number of issues, including questions about the tendering process. An overview of

37 Brigadier Noel Beutel, Defence, transcript of evidence, 3 November 2015, p. 4.

38 Defence, submission 1, p. 30.

39 Completion date corrected by Brigadier Noel Beutel, Defence, transcript of evidence, 3 November 2015, p. 1.

40 Defence, submission 1.2, pp. 1-7.

this process was presented and further queries directed to the Managing Contractor.⁴¹

Cost of the works

- 2.35 The estimated cost of the project is \$370.4 million, excluding GST.
- 2.36 At the public hearing the Committee sought assurances that the proposed works would provide value for money. Defence responded:
- ...the minimum that we could expect to get out of the life of these facilities is 40 years, but...I think Defence has a good record of getting good mileage out of its facilities. In comparison to the life of the aircraft I am advised that that is 30 years. Again I would state that the Caribou probably had a similar design life. It was purchased in 1963, and we only retired that aircraft from service in 2009.⁴²
- 2.37 Defence provided further detail on the project costs in the confidential submission and during the in-camera hearing.
- 2.38 The Committee considers that the cost estimates for the project have been adequately assessed by Defence and the Committee is satisfied that the proposed expenditure is cost effective. As the project will not be revenue generating, the Committee makes no comment in relation to this matter.

Committee comments

- 2.39 The Committee did not identify any issues of concern with Defence's proposal and is satisfied that the project has merit in terms of need, scope and cost.
- 2.40 Having regard to its role and responsibilities contained in the *Public Works Committee Act 1969*, the Committee is of the view that this project signifies value for money for the Commonwealth and constitutes a project which is fit for purpose, having regard to the established need.

41 Defence, submission 1.2, p. 8.

42 Brigadier Noel Beutel, Defence, transcript of evidence, 3 November 2015, p. 9.

Recommendation 1

- 2.41 **The Committee recommends that the House of Representatives resolve, pursuant to Section 18(7) of the *Public Works Committee Act 1969*, that it is expedient to carry out the following proposed work: **Battlefield Airlifter Facilities Project, Royal Australian Air Force Base Amberley, Queensland.****
- 2.42 Proponent agencies must notify the Committee of any changes to the project scope, time, cost, function or design. The Committee also requires that a post-implementation report be provided within three months of project completion. A report template can be found on the Committee's website.